SMITHFIELD SEWER AUTHORITY
Monroe County, Pennsylvania

RESOLUTION 2-2016

BE IT RESOLVED that the Smithfield Sewer Authority of Monroe County, Pennsylvania hereby requests a PA Small Water and Sewer Program grant of $500,000.00 from the Commonwealth Financing Authority, through Pocono Mountain Industrial Park Authority, (PMIPA) to be used for the Airport Road/Business Route 209 sewer extension/upgrade project.

BE IT FURTHER RESOLVED, that the applicant does hereby designate Russell C. Albert II, Chairman, and Terri Timko, Assistant Secretary, as the officials to execute all documents and agreements between the Smithfield Sewer Authority and the Commonwealth Financing Authority or PMIPA, to facilitate and assist in obtaining the requested grant.

I, Terri Timko, duly qualified Assistant Secretary of the Smithfield Sewer Authority, Monroe County, Pennsylvania, hereby certify that the foregoing is a true and correct copy of a Resolution duly adopted by a majority vote of the Smithfield Sewer Authority at a regular meeting held on Monday, October 10, 2016, and said Resolution has been recorded in the minutes of the Smithfield Sewer Authority and remains in effect as of this date.

IN WITNESS WHEREOF, I affix my hand and attach the seal of the Smithfield Sewer Authority this 10th day of October, 2016.

SMITHFIELD SEWER AUTHORITY .
Name of Applicant

MONROE .
County

Terri Timko

TERRI TIMKO, ASSISTANT SECRETARY
SMITHFIELD SEWER AUTHORITY

EXHIBIT B

Example of calculation of user rates

Annual debt service of Authority Debt ("DS")
Estimated annual administrative, operations and maintenance cost ("O&M")

Two users connected to System, User 1 and User 2

Rate for User 1 = [U1 / (U1 + U2)] x (DS + O&M)

Rate for User 2 = [U2 / (U1 + U2)] x (DS + O&M)

Where:

DS = $100,000
O&M = $10,000

Estimated storm water discharge for User 1 ("U1")= 50
Estimated storm water discharge for User 2 ("U2")= 100

User 1 rate = [50 / 50 + 100] x ($100,000 + $10,000)
50/150 x $110,000 = $36,666.67

User 2 rate = [100 / 50 + 100] x ($100,000 + $10,000)
100/150 x $110,000 = $73,333.33