

LONDON GROVE TOWNSHIP MUNICIPAL AUTHORITY  
RESOLUTION NO 2021-01

A RESOLUTION OF THE AUTHORITY BOARD ESTABLISHING  
WATER SYSTEM TAPPING FEES IN ACCORDANCE WITH  
ACT 57 OF 2003

WHEREAS, London Grove Township Municipal Authority (the “Authority”) owns and operates a municipal water system; and

WHEREAS, the Pennsylvania Municipality Authorities Act confers upon the Authority the power to charge property owners who desire to connect to the Authority’s water system tapping fees; 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, Act 57 of 2003 permits an 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 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.”

WHEREAS, the Authority has caused improvements to be made to its water system as a part of development of a commercial site and said improvements will benefit all users of the system.

WHEREAS, the Authority has entered into a reimbursement agreement entitled “Agreement for Extension of Public Water System Improvements, dated November 1, 2007, and First Amendment to Agreement for Extension of Public Water System Improvements dated November 1, 2007” with London Grove North, LP, (collectively called “AGREEMENT”), to

construct needed improvements to the Authority's municipal water system with a nominal design capacity of 580,000 gallons per day; and

WHEREAS, the Total Project Costs amounting to \$3,535,147.52 have been finalized and itemized in "The Water Supply Facilities Reimbursement Agreement - London Grove Village - Budget / Cost Book, last updated on October 27, 2010" ("PROJECT COSTS"); and

WHEREAS, the Board of the Authority has determined the need to establish tapping fees effective March 1, 2010 consistent with requirements of Act 57 of 2003.

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

1. Act 57 allows for a maximum design capacity required by a new residential customer to be calculated by multiplying 65 gallons per capita per day times the average number of persons per household as established by the most recent census data provided by the United States Census Bureau. The 2010 Census listed the average household size in London Grove Township as 3.17 persons. Therefore the maximum allowable design capacity required by a household, or water use value, is 206 gallons per day.

2. For the purposes of assigning a tapping fee, the Authority has assigned water use values to residential units as follows:

Single Family Detached – 206 GPD

Townhouse or Apartment – 170 GPD

Age Restricted – 145 GPD

3. The per gallon cost of the tapping fee, as calculated on the attached Appendix A, is based on the following:

|                           | 2021   |
|---------------------------|--------|
| i. Capacity Part          | \$0.00 |
| ii. Distribution Part     | \$0.00 |
| iii. Special Purpose Part | \$0.00 |
| iv. Reimbursement Part    | \$9.27 |
| v. Total                  | \$9.27 |

4. Effective January 1, 2021<sup>1</sup>, as stipulated in the AGREEMENT, any residential property owner desiring to connect to the Authority's water system shall pay to the Authority prior to connecting thereto a tapping fee per household, as follows:

- i. Single Family Detached – \$1,909 for each dwelling unit.
- ii. Townhouse or Apartment – \$1,576 for each apartment or townhouse dwelling unit.
- iii. Age Restricted – \$1,344 for each apartment or other dwelling unit.

5. Effective January 1, 2021<sup>1</sup>, as stipulated in the AGREEMENT, Commercial and Industrial tapping fees shall be computed based on the average daily water usage times \$9.27 per gallon.

6. In the case of new commercial or industrial construction, the tapping fee initially shall be calculated on the basis of average daily water usage estimated by Authority. After the

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<sup>1</sup> Except for Inniscrone phases 3 through 6 which were obliged by a condition of its plan approval to pay the tapping fee set forth herein.

first year, such tapping fee shall be subject to adjustment based on the actual daily water usage. Annually thereafter, such tapping fee shall be adjusted upward if actual consumption exceeds that for the previous year.

7. Tapping fees shall be increased where mandatory reimbursement is required by Act 57 of 2003 or where a reimbursement part (or adjustment thereto) is required by the AGREEMENT or other reimbursement agreement entered into by the Authority pursuant to Act 57 of 2003.

8. The AGREEMENT and PROJECT COSTS are hereby incorporated by reference herein in their entirety, made a part of this Resolution and shall be made available for public inspection in accordance with applicable law.

9. The tapping fees set forth in this Resolution and adopted hereby shall remain in effect until changed or modified by the Authority as provided by law.

10. 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 affect no other charges or any prior rules, regulations or resolutions of this Authority.

ADOPTED AND ENACTED this 7th day of December 2020.

ATTEST:

LONDON GROVE TOWNSHIP  
MUNICIPAL AUTHORITY

\_\_\_\_\_  
Secretary

By:\_\_\_\_\_  
Chairman

By:\_\_\_\_\_  
Vice Chairman

By:\_\_\_\_\_  
Member

By:\_\_\_\_\_  
Member

By:\_\_\_\_\_  
Member

## Appendix A – Tap Fee Calculation

|            |  |                         |
|------------|--|-------------------------|
| 1.         | Capacity Part  | \$0.00                  |
| 2.         | Distribution Part  | \$0.00                  |
| 3.         | Special Purpose Part   | \$0.00                  |
| 4.         | Reimbursement Part   |                         |
|            | a. Total Project Cost  | \$3,535,147.52          |
|            | b. Less Wawa Payment   | \$100,000.00            |
|            | c. Final Project Cost  | \$3,435,147.52          |
|            | d. Design Capacity   | 580,000 Gallons Per Day |
|            | e. Per Gallon Cost Prior to Public Water<br>Supply Permit Issuance | \$5.92 per gallon       |
|            | f. Public Water Supply Issue<br>Date / Project Online              | July 1, 2009            |
|            | g. National Prime Interest Rate                                    | 3.25%                   |
|            | h. Per Gallon Cost for July 1, 2009 to<br>December 15, 2009        | \$6.01                  |
| <b>5.</b>  | <b>Total Tap Fee 2009</b>  | <b>\$6.01</b>           |
| 6.         | Capacity Part  | \$0.00                  |
| 7.         | Distribution Part  | \$0.00                  |
| 8.         | Special Purpose Part   | \$0.00                  |
| 9.         | Reimbursement Part   |                         |
|            | a. National Prime Rate   | 3.25%                   |
|            | b. Per Gallon Cost for December 16, 2009 to<br>December 15, 2010   | \$6.21                  |
| <b>10.</b> | <b>Total Tap Fee 2010</b>  | <b>\$6.21</b>           |
| 11.        | Capacity Part  | \$0.00                  |

|            |  |               |
|------------|--|---------------|
| 12.        | Distribution Part  | \$0.00        |
| 13.        | Special Purpose Part   | \$0.00        |
| 14.        | Reimbursement Part   |               |
|            | a. National Prime Rate   | 3.25%         |
|            | b. Per Gallon Cost for December 16, 2010 to<br>December 15, 2011 | \$6.41        |
| <b>15.</b> | <b>Total Tap Fee 2011</b>  | <b>\$6.41</b> |
| 16.        | Capacity Part  | \$0.00        |
| 17.        | Distribution Part  | \$0.00        |
| 18.        | Special Purpose Part   | \$0.00        |
| 19.        | Reimbursement Part   |               |
|            | a. National Prime Rate   | 3.25%         |
|            | b. Per Gallon Cost for December 16, 2011 to<br>December 15, 2012 | \$6.62        |
| <b>20.</b> | <b>Total Tap Fee 2012</b>  | <b>\$6.62</b> |
| 21.        | Capacity Part  | \$0.00        |
| 22.        | Distribution Part  | \$0.00        |
| 23.        | Special Purpose Part   | \$0.00        |
| 24.        | Reimbursement Part   |               |
|            | a. National Prime Rate   | 3.25%         |
|            | b. Per Gallon Cost for December 16, 2012 to<br>December 15, 2013 | \$6.84        |
| <b>25.</b> | <b>Total Tap Fee 2013</b>  | <b>\$6.84</b> |
| 26.        | Capacity Part  | \$0.00        |

|            |  |               |
|------------|--|---------------|
| 27.        | Distribution Part  | \$0.00        |
| 28.        | Special Purpose Part   | \$0.00        |
| 29.        | Reimbursement Part   |               |
|            | c. National Prime Rate   | 3.25%         |
|            | d. Per Gallon Cost for December 16, 2013 to<br>December 15, 2014 | \$7.06        |
| <b>30.</b> | <b>Total Tap Fee 2014</b>  | <b>\$7.06</b> |
| 31.        | Capacity Part  | \$0.00        |
| 32.        | Distribution Part  | \$0.00        |
| 33.        | Special Purpose Part   | \$0.00        |
| 34.        | Reimbursement Part   |               |
|            | a. National Prime Rate   | 3.25%         |
|            | b. Per Gallon Cost for December 16, 2014 to<br>December 15, 2015 | \$7.29        |
| <b>35.</b> | <b>Total Tap Fee 2015</b>  | <b>\$7.29</b> |
| 36.        | Capacity Part  | \$0.00        |
| 37.        | Distribution Part  | \$0.00        |
| 38.        | Special Purpose Part   | \$0.00        |
| 39.        | Reimbursement Part   |               |
|            | c. National Prime Rate   | 3.50%         |
|            | d. Per Gallon Cost for December 16, 2015 to<br>December 15, 2016 | \$7.55        |
| <b>40.</b> | <b>Total Tap Fee 2016</b>  | <b>\$7.55</b> |



|            |  |               |
|------------|--|---------------|
| 41.        | Capacity Part  | \$0.00        |
| 42.        | Distribution Part  | \$0.00        |
| 43.        | Special Purpose Part   | \$0.00        |
| 44.        | Reimbursement Part   |               |
|            | a. National Prime Rate   | 3.50%         |
|            | b. Per Gallon Cost for December 16, 2016 to<br>December 15, 2017 | \$7.81        |
| <b>45.</b> | <b>Total Tap Fee 2017</b>  | <b>\$7.81</b> |
| 46.        | Capacity Part  | \$0.00        |
| 47.        | Distribution Part  | \$0.00        |
| 48.        | Special Purpose Part   | \$0.00        |
| 49.        | Reimbursement Part   |               |
|            | c. National Prime Rate   | 4.25%         |
|            | d. Per Gallon Cost for December 16, 2017 to<br>December 15, 2018 | \$8.14        |
| <b>50.</b> | <b>Total Tap Fee 2018</b>  | <b>\$8.14</b> |
| 51.        | Capacity Part  | \$0.00        |
| 52.        | Distribution Part  | \$0.00        |
| 53.        | Special Purpose Part   | \$0.00        |
| 54.        | Reimbursement Part   |               |
|            | a. National Prime Rate   | 5.25%         |
|            | b. Per Gallon Cost for December 16, 2017 to<br>December 15, 2018 | \$8.57        |

|  |               |
|--|---------------|
| <b>55. Total Tap Fee 2019</b>                                    | <b>\$8.57</b> |
| 56. Capacity Part  | \$0.00        |
| 57. Distribution Part  | \$0.00        |
| 58. Special Purpose Part   | \$0.00        |
| 59. Reimbursement Part   |               |
| c. National Prime Rate   | 4.75%         |
| d. Per Gallon Cost for December 16, 2019 to<br>December 15, 2020 | \$8.98        |
| <b>60. Total Tap Fee 2020</b>                                    | <b>\$8.98</b> |
| 61. Capacity Part  | \$0.00        |
| 62. Distribution Part  | \$0.00        |
| 63. Special Purpose Part   | \$0.00        |
| 64. Reimbursement Part   |               |
| a. National Prime Rate   | 3.25%         |
| b. Per Gallon Cost 2021  | \$9.27        |
| <b>65. Total Tap Fee 2021</b>                                    | <b>\$9.27</b> |