

The following summarizes our recent activities performed on behalf of the Howe Township Municipal Authority from May 21 to June 18, 2018:

2018 CFA Small Water & Sewer Grant Application

The PA Small Water and Sewer Grants awards announcement has been delayed from July 17, 2018 to the September 18, 2018 Meeting. DCED announced that over 680 applications were received for the Program. HTMA submitted an application to fund the design and construction of a forcemain that would connect the proposed Buffalo Crossing Development with the proposed sanitary sewer facilities along the Juniata Parkway. This forcemain would allow connection of existing and proposed development along the County and Township designated Rural Growth Area.

Howe Township Sanitary Sewer Extension Project

2018 CDBG Entitlement Application (Perry County) – Funding

As requested, HRG provided information to SEDA-COG on the number of residential EDUs to be connected to the proposed sanitary sewer system. SEDA-COG used the provided information to meet with Perry County Commissioners to provide a case for consideration for funding of the construction of laterals for homeowners that would be required to connect to the system who are below the MHI.

Additional information will be provided to SEDA-COG as needed to complete the application.

2018 State Competitive CDBG Application - Funding

As requested, HRG provided information to SEDA-COG as a follow-up to their meeting with the DCED Grants Manager for Perry County. CDBG funding for the Project, if awarded, will likely not be available to mid to late 2019 and construction for the Project cannot begin until the grant agreement is executed. We have requested a schedule to confirm these dates as well as if the Project can be completed in phases as to maximize use of existing funding, permits, etc. while not jeopardizing our chances of obtaining CDBG grant funding. We are working on scheduling a time to meet to review in more detail.

Newport Borough Municipal Authority Coordination

HRG requested a meeting with the consulting engineers from NBMA and OTMA to review the concept of regionalization. Correspondence from NBMA identified that while not off the table, they do not want to commit any resources to discussing this topic until after completion of the WWTP Upgrade Project.

Questions on the operation and maintenance costs and engineering costs included in the requested capital contribution calculation were submitted to NBMA's consulting engineer for clarification. Information was provided back on Friday, June 15. We are in the process of going through this information. Once completed, we will prepare a draft letter to circulate to legal counsel and the Authority for request to reduce our up-front capital contribution/capital payments until additional growth along the sewer system is realized.



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369 East Park Drive Harrisburg, PA 17111 (717) 564-1121 FAX (717) 564-1158

Developer Coordination

HRG's Financial Services Group prepared projections for revenue based upon adopting and applying a land assessment based on the increased value the sewer system would provide to land values along the Project areas. As a result of these calculations, the Authority Chairman is working to schedule meetings with the land owners and proposed developers to discuss reservation of capacity or up-front tapping fees that can be used to off-set the capital purchase of capacity at the NBMA's WWTP. Any additional up-front revenue can be used to offset the loan amount from PENNVEST. HRG will continue to support the Authority as may be requested to assist in this effort.

Please feel free to contact me if you have any questions regarding this report or other items.

Respectfully submitted,

Herbert, Rowland & Grubic, Inc.

Joshua T. Fox, P.E. Regional Service Group Manager

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