SOUTH MIDDLETON TOWNSHIP MUNICIPAL AUTHORITY

RESOLUTION NO. 07-10-2025-02

A RESOLUTION OF THE AUTHORITY BOARD ESTABLISHING WATER SYSTEM TAPPING FEES IN ACCORDANCE WITH THE PENNSYLVANIA MUNICIPALITY AUTHORITIES ACT, 53 Pa.C.SA. § 5601, *ET SEQ.*, AS AMENDED.

WHEREAS, South Middleton Township Municipal Authority (the "Authority") owns and operates a municipal water system serving the Township of South Middleton, in Cumberland County, Pennsylvania; and

WHEREAS, the Pennsylvania Municipality Authorities Act, 53 Pa. C.S. § 5601, *et seq.*, as amended, confers upon the Authority the power to charge property owners, who desire to connect to the Authority's water system, a tapping fee; and

WHEREAS, Act 57 of 2003 (P.L. 404) amended the Pennsylvania Municipality Authorities Act by revising, *inter alia*, the method of calculating and determining various tapping fees and tapping fee components chargeable to such property owners; and

WHEREAS, after undertaking appropriate and required study and consideration, the Board of the Authority has determined the need to re-establish tapping fees effective July 11, 2025, consistent with requirements of Act 57 of 2003; and

WHEREAS, the Authority tapping fees, as amended hereby, are determined by the Authority to be reasonable and uniform in accordance with the requirements of the Municipality Authorities Act.

NOW, THEREFORE, the Board of the Authority, in public session duly assembled, hereby RESOLVES as follows:

1. Effective July 11, 2025, any property owner desiring to connect to the Authority's water system shall pay to the Authority prior to connecting thereto a tapping fee per Equivalent Dwelling Unit (EDU)*, consistent with the following components:

	Tapping Fee per EDU
Capacity Part	$1,447.00

Distribution Part	$1,523.00
Total Area Wide (per EDU)	***$2,970.00***

*"Equivalent Dwelling Unit" or "EDU" means any room, group of rooms, house, trailer or other structure or enclosure occupied or intended for occupancy as separate living quarters by a family or by persons living together or by persons living alone. For a non-residential use, the water flows for such use, divided by 155 gallons per day and rounded to the nearest tenth of one EDU, shall be the number of EDUs for such non-residential use.

2. The <u>Tapping Fee Update for Water and Wastewater</u>, completed by GHD in conformance with Act 57 of 2003, and dated July 2025, is included herein by reference, made a part of this Resolution in its entirety, and shall be made available for public inspection in accordance with applicable law. Tables 3 & 4 from that report are attached hereto and incorporated herein as Exhibit "A" for immediate reference.
3. The tapping fees set forth in this Resolution and adopted hereby shall remain in effect until changed or modified by the Board of the Authority as provided by law.
4. All rules, regulations and resolutions of the Authority and all parts or portions thereof to the extent not specifically modified hereby shall remain in full force and effect, it being the intention of this Resolution only to establish tapping fees as noted above and to effect no other changes to any prior rules, regulations or resolutions of this Authority.
5. Nothing contained in this Resolution restricts or otherwise limits any other rights or remedies that the Authority may have under applicable law.
6. In the event that any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution. It is the intent of the Authority that such remainder shall be in remain in full force and effect.

All Resolutions or parts of Resolutions of this Authority which shall be inconsistent with the current Resolution are expressly repealed.

DULY ADOPTED this 10th day of July, 2025.

ATTEST:

Secretary

(SEAL)

SOUTH MIDDLETON TOWNSHIP MUNICIPAL AUTHORITY

By: ______________________

Bryan Gembusia, Chairman

EXHIBIT A

South Middleton Township Municipal Authority
Act 57 Tapping Fee Calculation
Table 3 - Capacity Part - Water

ENR Construction Cost Index for June 1 2025 = 13871

Facility[1]	Year	Original Construction Costs[2]	Deductions[3]	Adjusted Total Costs	Original ENR	2025 Eligible Cost
Well House and Elevated Storage Tank No. 1	1972	$ 335,208		$ 335,208	1753	$ 2,652,410
Boiling Springs Water System Purchase	1972	$ 185,300	$ 164,900 [3b]	$ 20,400	1753	$ 161,420
Well House No. 2 and Appurtenances	1975	$ 401,027	$ 20,479 [3b]	$ 380,548	2212	$ 2,386,341
Capacity Purchase - Middlesex Twp (Initial 1.0 MGD)	1984	$ -	$ 531,595 [3c]	$ (531,595)	4146	$ (1,778,522)
Capacity Purchase - Middlesex Twp (Initial 1.0 MGD)	1985	$ -	$ 222,592 [3c]	$ (222,592)	4195	$ (736,013)
Extensions to Water Distribution System	1985	$ 1,126,514		$ 1,126,514	4195	$ 3,724,880
Well House No. 3, Storage Tank No. 3 and Transmission Main	1987	$ 964,333	$ 293,501 [3b]	$ 670,832	4406	$ 2,111,917
Bond Issuance Costs - Guaranteed Water Revenue Bonds - Series of 1987	1987	$ 50,646		$ 50,646	4406	$ 159,444
Administration Building & 4 MG Storage Tank[4]	1992	$ 1,007,923	$ 238,566 [3a]	$ 769,358	4985	$ 2,140,774
Bond Issuance Costs - Guaranteed Water Revenue Bonds - Series of 1992	1992	$ 257,151		$ 257,151	4985	$ 715,535
Boiling Springs Water Line Replacement[5]	1994	$ 10,294		$ 10,294	5408	$ 26,403
Capacity Purchase - Middlesex Twp (Addt'l 0.50 MGD)	1997	$ -	$ 432,126 [3c]	$ (432,126)	5826	$ (1,028,839)
Bond Issuance Costs - Guaranteed Water Revenue Bonds - Series of 1998	1998	$ 190,986		$ 190,986	5920	$ 447,494
Capacity Purchase - Dickinson Twp (0.025 MGD)	2001	$ -	$ 72,705 [3c]	$ (72,705)	6334	$ (159,219)
Capacity Purchase - North Middleton Twp (0.025 MGD)	2001	$ -	$ 43,056 [3c]	$ (43,056)	6334	$ (94,290)
Additions to Well House No. 1 & Well House No. 2	2003	$ 382,428	$ 98,221 [3a]	$ 284,207	6695	$ 588,833
Bond Issuance Costs - Guaranteed Water and Sewer Revenue Bonds - Series of 2003	2003	$ 110,907		$ 110,907	6695	$ 229,782
Route 34 Water Line Extension	2004	$ 457,277		$ 457,277	7115	$ 891,481
Western Village Water Line Extension	2004	$ 1,277,594		$ 1,277,594	7115	$ 2,490,725
Storage Tank No. 1 Cleaning & Painting - Capital Improvements Only	2010	$ 42,910	$ 13,302 [3a]	$ 29,608	8799	$ 46,675
Well Nos. 2 & 3 Spare Parts	2010	$ 53,158	$ 14,719 [3a]	$ 38,439	8799	$ 60,596
Groundwater Rule Water Line Project	2011	$ 627,724	$ 145,474 [3a]	$ 482,250	9070	$ 737,517
2012 Water System Upgrades-Water Storage Tank No. 5 in Well 3 Area	2012	$ 2,685,870		$ 2,685,870	9308	$ 4,002,547
Water Storage Tanks 2 & 4 Booster Station	2012	$ 879,759	$ 2,262 [3a]	$ 877,496	9308	$ 1,307,666
Chlorine Contact Tank Rehabilitation	2012	$ 54,046	$ 10,958 [3a]	$ 43,087	9308	$ 64,210
SCADA System Improvement	2012	$ 211,768		$ 211,768	9308	$ 315,582
Tank No. 5 Antennae	2017	$ 55,000		$ 55,000	10692	$ 71,353
Storage Tank No. 2 Painting	2017	$ 288,405	$ 89,310 [3a]	$ 199,095	10692	$ 258,291
Water System Interconnect	2018	$ 960,355		$ 960,355	11062	$ 1,204,220
SRBC Waiver Request	2020	$ 3,486		$ 3,486	11466	$ 4,217
Storage Tank No. 3 Demolition	2020	$ 21,606		$ 21,606	11466	$ 26,138
Total Cost		**$ 12,641,674**	**$ 2,393,766**	**$ 10,247,908**		**$ 23,029,569**

South Middleton Township Municipal Authority
Act 57 Tapping Fee Calculation
Table 3 - Capacity Part - Water

Capacity Part Cost	$	23,029,569
Outstanding Debt[(6)]	$	2,794,900
Total Eligible Capacity Part Cost	**$**	**20,234,669**
Permitted Capacity, MGD[(7)]		2.163
Cost/gallon[(8)]	$	9.35
Gallons/EDU[(9)]		155
Tapping Fee - Capacity Part ($/EDU)	**$**	**1,447**

(1) Refer to Exhibit A.
(2) Original construction costs are as per SMTMA records (Requisition payments and/or Contract Closing Documents).
(3) Represents one of the following (refer to Exhibit C):
  a.) portion of project paid for with a capital contribution from a developer/municipality;
  b.) the value of facilities taken out of service;
  c.) capacity purchase from contributing municipality.
(4) Costs associated with the Administration Building are split 50/50 between the Water and Sewer Systems. Costs shown represent costs attributed to the Water System only.
(5) Cost of original purchase of Boiling Springs Water System in 1972, less the cost of lateral, is deducted since this system was replaced by this project; laterals are estimated at 11% of the total project cost per SMTMA records.
(6) Refer to Exhibit D.
(7) Refer to Exhibit E.
(8) Calculated by dividing the total eligible capacity part cost by the permitted capacity.
(9) Calculated per Act 57 guidelines by multiplying 65 GPD by 2.38 persons per household for Cumberland County as per 2020 U.S. Census Data.

South Middleton Township Municipal Authority
Act 57 Tapping Fee Calculation
Table 4 - Distribution Part - Water

ENR Construction Cost Index for June 1 2025 = 13871

Project/Water System Component[1]	Year	Original Project Cost[2]	Deductions[3]	Adjusted Total Costs	Original ENR	2025 Eligible Cost
Well House and Elevated Storage Tank No. 1	1972	$ 294,944	$ 8,275 [3c]	$ 286,669	1753	$ 2,268,330
Water Distribution System Extensions	1973	$ 138,029	$ 3,379 [3c]	$ 134,649	1895	$ 985,605
Well House No. 2 and Appurtenances	1975	$ 202,847		$ 202,847	2212	$ 1,272,011
Water Distribution System Extensions	1976	$ 175,541	$ 4,390 [3c]	$ 171,151	2401	$ 988,768
Extensions to Water Distribution System	1985	$ 1,040,697	$ 310,353 [3c]	$ 730,344	4195	$ 2,414,925
Well House No. 3, Storage Tank No. 3 and Transmission Main	1987	$ 254,573	$ 7,069 [3c]	$ 247,504	4406	$ 779,193
Extension to Water Distribution System, Parts A & B	1987	$ 148,876		$ 148,876	4406	$ 468,692
Walnut Bottom Water Line Purchase from Telephone Co.	1988	$ 44,143	$ 2,318 [3c]	$ 41,825	4519	$ 128,382
Boiling Springs Water Line Replacement[4]	1994	$ 1,197,863		$ 1,197,863	5408	$ 3,072,402
Commerce Ave Water Line Extension	1996	$ 7,816		$ 7,816	5620	$ 19,291
Ph. I Water Line Ext.-Allen Rd. & Alexander Spring Rd. to Commerce Ave.	1996	$ 3,280		$ 3,280	5620	$ 8,096
Water & Sewer Extension Adjacent to Fairview Storage[5]	1997	$ 30,584	$ 1,614 [3c]	$ 28,970	5826	$ 68,974
Petersburg Road Water Line Extension	1998	$ 2,755		$ 2,755	5920	$ 6,455
Replacement of Existing Water Mains in Allenberry Hill[4]	1999	$ 322,140		$ 322,140	6059	$ 737,481
Walnut Bottom Water Line Extension	2001	$ 71,162		$ 71,162	6342	$ 155,643
Route 34 Water Line Extension	2004	$ 243,594		$ 243,594	7115	$ 474,898
Western Village Water Line Extension	2004	$ 313,241		$ 313,241	7115	$ 610,677
Steel Storage Building[6]	2004	$ 233,685		$ 233,685	7115	$ 455,579
Well No. 3 Area Improvements (Booster Station)	2008	$ 133,233		$ 133,233	8310	$ 222,392
Hydrants Storz Couplings	2010	$ 29,656		$ 29,656	8799	$ 46,751
Well No. 3 Distribution System Improvements	2017	$ 199,327		$ 199,327	10692	$ 258,592
Forge Road Acres Ph. I (East of Forge Rd.)[7]	2020	$ 2,581,474		$ 2,581,474	11466	$ 3,122,940
Forge Road Acres Ph. II (West of Forge Rd.)[7]	2020	$ 3,157,107		$ 3,157,107	11466	$ 3,819,312
Water Model Build	2020	$ 13,423		$ 13,423	11466	$ 16,238

Project/Water System Component[1]	Year	Original Project Cost[2]	Deductions[3]	Adjusted Total Costs	Original ENR	2025 Eligible Cost
SS Bulk Water Hauling Stations	2020	$ 5,100		$ 5,100	11466	$ 6,170
Children's Lake Waterline Relocation	2021	$ 585,212	$ 400,000 [3d]	$ 185,212	12134	$ 211,725
Park Drive Waterline Replacement	2021	$ 1,568,784		$ 1,568,784	12134	$ 1,793,358
South Spring Garden St. Waterline Upgrade and Extension - Phase I	2022	$ 1,831,811		$ 1,831,811	13175	$ 1,928,581
South Spring Garden St. Waterline Upgrade and Extension - Phase 2	2023	$ 1,450,349	$ 1,150,000	$ 300,349	13515	$ 308,260
Interconnection Permit Costs	2024	$ 15,000		$ 15,000	13547	$ 15,359
Total Cost		**$ 16,296,246**	**$ 1,887,399**	**$ 14,408,847**		**$ 26,665,080**

Distribution Part Cost	$ 26,665,080
Outstanding Debt[8]	$ 5,368,000
Total Eligible Distribution Part Cost	**$ 21,297,080**
Permitted Capacity, MGD[9]	2.163
Cost/gallon[10]	$ 9.85
Gallons/EDU[11]	155
Tapping Fee - Distribution Part ($/EDU)	**$ 1,523**

(1) Refer to Exhibit A.
(2) Original construction costs are as per SMTMA records (Requisition payments and/or Contract Closing Documents).
(3) Represents one of the following (refer to Exhibit B):
- a.) portion of project paid for with a capital contribution from developer/municipality;
- b.) the value of facilities taken out of service
- c.) corporations and service laterals
- d.) PA Dept. of General Services Grant

(4) Cost of original purchase of Boiling Springs Water System in 1972, less the cost of laterals, is deducted since the system was replaced by this project; laterals are estimated at 11% of the total project cost per SMTMA records.
(5) Only costs associated with water line extension are included.
(6) Represents 50% of the total project costs, the other 50% is applicable to the sewer system.
(7) Phases I & II of the Forge Road Acres projects completely replaced the original system, therefore original purchase price of system ($324,479) removed.
(8) Refer to Exhibit D.
(9) Refer to Exhibit E.
(10) Calculated by dividing the total eligible capacity part cost by the permitted capacity.
(11) Calculated per Act 57 guidelines by multiplying 65 GPD by 2.38 persons per household for Cumberland County as per 2020 U.S. Census Data.