

LOWER NAZARETH TOWNSHIP

Board of Supervisors

RESOLUTION #LNT-17-16

RE: City of Bethlehem Sewer Service Area Capacity Tapping Fee

WHEREAS, Lower Nazareth Township (“Township”) adopted Ordinance #215-03-215 to enter into an Intergovernmental Cooperation Agreement with the City of Bethlehem to establish terms and conditions for treatment capacity, designate a sewer service area, and provide for payment of Lower Nazareth Township’s share of treatment capacity; and

WHEREAS, the Township has performed a study to determine the appropriate amount that the Township may charge as a capacity tapping fee for the City of Bethlehem Sewer Service area pursuant to Act 57 of 2003; and

WHEREAS, attached to this Resolution as Exhibit “A” is an itemization of the calculations showing the maximum fees allowable for the special purpose tapping fee and the manner in which the fee has been determined; and

WHEREAS, the result of the Township’s study indicates that the Township could charge a non-residential capacity tapping fee of Two Thousand Seven Hundred Ninety Four Dollars (\$2,794.00) per 250 gallon per day unit (1 EDU), and a residential capacity fee of Two Thousand Three Hundred Seventy Four Dollars (\$2,374.00) per household; and

WHEREAS, the capacity tapping fee can be charged to properties served with public sewer by the City of Bethlehem; and

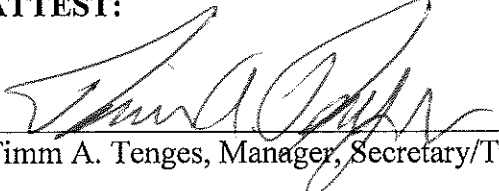
WHEREAS, the Township, upon proper motion and second, adopts its capacity tapping fee at it’s May 25, 2016 meeting pursuant to Act 57 of 2003.

NOW THEREFORE, BE IT RESOLVED:

1. The Township hereby establishes its capacity tapping fees as follows:
 - a. Non Residential: Two Thousand Seven Hundred Ninety Four Dollars (\$2,794.00) per 250 gallon per day unit (1 EDU).
 - b. Residential: Two Thousand Three Hundred Seventy Four Dollars (\$2,374.00) per household.
2. These fees are effective May 25, 2016.
3. All other resolutions inconsistent herewith are deemed rescinded.

ADOPTED AND APPROVED this 25th day of May 2016, at a regular public meeting.
Motion made by Eric Nagle and seconded by Martin Boucher. The
motion carried unanimously.

ATTEST:



Timm A. Tenges, Manager, Secretary/Treasurer

**LOWER NAZARETH TOWNSHIP
BOARD OF SUPERVISORS**



Gerald Green, Vice Chairman



GILMORE & ASSOCIATES, INC.
ENGINEERING & CONSULTING SERVICES

VIA EMAIL

May 19, 2016

File No. 15-01032T

Timm Tenges, Manager
Lower Nazareth Township
623 Municipal Drive
Nazareth, PA 18064

Reference: 2016 Lower Nazareth Township Capacity Tapping Fee
City of Bethlehem Sewer Service Area

Dear Mr. Tenges:

We have completed the 2016 Lower Nazareth Township, City of Bethlehem Sewer Service Area sewer tapping fee calculation. Items that were considered in the fee include; current permitted capacity of facilities based on the purchase of capacity from City of Bethlehem, 2010 census data, and the Engineering News Record (ENR) cost index.

The attached analysis indicates Lower Nazareth Township may implement a sanitary sewer capacity tapping fee of \$2374/EDU for residential households and a fee of \$2794/ 250 GPD of capacity for non-residential customers.

In the event you have any questions with regards to this report, please do not hesitate to contact me via office phone (610-489-4949), cell (215-704-1923) or via email at wdingman@gilmore-assoc.com.

Sincerely,

William K. Dingman, P.E.
Senior Municipal Engineer
Gilmore & Associates, Inc.

Attachments: Table 1 – Trended Costs January 2016
Table 2 -- System Capacity January 2016
Table 3 -- Capacity Part of Tapping Fee January 2016

BUILDING ON A FOUNDATION OF EXCELLENCE

184 West Main Street | Suite 300 | Trappe, PA 19426
Phone: 610-489-4949 | Fax: 610-489-8447

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Table 1
LOWER NAZARETH TOWNSHIP
CITY OF BETHLEHEM SEWER SERVICE AREA
Trended Historical Cost Basis May 2016

ID	Area	Year	Original Constr Cost (\$)	Grants (\$)	Project Cost (\$)(4)	ENR By Year	Trended Historical Cost (2)(\$)
1	COB WWTP Capacity Purchase (230,000 gpd)	May-15	2,542,314	0	2,542,314	9,979	2,571,103
Total Trended Cost							\$ 2,571,103

NOTES:

1. ENR Index February 2016 = 10092
2. Trended Historical cost = ENR Ratio X Original Cost.
3. Capital costs from COB/LNT Sewer Service Agreement April 2015

10,092

TABLE 2
LOWER NAZARETH TOWNSHIP - COB SEWER SERVICE AREA
SYSTEM CAPACITY
May 2016

Lower Nazareth Township System Capacity
and
Flow Per Household

System Capacity

COB/LNT Sewer Service Area System Capacity (gpd) = 230,000 GPD

Household Unit Flow

Equivalent Dwelling Unit (EDU) = 2.36 persons per household X 90 gpd/person =
212.4 gpd/EDU

Non-Residential Unit Flow

Equivalent Dwelling Unit (EDU) = 250 GPD / UNIT

TABLE 3
LOWER NAZARETH TOWNSHIP
CITY OF BETHLEHEM SEWER SERVICE AREA
CAPACITY PART OF TAPPING FEE
MAY 2016

WWTP Capacity Fee - Existing Facilities

Existing Facilities - Trended Historical Cost Basis (Table 1)		\$	2,571,103
(ENR FEB 2016 = 10092)			
Outstanding Debt			0 *
Net Cost of Capacity		<u>\$</u>	<u>2,571,103</u>
Capacity Fee For Existing Facilities	=	<u>\$</u>	<u>2,571,103</u>

			230,000 gpd **
	=	\$	11.179 /gpd
		@	212.40 gpd/household ***
	=	\$	2,374.36 /household

RESIDENTIAL CAPACITY FEE

WWTP Capacity Part of Tapping Fee = **\$ 2,374.00 /household**
(Rounded Down)

NON-RESIDENTIAL CAPACITY FEE

(250 GPD units at \$11.179/GPD)

WWTP Capacity Part of Tapping Fee = **\$ 2,794.00 /250 GPD unit**
(Rounded Down)

Notes:

- * There is no outstanding debt associated with capacity related facilities.
- ** Existing System Capacity - Table 2 - 230,000 GPD
- *** Household Unit Flow - Table 2 - 212.4 GPD/household (2.36persons/household 90 GPD)
- **** Non-residential Capacity sold in 250 GPD increments