

RESOLUTION 2022-06

**A RESOLUTION OF THE UPPER MONTGOMERY JOINT AUTHORITY,
MONTGOMERY COUNTY, PENNSYLVANIA, PROVIDING FOR THE IMPOSITION
OF CONNECTION FEES, CUSTOMER FACILITIES FEES AND TAPPING FEES
UPON PROPERTY OWNERS WHO CONNECT OR ARE REQUIRED TO CONNECT
TO THE SANITARY SEWER SYSTEM OPERATED BY THE UPPER MONTGOMERY
JOINT AUTHORITY AND REVISING THE INSPECTION FEE FOR EACH
CONNECTION THERETO**

WHEREAS, Upper Montgomery Joint Authority (hereinafter "UMJA") is a municipal authority organized and existing under the Pennsylvania Municipality Authorities Act of 1945, as amended and supplemented (the "Authorities Act"); and

WHEREAS, UMJA, pursuant to the authority vested in it by law has constructed and is operating a sanitary sewer collection and treatment system (the "Sewer System"); and

WHEREAS, UMJA has previously incurred certain capital costs in constructing the Sewer System and has charged property owners connecting to the Sewer System a portion of these costs; and

WHEREAS, by Resolution No. 2021-07, adopted on May 11, 2021, UMJA most recently enacted a tapping fee calculated in accordance with the provisions of Act 57 of 2003; and

WHEREAS, UMJA has, through its consultant, Keystone Alliance Consulting, Inc., received an analysis and calculation of the amount of fees currently authorized by Act 57 of 2003.

NOW THEREFORE, be it **RESOLVED**, and it is hereby **RESOLVED**, that UMJA hereby revises, fixes, and imposes the following connection fees, customer facility fees, and tapping fees authorized by Act 57 of 2003, together with the following provisions relating

thereto, revises the existing inspection fees, and adopts the following provisions concerning collection of the fees:

1. Connection Fee. This fee shall be the actual cost, including inspection, of the connection of the property extending from UMJA's sewer main to the property line of the property so connected. In lieu of the imposition and payment of a connection fee, the construction of this connection, with the prior approval of UMJA, may be performed by the contractor of the property owner requesting such connection, with the property owner being solely responsible for the payment of this contractor. The contractor must be approved in advance by UMJA. The construction of the connection is to be inspected by UMJA's designated representatives. By obtaining the permit to connect from UMJA, the property owner offers the facilities from the sewer main to the property line for dedication to UMJA. UMJA's approval of the facilities after construction shall constitute the acceptance by UMJA for this offer of dedication.

2. Customer Facility Fee. This fee shall relate to the cost of the facilities serving the connected property from the property line to the proposed dwelling or building to be served. In lieu of the imposition and payment of the customer facilities fee, the construction of the facilities serving the connected property from the property line to the proposed dwelling or building shall be performed by the contractor of the property owner requesting such connection, with the property owner being solely responsible for the payment of this contractor. The contractor must be approved in advance by UMJA. The construction of the facilities from the property line to the proposed dwelling or building to be served shall be inspected by UMJA's designated representatives.

3. Tapping Fee. There is hereby fixed and imposed upon the owner or owners of each property required to connect to the Sewer System or who otherwise make connections or utilize the Sewer System, on or after the adoption of this Resolution, directly or indirectly, including those changing the type of use of property previously connected or connecting one or more new uses of the types contemplated by Article III of UMJA's Rules, Rates, and Regulations, through an existing connection, regardless of whether such property(ies) is connected separately or through one or more existing or new sewer service connections or collection lines owned by any other owner other than UMJA, a tapping fee totaling **Thirteen Thousand Seven Hundred Six & 00/100 (\$13,706.00) Dollars** for each Equivalent Dwelling Unit (hereinafter "EDU"). The basis for the calculation of the Tapping Fee in accordance with Act 57 of 2003 has been performed by the Keystone Alliance Consulting, Inc., and the calculation for the Tapping Fee is attached hereto, made part hereof, and marked as **Exhibit '1'**. In addition to the sum required for each EDU, the tapping fee shall include the payment of a special purpose part and reimbursement component part as may be determined by UMJA in accordance with Act 57 of 2003, and its amendments. The following are the components of the tapping fee, and the provisions relating to this Tapping Fee:

a. **Capacity Part.** Based on the calculations of the cost of the capacity related facilities, UMJA adopts the amount of **Eleven Thousand One Hundred Eighty Five & 00/100 (\$11,185.00) Dollars** as the capacity part of the tapping fee.

b. **Collection Part.** Based upon the calculations of the cost of the collection facilities required to provide service, UMJA adopts the sum of **Two Thousand Five Hundred Twenty One & 00/100 (\$2,521.00) Dollars** as the collection part of the tapping fee.

c. **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, shall be charged to meet UMJA's actual cost of the special purpose facilities.

d. **Reimbursement Component.** Fees established as the amount necessary to recapture the eligible portion of the facilities in order to reimburse the property owner or owners at whose expense such facilities were constructed will be charged as may later be established.

e. The Tapping Fee shall be based upon maximum permissible utilization of sanitary sewer flows, whether or not said flows occur initially, at a later date, or do not occur. The payment of the tapping fee is not a reservation of capacity for sanitary sewer flows or treatment within UMJA'S sanitary Sewer System in excess of the flows upon which the tapping fee has been calculated.

f. Where any building connected to the Sewage System shall be converted, enlarged, or remodeled, or additional buildings shall be constructed on a property and connected directly or indirectly, to the sewage collection system through an existing lateral, or where the wastewater usage requirements are building are changed, so as to create or establish additional uses, an additional tapping fee for each additional use or change in use, shall be payable by the owner of the improved property to UMJA.

4. Inspection Fee. There shall be charged an inspection fee of **Three Hundred Sixty & 00/100 (\$360.00) Dollars**, payable in advance, for each connection to the sanitary sewage collection system.

5. Additional Fees Authorized. The connection fees, customer facilities fees, tapping fees, and inspection fees imposed hereunder with respect to property connected to the

Sewer System shall be in addition to any and all other charges assessed against the property in the construction of a sewer main by UMJA and all rental, user, or other charges fixed, charged, or imposed by UMJA by reason of the use, or availability of use, from the Sewer System by such property.

6. Payment of Tapping Fees for Existing Improved Properties. All tapping fees imposed by UMJA for existing improvements shall be payable within Sixty (60) days of the date of the Notice to Connect, as required by municipal ordinance. Tapping fees imposed by this Resolution for changes in usage shall be due within Sixty (60) days of notification from UMJA, or at the time of the property owner(s) obtaining a sewer connection permit, whichever first occurs. Tapping fees for the connection of all other improved properties shall be payable at the time of the application for connection to the Sewer System or at such other time as the property owner and UMJA may agree. UMJA retains the right to require that no capacity shall be guaranteed for a property owner or owners until such time as the tapping fees and other fees enumerated herein have at the option of UMJA, been paid in full or secured by other financial security acceptable to UMJA.

7. Severability. The provisions of this Resolution shall be severable, and if any provision or provisions shall be held to be unconstitutional, invalid, or void such unconstitutional, invalid, or void provision or provisions shall not affect the validity of any of the main provisions of this Resolution.

8. Repealer. All prior Resolutions or parts of Resolutions, and any parts of the Rules, Rates, and Regulations, insofar as they are inconsistent herewith, are hereby rescinded.

9. Effective Date. This Resolution shall be effective on May 1, 2022.

RESOLVED and **ADOPTED** this 12th Day of April, 2022.

UPPER MONTGOMERY JOINT AUTHORITY

BY: Elizabeth Dylsus
(Vice) Chair

ATTEST: Yvonne M. Paul
(Assistant) Secretary

EXHIBIT 1
UPPER MONTGOMERY JOINT AUTHORITY
CALCULATION OF THE TAPPING FEE
IN ACCORDANCE WITH PA MUNICIPALITY AUTHORITIES ACT

	<u>EXHIBIT REFERENCE</u>	<u>TRENDED ORIGINAL COST</u>
A. CAPACITY PART		
ORIGINAL WASTEWATER TREATMENT PLANT COST	2	\$34,287,927
WASTEWATER TREATMENT PLANT EXPANSION COST	2	10,859,234
PUMP STATION COST	2	342,114
DIGESTOR AND SLUDGE DRYING FACILITY	2	9,525,901
BOROUGH BOUNDARY INTERCEPTOR - DESIGN & SURVEY	2	1,057,734
BOROUGH BOUNDARY INTERCEPTOR - CONSTRUCTION	2	1,354,576
TREATMENT PLANT ADDITIONS (2016-2020)	2	29,559,573
ADDITIONAL CAPITAL IMPROVEMENTS	3	3,993,205
PRO-RATED FINANCING COST	5	1,759,166
TOTAL CAPACITY COST		<u>\$92,739,430</u>
LESS: OUTSTANDING DEBT	6	<u>27,081,162</u>
NET CAPACITY COST		<u>\$65,658,267</u>
TOTAL EDU'S (PER PADEP - ORGANIC LOAD CAPACITY)	7	5,870
CAPACITY PART TAPPING FEE PER EDU		\$11,185
B. COLLECTION PART		
ORIGINAL SYSTEM	4	\$11,645,026
COLLECTION SYSTEM ADDITIONS	4	2,261,441
PRO-RATED FINANCING COST	5	889,382
TOTAL COLLECTION COST		<u>\$14,795,849</u>
LESS: OUTSTANDING DEBT	6	<u>0</u>
NET CAPACITY COST		<u>\$14,795,849</u>
TOTAL EDU'S (PER PADEP - ORGANIC LOAD CAPACITY)	7	5,870
COLLECTION PART TAPPING FEE PER EDU		\$2,521
TOTAL CAPACITY AND COLLECTION TAPPING FEE		\$13,706