

Borough of Northumberland
175 Orange Street, Northumberland, PA 17857
Northumberland Borough Special Council Meeting
November 15, 2012

President James Troup called the special council meeting to order at 6:05 p.m. and the Pledge of Allegiance was recited.

Roll Call

Council members present were Adam Klock, Ty Sees, James Troup, and Frank Wetzel. Others present were Levi Woodward, Acting Solicitor; and Janice Bowman, Borough Secretary. Council members Gregory Carl, Stephen Reed, and Jonathan Rees were absent.

The visitors present introduced themselves.

Public Comment

Michele Cope had questions about changing the Borough employees' health insurance. Mr. Sees explained that he is looking into alternative insurances. He noted that the coverage would be the same or better than the current insurance due to the clause in the police contract. Discussion ensued.

Old Business – Sewer Department

- 1.a. Brian Book and Gary Hobner, from Hazen & Sawyer, were present. Mr. Book is the engineer working on the sewer project and Mr. Hobner is a member of Hazen & Sawyer's Board of Directors. The two men assured the council that the employees of Hazen & Sawyer will be available to work for the Borough to meet the deadlines imposed by DEP for the sewer project. Mr. Book provided the Engineer's Report with a proposal for addressing the Consent Order and Agreement. A copy of this report is attached to the minutes.

- b. Mr. Book had met with Dan Wiand to discuss the Borough's I & I investigation. They discussed the history of work done to address the I & I. Two suggestions are to televise the lines under U.S. Route 11 and to conduct smoke testing throughout the Borough. Concerns are that there are protruding laterals in the main sewer line which make it difficult to televise with a camera. It was recommended that this work be contracted out. The length of line is approximately 20,000 linear feet. At a cost of \$2 to \$4 per linear foot, the estimated cost for this service would be over the \$25,000 limit for prevailing wage. Mr. Book noted that Co-Stars does not have a televising quote that could be used

in place of bidding the work. Mr. Book feels that the \$50,000 budget is in line with the amount of work to be done. Mr. Book discussed using flow meters to determine where the spikes are when it rains. Mr. Book stated that he and Dan would work up the bid specifications.

Jack Fasold and Don Troxell provided information about tapes that are on file at the sewer plant. Mr. Troxell noted that 99 percent of the manholes on U.S. Route 11 are brick and leak. The smoke testing will help locate infiltration from lines from properties.

Mr. Book said that if protruding laterals are an issue a cutter assembly can be run through to remove protruding laterals. He recommended that an experience clause be included in the bid specification.

- c. Relative to the Consent Order and Agreement, Mr. Book provided two tables in the Engineer's Status Report. The first is a list of specific tasks and proposed engineering costs. The second is a comparison of engineering fees for projects in other communities. The engineering fees for this project as a lump sum proposal total \$1,519,024. There are three phases to the project: the development of the flow and loading technical memo (\$477,840); the design, funding and bidding (\$ 468,720) and the design services during construction, inspections and plant start-up (\$572,464). The proposal includes a time line that meets DEP's deadlines. A fine of \$100 per day is imposed by DEP if the deadline is not met. The retainer agreement provides an option to end the contract at any time. Mr. Book noted that there is a window of about a week to spare in order to meet the first DEP deadline.

Mr. Book stated that Hazen & Sawyer has an internal quality management plan. Paul Saurer is the project director and would be the Borough's point of contact if there are any concerns about the work that is being done.

- d. Mr. Book stated that the Borough's inter-municipal agreements with Point and Upper Augusta Townships are under review.
- e. The agreement for the service to bulk customers will be transferred to the Borough. Bimbo has requested a new agreement because their information is changing. Their contract will automatically transfer to the Borough.
- f. Mr. Book provided the Engineer's Certification that says that the loan for the Queen Street Pump station is self-liquidating and therefore does not impact the Borough's ability to incur debt. This document will be filed with the Department of General Services. The document includes a table forecasting the income and expense for the sewer system. A copy of the Engineer's Certification is attached to the minutes. Mr. Book explained line items in the budget spreadsheet that is included in the Engineer's Certification. Application will be made to PennVest for a loan. Mr. Book noted that funding may also be available through the Commonwealth Financing Authority with money from the oil and gas impact fees. If funding is not available, the Borough would be looking at a bond issue. A funding commitment is not required until March 2014. Mr. Book stated that

there are also energy grants that may be available which would help to reduce rates while funding a portion of the project.

2. Mr. Book discussed nutrient credit sales, recommending that it would be best to lock up credits now at a low price. He said that Lycoming County, Gregg Township, Eastern Snyder County, and Mount Carmel have credits to sell. Mr. Klock requested that Mr. Book put together a draft proposal for credits.
3. Mr. Klock stated that the NPDES permit transfer status is that council is waiting for DEP to respond to the request to remove the reference to the SBR process from the COA.
4. Mr. Klock stated that the sewer plant has contacted an energy broker to obtain an electric supplier contract. Mr. Book recommended that a new contract be obtained when the new plant is operational in 2015. Mr. Troup noted that the new plant should have more efficient motors and lighting. Mr. Hobner stated that their Energy Management Group would review electric proposals.

A question was asked about inter-municipal costs. Mr. Book responded that the inter-municipal costs will be determined after February 28, 2013 and the engineering fees will be pro-rated for 2013 per the inter-municipal agreement. There was a question as to whether the agreement is based on flow or flow and load.

Mr. Book stated that he would be at the NSA meeting on Monday night and the council meeting on Tuesday night.

5. Mr. Klock stated that there are matters to be discussed in Executive Session that may affect the budget such as NSA personnel pay rates.
6. New billing software is being purchased. Discussion occurred about the type of bill to be sent, a postcard or a folded bill. Council discussed sending one bill annually, with four parts, instead of quarterly bills. Point Township sends one bill a year. Reminders could be included in the newsletter. A two percent discount is offered if the bill is paid annually rather than quarterly.

Mr. Troup adjourned the meeting for an Executive Session to discuss personnel issues. The meeting was not reconvened.

Respectfully submitted,

Janice R. Bowman
Borough Secretary

November 15, 2012

Borough of Northumberland
175 Orange Street
Northumberland, PA 17857

**RE: Engineer's Status Report
Special Meeting**

Council:

The following summarizes the actions completed or pending on your behalf:

Sewer Retainer Services (Job Number: 90135-000)

Consistent with our Retainer Agreement we have a proposal prepared for your review tonight. This proposal outlines the activities necessary to address the Consent Order and Agreement. For your consideration we have two tables which can be used for review purposes as follows:

<u>Task</u>	<u>Design</u>	<u>1/21/13</u>	<u>Estimate 11/6/13</u>	<u>Lump Sum Proposal</u>
Flow & Load Characterization	Yes	**	\$ 10,000	\$ 9,652
WWTP Alt Analysis (Categorical Exclusion)	Yes	**	\$ 50,000	\$ 51,432
Develop Capital Budget		**	\$ 2,000	\$ 2,040
Basis of Design Report (BODR)	Yes		\$ 25,000	\$ 25,128
Part II Permit Submission (Plans & Specs)	Yes		\$ 250,000	\$ 248,720
Engineering Services in support of Smoke Testing		**	\$ 1,000	\$ 1,074
Engineering Services in support of Televising		**	\$ 1,000	\$ 1,074
I/I Data Collection & Preparation of Report		**	\$ 4,000	\$ 3,928
Identify Hot Spots & Solutions		**	\$ 2,000	\$ 1,952
Develop I/I Repair Contract(s)			\$ 10,000	\$ 9,632
Queen St Pump St - BODR	Yes	**	\$ 50,000	\$ 48,624
Queen St Pump St – Preliminary Design	Yes		\$ 75,000	\$ 74,584
Final Design	Yes		\$ 450,000	\$ 449,520
Engineering Support Associated with Project Funding			\$ 5,000	\$ 4,840
Bidding			\$ 10,000	\$ 9,400
Engineering Support Associated with Property Issues			\$ 5,000	\$ 4,960
Design Services during Const			\$ 250,000	\$ 250,144
Inspection Services			\$ 450,000	\$ 302,800
Plant Start-up			\$ 20,000	\$ 19,520
			\$ 1,670,000	\$ 1,519,024

I have broken out the list of lump sum fees in several different categories to allow you to compare our proposal against typical industries standards. While time is of the essence, I want to assure the Council that our proposed fees are in accordance with these standards. Our basic design fees break down as follows:

Wastewater Treatment Plant Only

- Basic Design Fees associated with WWTP (\$10,900,000 estimated) = \$ 784,452 (7.5%)
- Engineering Services During Construction = \$ 250,144 (2.4%)
- Resident Project Inspection = \$ 302,800 (2.9%)

Wastewater Treatment Plant & Queen Street Pump Station

- Basic Design Fees associated with WWTP (\$10,900,000 estimated) = \$ 909,700 (7.3%)
- Engineering Services During Construction = \$ 250,144 (2.0%)
- Resident Project Inspection = \$ 302,800 (2.4%)

These proposal values are fair and they relate well to a conversation I had with Adam Klock, where he indicated that Brinjac had indicated a 10% estimate for Design and Construction Engineering. In order for you to compare, I have done some additional research on plants of similar size and scope. This is presented in the table on the next page.

Specific to this table are the following general items:

- The Basic Design Engineering Services range from 6.7% - 8.7% with an outlier for Mifflinburg. Our proposal is either 7.5% or 7.3% depending on if work is done on the Queen Street Pump Station.
- The typical engineering costs associated with projects range from 11.4% to 14.9%, again with the Mifflinburg outlier. Our proposal is either 12.7% or 11.7% depending upon work at Queen Street Pump Station.
- In order to meet the first milestone on February 28, 2013; we would need to be authorized for those items listed 1-12 which the Borough wishes to be included in the project. If all items are authorized, this totals \$ 477,840. Work associated with the second milestone totals \$468,720 (Items 13-16).
- We are prepared to complete the work authorized. If authorized, we are prepared to achieve compliance with the DEP Consent Order milestones. Mr. Gary Haubner, VP and member of the Hazen and Sawyer Board of Directors will be at your meeting to assure you of our corporate commitment to complete this work on time and on budget.
- Assuming that we are authorized to begin any portion of this work, we would suggest that the Council utilize the Sewer Committee along with staff (Dan and Michele) as a project oversight team. It would be our intent to proceed in a stepwise fashion from task to task. We would allow as much time for review of work product as practical given the constraints of the Consent Order. For instance, the Flow and Load Characterization is the first item of work. This would be completed in a Design Memorandum which would be reviewed with the group. After concurrence, we would proceed to develop the Categorical Exclusion (Alternatives Analysis Report) that would be submitted to the PA DEP. Major decisions would be reviewed with the Borough Council as they occur or at the recommendation of the Sewer Committee.
- The council needs to decide if they wish to proceed with the WWTP only, or the WWTP, I&I and Queen Street Pump Station. You can then also decide if you are comfortable authorizing us for all aspects of the work. Obviously, if there are significant changes in the scope, we are prepared to revisit the scope, schedule and fee. But, we believe the proposal is all encompassing based upon what we know right now.

Project	2014	2014	2013	2009	2011	2014	2005	2014	2006	2005	2008
Design Year	H/S	H/S	Buchart-Horn	Coquart-Bassett	H/S	LSSE & H/S	HRG	Larson-Entech	HRG-Peters	HRG	HRG
Northumberland WWTP	1.125	1.125	1.7	1.26	2.0	1.0	1.4	2.5	3.46	1.0	4.4
Northumberland & Queen Street Pump Station	6.0	8.0	6.8	3.78	10.0	16.0	7.0	8.0	9.4	10.0	5.5
Lemoyne PA WWTP	SBR - BNR	SBR - BNR	OD - BNR	SBR - BNR	OD	OD	SBR - BNR	SBR - BNR	OD-BNR	SBR - BNR	MBR - BNR
Capital Cost	\$ 10,500,000	\$ 12,500,000	\$ 10,000,000	\$ 5,973,532	\$ 28,300,000	\$ 12,000,000	\$ 7,800,000	\$ 22,500,000	\$ 8,600,000	\$ 7,500,000	\$ 14,800,000
Basic Design Services	\$ 784,452	\$ 909,700	\$ 740,000	\$ 74,000	\$ 1,900,000	\$ 930,000	\$ 615,000	\$ 2,700,000	\$ 620,000	\$ 650,000	\$ 690,000
% of Capital Cost	7.5%	7.3%	7.4%	7.8%	6.7%	7.8%	7.9%	7.9%	7.2%	8.7%	4.7%
Construction Engineering	\$ 250,114	\$ 250,114	NA		NA	NA	\$ 520,000		\$ 150,000	\$ 230,000	**
% of Capital Cost	2.4%	2.0%			NA	NA	6.7%		1.7%	3.1%	**
Inspection Services	\$ 302,800	\$ 302,800	NA		NA	NA	**		\$ 300,000	\$ 234,000	\$ 155,000
% of Capital Cost	2.9%	2.4%			NA	NA	**		3.5%	3.1%	1.0%
Totals	\$ 1,337,366	\$ 1,462,614	\$ 1,462,614	\$ 679,311			\$ 1,135,000	\$ 2,700,000	\$ 1,070,000	\$ 1,114,000	\$ 845,000
% of Capital Cost	12.7%	11.7%	11.4%	11.4%			14.6%	12.0%	12.4%	14.9%	5.7%

Notes:

- 1 The Northumberland, Lemoyne, West Branch and Peter Township plants are based upon estimated construction costs.
- 2 The Lemoyne WWTP will be advertised for bid in the next 30 days. Info provided by Jack O'Neil
- 3 The Gregg Township WWTP is based upon information provided by Peggy Hillard (GTMA) - est was \$5,400,000
- 4 The MidCentre, MidCameron, Berwick and Mifflinburg WWTPs were design work completed by coworkers at HRG. Information is from Jason Wert (Retteu) and others.
- 5 The West Branch Regional Authority is preliminary, additional information to be provided by Eric Moore on 11/16/12.
- 6 The MidCameron WWTP project was completed ~6 months late & that resulted in the "higher" construction phase engineering fees.
- 7 Adam recalls that the NSA was told by Brinjac that basic engineering runs ~10% of construction. This compares favorably with the 9.9% and 9.3% values.
- 8 Basic Design Engineering services exclude engineering work associated with the /I/ reduction efforts which are unique to your project.

With regard to the I/I work, I met with Dan to review existing conditions and gain a better understanding of what has been done to date. He informed me that potentially the sewer was subject to two previous consent orders associated with I/I work. These may date to the 1990 and 2000 range. During that time it appears that ~20,000 linear feet of pipe line was rehabilitated. A significant focus of this work appears to be all manholes on Duke Street and almost the entire length of 5th Street.

Based upon his knowledge of the system, we believe there are two areas to focus immediate attention on as follows:

- The entire length of Water Street and Front Street should be televised. This is problematic for two reasons: PennDOT access and the fact that prior efforts to run a camera through have failed. It is believed that some laterals actually project into the main flow path. (Est. ~\$25,000 to \$40,000)
- The entire system should be smoke tested to locate cross connections and sources of inflow (sump pumps, foundation drains, floor drains and down spouts). (Est. ~5,000)

I have done some preliminary looking in the COSTARs system, and the TV work given the restrictions does not appear to be a desirable candidate.

We should review getting these two projects started, including the idea of bidding vs. other methods of procurement.

Alternatives Analysis Letter Report (Job Number: 90134-000)

This work is complete. The Sunbury Municipal Authority Interconnect has been eliminated as it requires an Act 537 Plan.

NPDES Permit Transfer/Permit Application (Job Number: 90135-001)

The NPDES Permit work is complete. Ryan is holding the paperwork as he works through the modification of the Consent Order and Agreement.

Local Government Unit Debt Act Filing (Job Number: 90135-002)

I will be presenting my LGUDA report at your meeting. The final projection for the period until the debt service is retired is included at the end of this letter.

Should you have any questions or concerns, please do not hesitate to contact me at 814-470-0778. I will be available during your Sewer Committee and Council meetings by phone.

Very truly yours,
HAZEN AND SAWYER, P.C.



Brian L. Book, P.E.
Senior Associate

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Income																	
Norri - Residential EDU's	\$ 938,105	\$ 699,657	\$ 771,066	\$ 705,600	\$ 739,200	\$ 772,800	\$ 924,000	\$ 924,000	\$ 924,000	\$ 924,000	\$ 924,000	\$ 974,400	\$ 974,400	\$ 974,400	\$ 974,400	\$ 974,400	\$ 1,008,000
Norri - Industrial & Bulk Service	-	\$ 29,023	\$ 11,547	\$ 12,125	\$ 13,279	\$ 13,279	\$ 15,877	\$ 15,877	\$ 15,877	\$ 15,877	\$ 15,877	\$ 16,743	\$ 16,743	\$ 16,743	\$ 16,743	\$ 16,743	\$ 17,321
Point Township - Bulk Service	-	\$ 37,642	\$ 37,642	\$ 39,524	\$ 41,406	\$ 43,288	\$ 45,170	\$ 47,052	\$ 48,934	\$ 50,816	\$ 52,698	\$ 54,580	\$ 56,462	\$ 58,344	\$ 60,226	\$ 62,108	\$ 63,990
Point Township - Queen Street Payment	-	\$ 746,798	\$ 41,134	\$ 212,100	\$ 224,422	\$ 273,336	\$ 380,412	\$ 442,800	\$ 515,862	\$ 606,463	\$ 645,943	\$ 655,403	\$ 655,403	\$ 655,403	\$ 655,403	\$ 655,403	\$ 672,171
Upper Augusta Township - Bulk Service	-	\$ 52,965	\$ 7,319	\$ 30,443	\$ 36,400	\$ 36,400	\$ 36,400	\$ 36,400	\$ 36,400	\$ 36,400	\$ 36,400	\$ 36,400	\$ 36,400	\$ 36,400	\$ 36,400	\$ 36,400	\$ 36,400
Upper Augusta Township - Queen Street Payment	-	-	-	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700	\$ 11,700
Interest on General Fund	-	\$ 7,931	\$ 13,160	\$ 14,468	\$ 15,592	\$ 16,716	\$ 17,840	\$ 18,964	\$ 20,088	\$ 21,212	\$ 22,336	\$ 23,460	\$ 24,584	\$ 25,708	\$ 26,832	\$ 27,956	\$ 29,080
Norri Tap Fees	-	\$ 2,430	\$ 800	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700
Share of PT Tap Fees	\$ 3,400	\$ 2,430	\$ 800	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700
Share of UAT Tap Fees	-	\$ 8,140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Penalties	\$ 10,455	\$ 43,953	\$ 10,707	\$ 15,000	\$ 15,405	\$ 15,821	\$ 16,248	\$ 16,687	\$ 17,137	\$ 17,600	\$ 18,075	\$ 18,563	\$ 19,064	\$ 19,579	\$ 20,108	\$ 20,651	\$ 21,208
Other Income	\$ 10,455	\$ 43,953	\$ 10,707	\$ 15,000	\$ 15,405	\$ 15,821	\$ 16,248	\$ 16,687	\$ 17,137	\$ 17,600	\$ 18,075	\$ 18,563	\$ 19,064	\$ 19,579	\$ 20,108	\$ 20,651	\$ 21,208
Total	\$ 951,960	\$ 1,631,839	\$ 896,159	\$ 1,149,060	\$ 1,198,971	\$ 1,525,495	\$ 1,802,853	\$ 1,867,257	\$ 1,944,143	\$ 2,029,726	\$ 2,179,434	\$ 2,389,527	\$ 2,606,462	\$ 2,839,989	\$ 3,094,943	\$ 3,382,430	\$ 3,704,291
New PennVEST loan for BNR																	
Long-Term Debt (NBW Loan)	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123	\$ 64,123
Sludge Disposal	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455	\$ 19,455
Nutrient Credit	\$ 137,458	\$ 122,311	\$ 136,958	\$ 175,000	\$ 179,725	\$ 183,572	\$ 187,419	\$ 191,266	\$ 195,113	\$ 198,960	\$ 202,807	\$ 206,654	\$ 210,501	\$ 214,348	\$ 218,195	\$ 222,042	\$ 225,889
Office Labor	\$ 12,062	\$ 16,273	\$ 18,842	\$ 20,947	\$ 22,094	\$ 23,241	\$ 24,388	\$ 25,535	\$ 26,682	\$ 27,829	\$ 28,976	\$ 30,123	\$ 31,270	\$ 32,417	\$ 33,564	\$ 34,711	\$ 35,858
Payroll Taxes	\$ 5,241	\$ 20,158	\$ 20,397	\$ 31,875	\$ 33,619	\$ 35,363	\$ 37,107	\$ 38,851	\$ 40,595	\$ 42,339	\$ 44,083	\$ 45,827	\$ 47,571	\$ 49,315	\$ 51,059	\$ 52,803	\$ 54,547
Authority Insurance & Bonding	\$ 33,204	\$ 34,101	\$ 35,021	\$ 35,967	\$ 36,938	\$ 37,935	\$ 38,959	\$ 39,999	\$ 41,057	\$ 42,133	\$ 43,226	\$ 44,336	\$ 45,462	\$ 46,604	\$ 47,762	\$ 48,936	\$ 50,126
Retirement Contributions	\$ 8,115	\$ 20,987	\$ 67,045	\$ 10,000	\$ 10,270	\$ 10,547	\$ 10,832	\$ 11,125	\$ 11,425	\$ 11,733	\$ 12,050	\$ 12,376	\$ 12,713	\$ 13,060	\$ 13,417	\$ 13,784	\$ 14,161
Materials and Supplies	\$ 6,542	\$ 18,250	\$ 15,359	\$ 17,915	\$ 18,398	\$ 18,895	\$ 19,405	\$ 19,929	\$ 20,467	\$ 21,020	\$ 21,588	\$ 22,170	\$ 22,769	\$ 23,384	\$ 24,015	\$ 24,661	\$ 25,322
Engineering Services	\$ 13,933	\$ 19,525	\$ 18,630	\$ 20,000	\$ 20,810	\$ 21,642	\$ 22,496	\$ 23,374	\$ 24,275	\$ 25,190	\$ 26,130	\$ 27,095	\$ 28,086	\$ 29,104	\$ 30,149	\$ 31,221	\$ 32,320
Repairs and Maintenance	\$ 9,119	\$ 9,365	\$ 9,618	\$ 9,876	\$ 10,144	\$ 10,418	\$ 10,698	\$ 10,984	\$ 11,285	\$ 11,590	\$ 11,903	\$ 12,224	\$ 12,556	\$ 12,893	\$ 13,241	\$ 13,599	\$ 13,966
Legal and Accounting	\$ 6,122	\$ 68,112	\$ 56,778	\$ 120,000	\$ 125,344	\$ 130,744	\$ 136,268	\$ 141,916	\$ 147,688	\$ 153,584	\$ 159,604	\$ 165,748	\$ 172,026	\$ 178,438	\$ 184,984	\$ 191,664	\$ 198,478
Office Supplies	\$ 558	\$ 573	\$ 589	\$ 604	\$ 621	\$ 638	\$ 656	\$ 674	\$ 692	\$ 710	\$ 728	\$ 746	\$ 764	\$ 782	\$ 800	\$ 818	\$ 836
Insurance (Health 487,000)	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552	\$ 7,552
Misc Admin Expenses	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Police Protection	\$ 107,288	\$ 110,185	\$ 113,160	\$ 116,215	\$ 119,353	\$ 122,575	\$ 125,885	\$ 129,284	\$ 132,775	\$ 136,359	\$ 140,041	\$ 143,822	\$ 147,703	\$ 151,684	\$ 155,765	\$ 159,946	\$ 164,327
Depreciation	\$ 613,568	\$ 693,543	\$ 744,679	\$ 837,855	\$ 958,233	\$ 1,004,674	\$ 1,009,840	\$ 1,032,455	\$ 1,055,680	\$ 1,079,532	\$ 1,104,028	\$ 1,129,185	\$ 1,154,992	\$ 1,181,556	\$ 1,208,887	\$ 1,236,994	\$ 1,265,877
Total	\$ 338,392	\$ 938,396	\$ 151,480	\$ 211,705	\$ 240,738	\$ 320,821	\$ 439,013	\$ 593,403	\$ 800,464	\$ 1,069,194	\$ 1,404,313	\$ 1,818,313	\$ 2,312,313	\$ 2,897,313	\$ 3,582,313	\$ 4,367,313	\$ 5,252,313
Deficit or Surplus																	
Treatment Charge (per year)	\$ 348	\$ 400	\$ 400	\$ 420	\$ 440	\$ 460	\$ 480	\$ 500	\$ 520	\$ 540	\$ 560	\$ 580	\$ 600	\$ 620	\$ 640	\$ 660	\$ 680
Treatment Charge (per quarter)	\$ 87.00	\$ 100.00	\$ 100.00	\$ 105.00	\$ 110.00	\$ 115.00	\$ 120.00	\$ 125.00	\$ 130.00	\$ 135.00	\$ 140.00	\$ 145.00	\$ 150.00	\$ 155.00	\$ 160.00	\$ 165.00	\$ 170.00
CUSTOMERS																	
Norri Residential	**	**	**	1680	1680	1680	1680	1680	1680	1680	1680	1680	1680	1680	1680	1680	1680
Norri Yearly Increase Residential	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
PT Yearly Increase Residential	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
UAT Yearly Increase Residential	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
ACCOUNT BALANCES																	
General Fund prior to Capital Projects	\$ 1,586,237	\$ 2,524,633	\$ 2,676,114	\$ 2,787,818	\$ 2,228,557	\$ 2,749,378	\$ 2,942,391	\$ 3,177,193	\$ 3,465,657	\$ 3,815,851	\$ 4,230,164	\$ 4,710,517	\$ 5,257,030	\$ 5,871,703	\$ 6,558,634	\$ 7,320,967	\$ 8,163,800
BRIF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Funded Depreciation	\$ 1,586,237	\$ 2,631,921	\$ 2,893,586	\$ 3,118,451	\$ 2,675,404	\$ 3,315,579	\$ 3,631,167	\$ 3,991,854	\$ 4,409,602	\$ 4,892,579	\$ 5,451,243	\$ 6,096,625	\$ 6,838,855	\$ 7,681,184	\$ 8,623,513	\$ 9,665,842	\$ 10,808,171
Total Reserves	\$ 1,586,237	\$ 2,631,921	\$ 2,893,586	\$ 3,118,451	\$ 2,675,404	\$ 3,315,579	\$ 3,631,167	\$ 3,991,854	\$ 4,409,602	\$ 4,892,579	\$ 5,451,243	\$ 6,096,625	\$ 6,838,855	\$ 7,681,184	\$ 8,623,513	\$ 9,665,842	\$ 10,808,171
Transfer to Construction Fund																	
New Debt for 2015 COA WWTP Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:
1. There is extraordinary income posted in 2010 which is not repeatable, also the revenue streams projections in the Audit were combined.
2. Northumberland Borough has minimal growth potential and is therefore estimated with 0 new EDUs per year.
3. Point Township has reasonable growth potential and Northumberland receives a portion of the total tap fee. The growth is projected at 1% per year, and the tap fee is projected at \$1570 per EDU.
4. The 2015 BRIF 2020 there is an increase in Point Township customers totaling 777 EDUs associated with their Act 537 plan. This increase is in addition to normal growth values.
5. The UAT 2015 BRIF 2020 there is an increase in Point Township customers totaling 777 EDUs associated with their Act 537 plan. This increase is in addition to normal growth values.
6. Approximately \$900,000 in capital projects are anticipated in 2015.
7. A \$10.9m PennVEST loan is anticipated in 2015.
8. An average rate of inflation of 2.7% is applied to all operating expenses based on the outstanding loan in 2015 - this is expected to be \$M outstanding at 1% interest.
9. The rate increases projected for the Northumberland Residential Customers is applied.
10. A subsequent rate increase is projected in 2021 which is also applied to the bulk income from PT and UAT.