



BOARD OF SUPERVISORS

WORKSHOP

AGENDA

November 13, 2018

4:00 p.m.

Packet Page 1

	Packet Page #
I. Call to Order	
A. Salute to the Flag	
B. Moment of Silence	
C. Inquire if any Attendee plans to audio or video record the Workshop	
II. Township Building Renovation and Expansion Project – Introduction	2
III. 2018-2019 Bond Financing - Presentation	7
IV. Construction Project Management – Presentation	70
V. Septage Management Ordinance – Introduction	88
VI. Dedication of Byers Station / Ewing Sanitary Sewer Facilities in West Vincent Township	
A. First Amendment to the Upper Uwchlan Township / Upper Uwchlan Township Municipal Authority Operation & Management Agreement	111
B. First Amendment to the Intermunicipal Sewer Service Agreement between Upper Uwchlan Township / Upper Uwchlan Township Municipal Authority / West Vincent Township	
VII. Draft 2019 Budget	
A. General Fund	123
B. Capital Fund	157
C. Long Term Debt	198
D. Water Resource Protection Fund	190
	205
VIII. Upcoming Workshop:	Tuesday, December 11, 2018 4:00 p.m.
IX. Open Session	
X. Adjournment	



ALL DIMENSIONS, MEASUREMENTS AND PROJECT CONDITIONS SHALL BE CHECKED AND VERIFIED IN THE FIELD BY THE CONTRACTOR. REFER ALL DIFFERENCES, IN WRITING, TO THE ARCHITECT FOR CONSIDERATION PRIOR TO PROCEEDING WITH THE WORK. THE CONTRACTOR SHALL BEAR THE COST OF RECTIFYING WORK NOT APPROVED BY THE ARCHITECT, CAUSED BY LACK OF COORDINATION AND OR NOTIFICATION.

STAMP

- LEGEND:**
- EXISTING CMU WALL TO REMAIN
 - EXISTING WALL STRUCTURE TO REMAIN
 - EXISTING FRAME WALL W/ FG BATT INSUL
 - NEW CMU WALL
 - NEW CMU W/ INSULATED CELLS
 - NEW FRAME WALL W/ GWB BOTH SIDES, PNT
 - NEW FRAME WALL W/ FG BATT INSUL AND GWB ON ONE OR BOTH SIDES, PNT
 - EXISTING DOOR TO REMAIN
 - NEW DOOR

REVISIONS

KEY PLAN

**PROGRESS PRINT
NOT FOR CONSTRUCTION
11.09.2018**

HAMMEL ASSOCIATES ARCHITECTS, LLC
25 E. Grant St., Suite 102 | Lancaster, PA 17602 | 717.393.3713 | www.hammelarch.com

UPPER UWCHLAN TOWNSHIP

PROJECT DESCRIPTION
ADDITIONS AND RENOVATIONS TO
UPPER UWCHLAN TOWNSHIP BUILDING
140 POTTS TOWN PIKE
CHESTER SPRINGS, PA 19425

SHEET TITLE FIRST FLOOR PLAN

ISSUE DATE **SCALE** AS NOTED

FILE NUMBER 1836 **DRAWN BY** LJS **CHECKED BY** TLV

A1.1



ALL DIMENSIONS, MEASUREMENTS AND PROJECT CONDITIONS SHALL BE CHECKED AND VERIFIED IN THE FIELD BY THE CONTRACTOR. REFER ALL DIFFERENCES, IN WRITING, TO THE ARCHITECT FOR CONSIDERATION PRIOR TO PROCEEDING WITH THE WORK. THE CONTRACTOR SHALL BEAR THE COST OF RECTIFYING WORK NOT APPROVED BY THE ARCHITECT, CAUSED BY LACK OF COORDINATION AND OR NOTIFICATION.

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CHESTER SPRINGS, PA 19425

SHEET TITLE SECOND FLOOR PLAN

ISSUE DATE	SCALE AS NOTED
FILE NUMBER 1836	DRAWN BY LS CHECKED BY TLV

A1.2

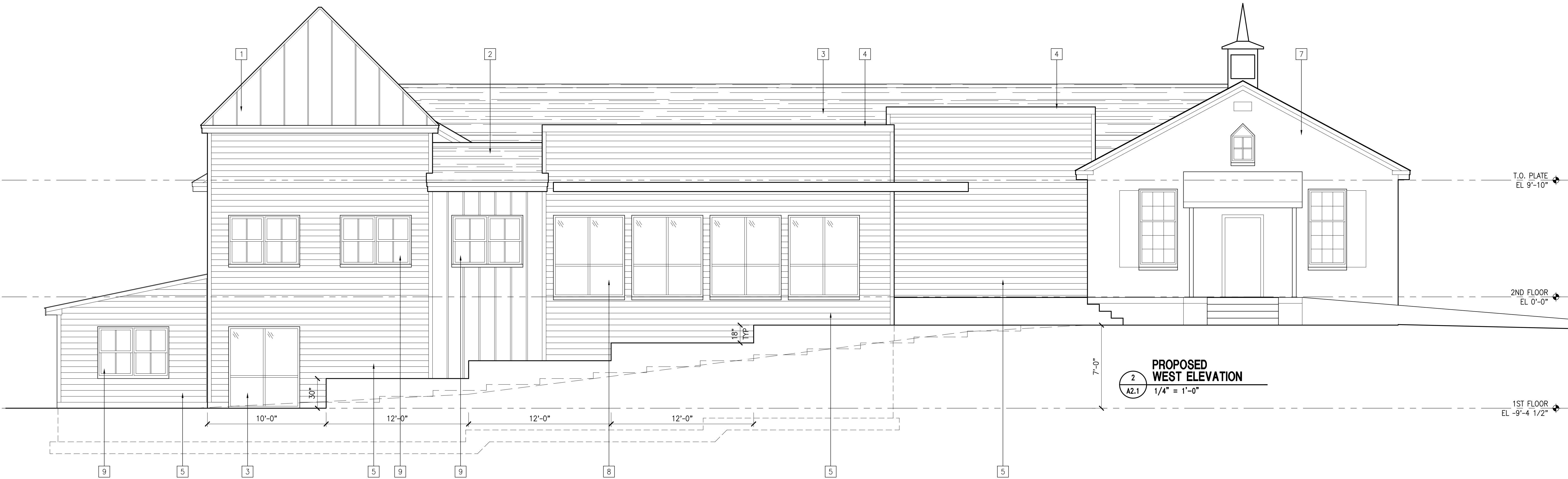
SECOND FLOOR PLAN
1/4" = 1'-0"

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STAMP

EXTERIOR ELEVATION KEYNOTES:

- 1
- STANDING SEAM METAL ROOFING
- 2
- ASPHALT SHINGLE ROOFING
- 3
- EXISTING ASPHALT SHINGLE ROOFING TO REMAIN
- 4
- PREFIN MTL COPING CAP
- 5
- PREFIN CEMENT FIBER LAP SIDING
- 6
- PREFIN CEMENT FIBER BOARD & BATTEN SIDING
- 7
- EXISTING STUCCO TO REMAIN
- 8
- ALUM STORE FRONT ENTRANCE/WINDOW SYSTEM
- 9
- ALUM CLAD WOOD WINDOW SYSTEM
- 10
- HM DOOR AND FRAME, PNT
- 11
- OVERHEAD SECTIONAL GARAGE DOOR
- 12
- GROUND FACE CMU



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HAA
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UPPER UWCHLAN TOWNSHIP

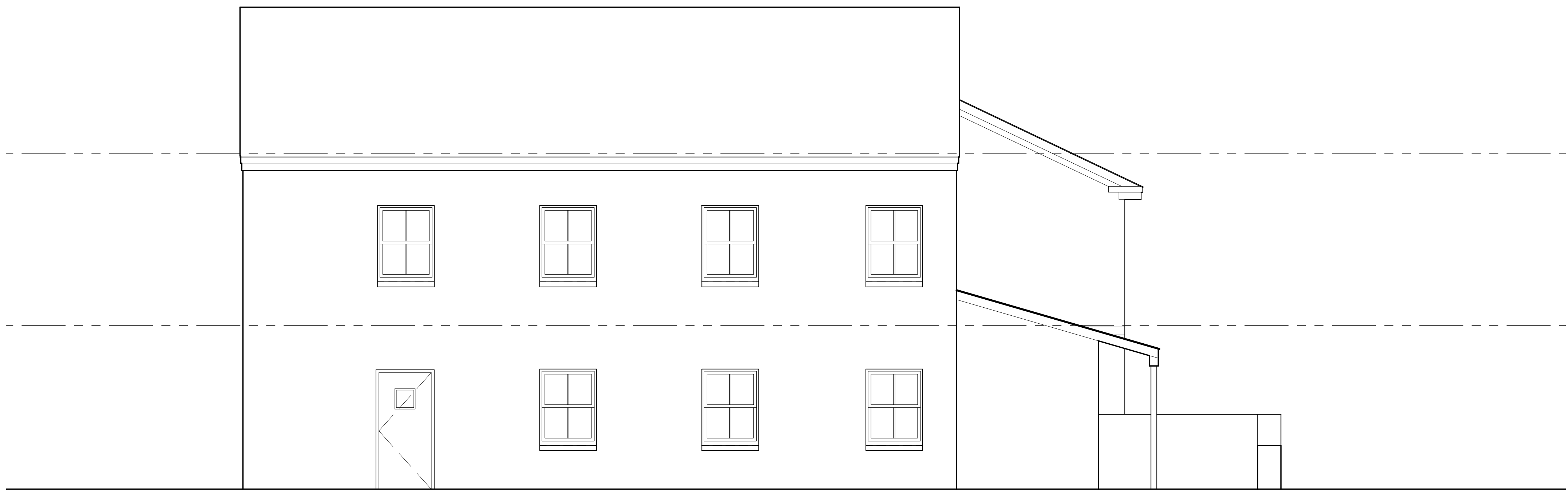
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140 POTTSTOWN PIKE
CHESTER SPRINGS, PA 19425

SHEET TITLE WEST ELEVATIONS

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A2.1



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UPPER UWCHLAN TOWNSHIP

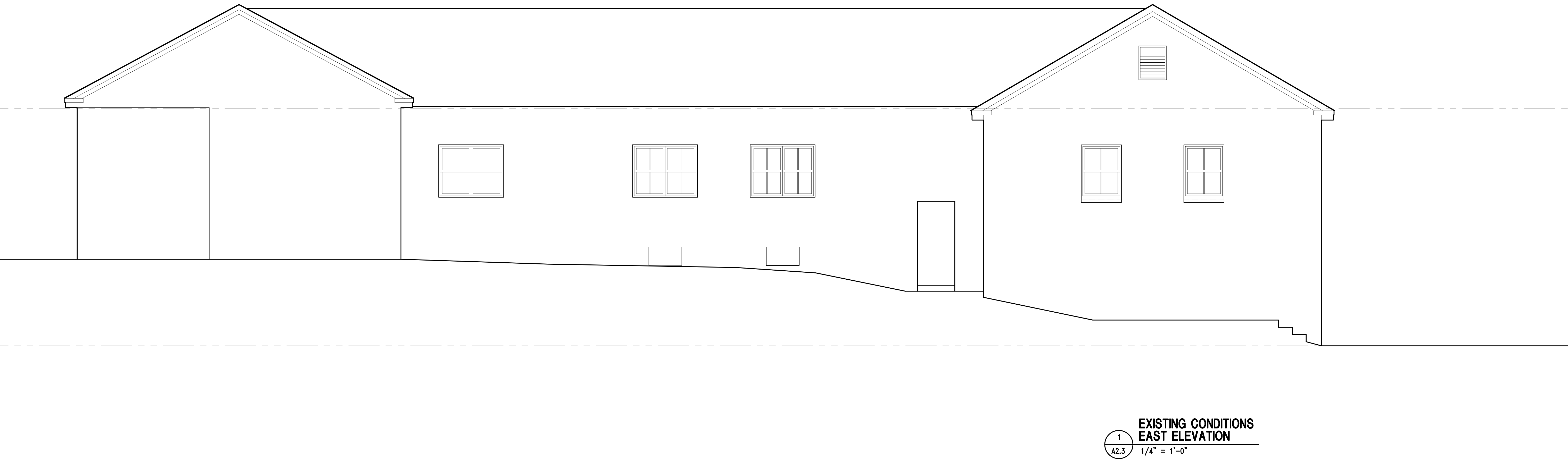
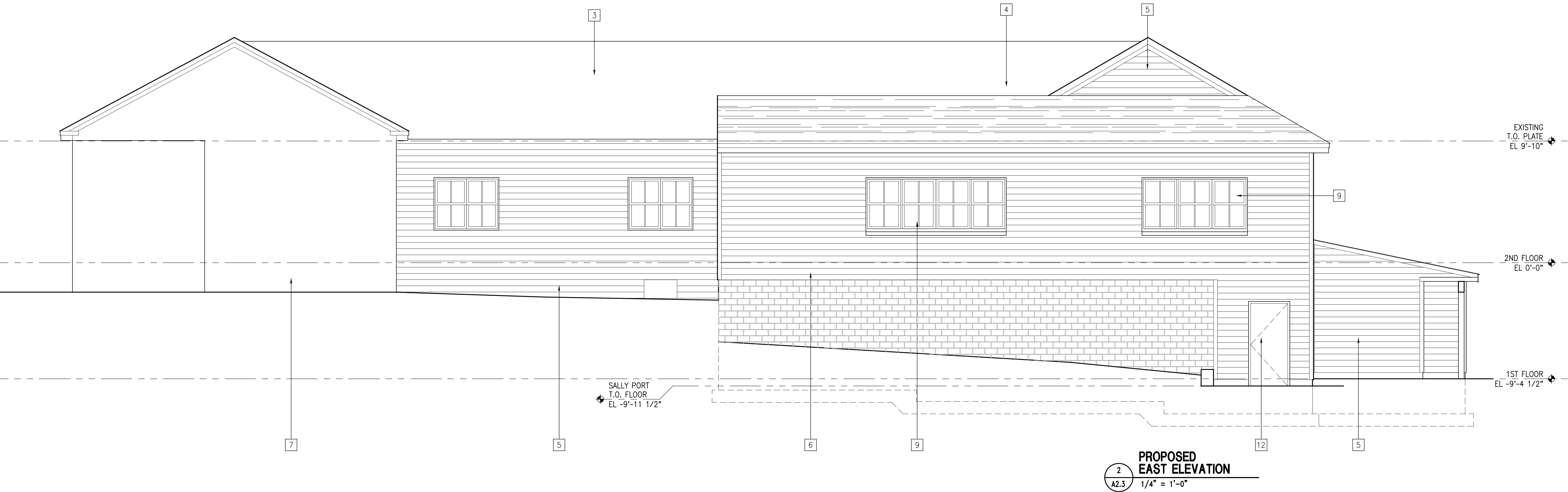
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ADDITIONS AND RENOVATIONS TO
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140 POTTSTOWN PIKE
CHESTER SPRINGS, PA 19425

SHEET TITLE NORTH ELEVATIONS

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A2.2



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A2.3

2018-2019 Bond Financing Information



November 13, 2018

STRICTLY PRIVATE AND CONFIDENTIAL

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RBC Capital Markets

Table of Contents

1. Financing Review
2. Market Update

Financing Review

SECTION 1



RBC Capital Markets

Executive Summary

Project Overview

- Township Projects - \$5,650,000 (General Fund Supported)
 - Township Building Expansion: \$3,750,000
 - Lighting – Hickory Park: \$400,000
 - Upland Farms Barn Project: \$1,500,000
- Final Maturity: 12/1/38 (20-year debt serviced wrapped around debt service of Fulton Bank Loan)

- Sewer Projects - \$5,200,000 (Self-Liquidating)
 - Wastewater Treatment Plan – Township Share: \$2,500,000
 - Phase II, Part 2 – Extend Main Byers Road & Milford Farms: \$1,200,000
 - Purchase Property for Drip Field: \$1,500,000
- Final Maturity: 12/1/48 (30-year debt service wrapped around debt service of 2014 Bonds)

Existing Debt Profile

Upper Uwchlan Township - General Obligation Debt Service			
(1)	(2)	(3)	(4)
Period Ending	Series of 2014 (Go Bonds-Sewer)	Fulton Bank Loan Twp. Gen. Fund	Total
12/31/2018	364,462	55,458	419,920
12/31/2019	369,213	55,458	424,671
12/31/2020	366,812	55,458	422,270
12/31/2021	368,013	55,458	423,471
12/31/2022	369,112		369,112
12/31/2023	364,863		364,863
12/31/2024	365,262		365,262
12/31/2025	365,240		365,240
12/31/2026	364,885		364,885
12/31/2027	369,188		369,188
12/31/2028	368,000		368,000
12/31/2029	368,800		368,800
12/31/2030	369,200		369,200
12/31/2031	369,200		369,200
12/31/2032	368,800		368,800
12/31/2033	368,000		368,000
12/31/2034	366,800		366,800
12/31/2035	365,200		365,200
12/31/2036	368,200		368,200
12/31/2037	365,600		365,600
12/31/2038	367,600		367,600
12/31/2039	364,000		364,000
	8,076,450	221,834	8,298,284
Original Par Amount:	\$5,955,000	TBD	
Par Outstanding:	\$5,450,000	\$207,185	
Call Provision:	12/01/2019	TBD	
Maturity Date:	12/01/2039	2021	
Final Coupon:	4.000%	2.790%	
Purpose:	NM (Sewer)	Street Sweeper Lease Payments	
Self-Liquidating:	Yes	No	
Bank Qualified:	Yes	Yes	
Notes:			

NM=New Money; CR=Current Refunding; AR=Advance Refunding

Note: Yearly debt service amounts represent total debt service paid during the year.

Bond Issue - \$10.85M Project Fund Deposit, 30-Year Wrapped Debt Service, Non-Bank Qualified

Upper Uwchlan Township - General Obligation Debt Service							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Period Ending	Series of 2014 (GO Bonds-Sewer)	Fulton Bank Loan Twp. Gen. Fund	2018 Bonds-Sewer	2018 Bonds-Twp	(Columns 2 + 4) Total Sewer	(Columns 3 + 5) Total Twp.	(Columns 6 + 7) Combined Total
12/31/2018	364,462	55,458			364,462	55,458	419,920
12/31/2019	369,213	55,458	200,074	324,999	569,287	380,457	949,744
12/31/2020	366,812	55,458	248,675	369,675	615,487	425,133	1,040,620
12/31/2021	368,013	55,458	247,925	370,550	615,938	426,008	1,041,946
12/31/2022	369,112		247,025	425,450	616,137	425,450	1,041,587
12/31/2023	364,863		251,125	423,550	615,988	423,550	1,039,538
12/31/2024	365,262		250,075	426,500	615,337	426,500	1,041,837
12/31/2025	365,240		254,025	424,150	619,265	424,150	1,043,415
12/31/2026	364,885		252,825	421,650	617,710	421,650	1,039,360
12/31/2027	369,188		246,625	424,000	615,813	424,000	1,039,813
12/31/2028	368,000		250,225	423,400	618,225	423,400	1,041,625
12/31/2029	368,800		248,625	422,400	617,425	422,400	1,039,825
12/31/2030	369,200		247,025	426,000	616,225	426,000	1,042,225
12/31/2031	369,200		250,425	424,000	619,625	424,000	1,043,625
12/31/2032	368,800		248,625	421,600	617,425	421,600	1,039,025
12/31/2033	368,000		246,825	423,800	614,825	423,800	1,038,625
12/31/2034	366,800		250,025	425,400	616,825	425,400	1,042,225
12/31/2035	365,200		253,025	421,400	618,225	421,400	1,039,625
12/31/2036	368,200		250,825	422,000	619,025	422,000	1,041,025
12/31/2037	365,600		253,625	422,000	619,225	422,000	1,041,225
12/31/2038	367,600		251,225	426,400	618,825	426,400	1,045,225
12/31/2039	364,000		253,825		617,825		617,825
12/31/2040			616,225		616,225		616,225
12/31/2041			619,025		619,025		619,025
12/31/2042			616,025		616,025		616,025
12/31/2043			617,425		617,425		617,425
12/31/2044			618,025		618,025		618,025
12/31/2045			617,194		617,194		617,194
12/31/2046			615,538		615,538		615,538
12/31/2047			618,056		618,056		618,056
12/31/2048			619,544		619,544		619,544
	8,076,450	221,834	10,759,731	8,268,924	18,836,181	8,490,757	27,326,938
Original Par Amount:	\$5,955,000	TBD	\$5,450,000	\$5,665,000			
Par Outstanding:	\$5,450,000	\$207,185	\$5,450,000	\$5,665,000			
Call Provision:	12/01/2019	TBD	06/01/2026	06/01/2026			
Maturity Date:	12/01/2039	2021	12/01/2048	12/01/2038			
Final Coupon:	4.000%	2.790%	4.125%	4.000%			
Purpose:	NM (Sewer)	Street Sweeper Lease Payments	Sewer Projects	Twp. Bldng. Projects			
Self-Liquidating:	Yes	No	Yes	No	Yes	No	Partially
Bank Qualified:	Yes	Yes	No	No			
Notes:							

NM=New Money; CR=Current Refunding; AR=Advance Refunding

Note: Yearly debt service amounts represent total debt service paid during the year.

NOTE: Interest rates are based on estimated current market conditions and are subject to change.

Bond Issue - \$10.85M Project Fund Deposit, 30-Year Wrapped Debt Service, Non-Bank Qualified

Bond Details	
Pricing Date	12/11/2018
Settlement Date	01/10/2019
All-in True Interest Cost	4.18%
Average Annual Debt Service	\$ 636,587
1st Interest Payment Date	06/01/2019
1st Principal Payment Date	12/01/2019
Call Date	06/01/2026
Sources and Uses of Funds	
Sources:	
Par Amount	\$ 11,115,000
Original Issue Premium/(Discount)	(131,646)
Total Sources	\$ 10,983,354
Uses:	
Project Fund Deposit - Township	\$ 5,650,000
Project Fund Deposit - Sewer	\$ 5,200,000
Estimated Costs of Issuance (including UW fee)	126,240
Estimated Bond Insurance	-
Additional Proceeds	7,114
Total Uses	\$ 10,983,354
Interest Rate Sensitivity Analysis*	
Total Debt Service: Current Rates +50 bps	\$ 20,092,597
Total Debt Service: Current Rates -50 bps	17,961,953

*Sensitivity assumes changes to both coupons and yields.

Debt Service Schedule	
Fiscal Year Ending	Annual Debt Service
12/31/2019	525,073
12/31/2020	618,350
12/31/2021	618,475
12/31/2022	672,475
12/31/2023	674,675
12/31/2024	676,575
12/31/2025	678,175
12/31/2026	674,475
12/31/2027	670,625
12/31/2028	673,625
12/31/2029	671,025
12/31/2030	673,025
12/31/2031	674,425
12/31/2032	670,225
12/31/2033	670,625
12/31/2034	675,425
12/31/2035	674,425
12/31/2036	672,825
12/31/2037	675,625
12/31/2038	677,625
12/31/2039	253,825
12/31/2040	616,225
12/31/2041	619,025
12/31/2042	616,025
12/31/2043	617,425
12/31/2044	618,025
12/31/2045	617,194
12/31/2046	615,538
12/31/2047	618,056
12/31/2048	619,544
Total	\$ 19,028,654

NOTE: Interest rates are based on estimated current market conditions and are subject to change.

Estimated/Potential Financing Timeline

Date	Activity
11/13	-Township Board Workshop Meeting
11/15	-Bond Counsel advertises in local newspaper Township's intention to adopt Bond Ordinance
11/19	-Township Regular Board meeting – Presentation of Parameters Bond Purchase Proposal and adoption of Parameters Bond Ordinance.
11/19 – Week of	-Rating call with Moody's -Bond Counsel advertises in local newspaper Township's adopted Bond Ordinance
11/26 – Week of	-Receive rating report from Moody's
12/3 – Week of	-Preliminary Official Statement (POS) is published/printed and RBCCM begins marketing Bonds to investors
12/10 – Week of	-Price Bond issue (sell to investors and lock-in interest rates) -Distribute draft Official Statement (OS) -Unless filed at an earlier time, Bond Counsel files debt proceedings with the Department of Community & Economic Development (DCED), including application to exclude the sewer portion of the Bonds as self-liquidating from dedicated sewer revenues
12/17 – Week of	-Print and mail OS
1/7 or 1/14 – Week of	-Bond Settlement/Closing

Market Update

SECTION 2



RBC Capital Markets

Bond Buyer 20 General Obligation Bond Index

57 Year Historical Perspective

Bond Buyer 20 GO Index since January 1961



% of Time in Each Range Since 1961

Yield Range		
Less than 3.50%	10.10%	
3.50% - 4.00%	10.43%	
4.01% - 4.50%	10.80%	
4.51% - 5.00%	10.07%	
5.01% - 5.50%	14.03%	
5.51% - 6.00%	9.77%	
6.01% - 6.50%	7.57%	
6.51% - 7.00%	6.90%	
7.01% - 7.50%	6.23%	
7.51% - 8.00%	3.67%	
Greater than 8.00%	10.43%	
Total	100.00%	

Source: Bloomberg as of November 1, 2018
Weekly yields and indexes released by the Bond Buyer. Updated every Thursday at approximately 6:00pm EST. 20 Bond General Obligation Yield with 20 year maturity, rated Aa2 by Moody's Arithmetic Average of 20 bonds' yield to maturity.

Today's 4.33% level is lower than 77.33% of historical rates since January 1961

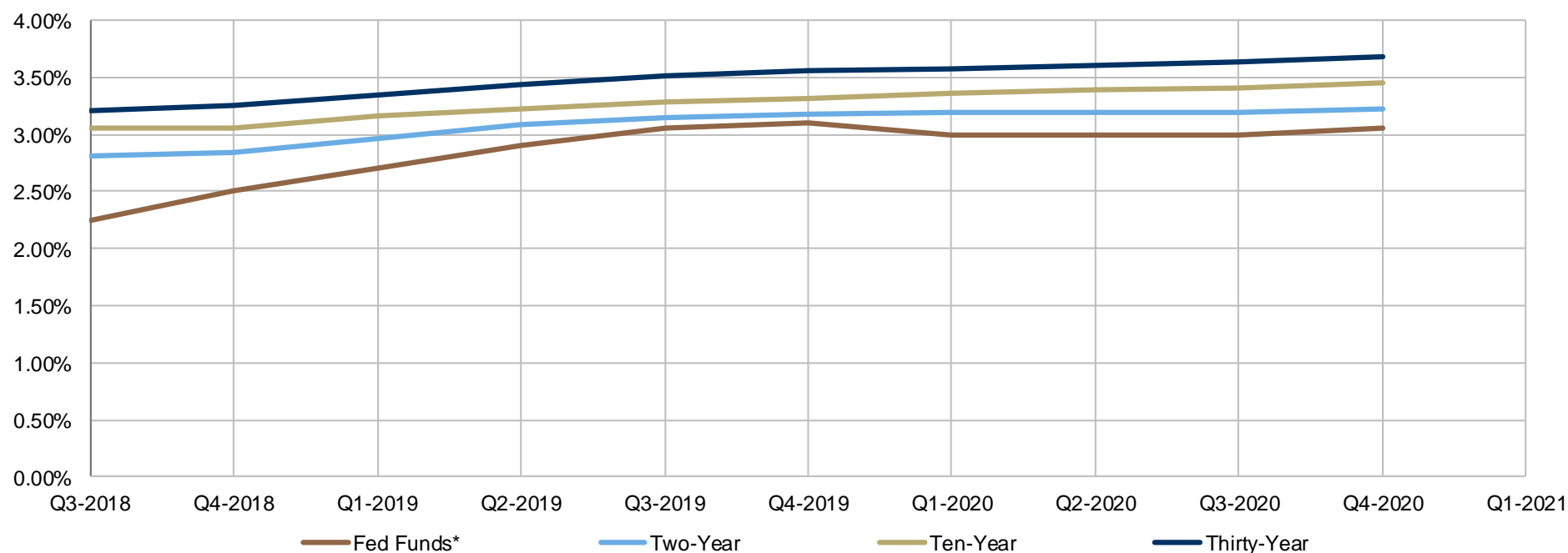
Taxable Interest Rate Forecast

Bloomberg Median Taxable Interest Rate Forecast ^[1] As of October 8, 2018

	Actual	Forecast									
	Q3-2018	Q4-2018	Q1-2019	Q2-2019	Q3-2019	Q4-2019	Q1-2020	Q2-2020	Q3-2020	Q4-2020	Q1-2021
Fed Funds*	2.25%	2.50%	2.70%	2.90%	3.05%	3.10%	3.00%	3.00%	3.00%	3.05%	
Two-Year	2.82%	2.85%	2.97%	3.08%	3.15%	3.18%	3.20%	3.20%	3.19%	3.23%	
Ten-Year	3.06%	3.06%	3.17%	3.23%	3.28%	3.32%	3.36%	3.39%	3.41%	3.45%	
Thirty-Year	3.21%	3.25%	3.35%	3.44%	3.51%	3.56%	3.58%	3.60%	3.64%	3.68%	

^[1] Consists of economic forecasts and projections from approximately 60 investment banking firms and financial institutions.

*For these purposes, indicates upper bound of Fed Funds range.



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BOND PURCHASE AGREEMENT

for

UPPER UWCHLAN TOWNSHIP

Chester County, Pennsylvania

\$14,615,000 Maximum Aggregate Principal Amount

General Obligation Bonds

November 19, 2018

RBC Capital Markets, LLC

BOND PURCHASE AGREEMENT

UPPER UWCHLAN TOWNSHIP Chester County, Pennsylvania General Obligation Bonds

November 19, 2018

Township Board of Supervisors
Upper Uwchlan Township
140 Pottstown Pike
Chester Springs, PA 19425

Ladies and Gentlemen:

The undersigned, RBC Capital Markets, LLC (the “Underwriter”) acting on its own behalf, offers to enter into the following agreement with Upper Uwchlan Township, Chester County, Pennsylvania (the “Township” or the “Issuer”) which, upon the Issuer’s written acceptance of this offer, will be binding upon the Issuer and upon the Underwriter. Terms not otherwise defined in this Bond Purchase Agreement (the “Agreement”) shall have the same meanings set forth in the Bond Ordinance (as defined herein) or in the Official Statement (as defined herein).

1. *Purchase and Sale of the Bonds.* Conditioned upon market availability, usual and customary Underwriter review and approvals, customary bond documentation and opinions and the absence of either party terminating this Agreement pursuant to Section 8 herein, and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriter, all of the Issuer’s General Obligation Bonds (the “Bonds”), authorized for issuance in one or more series under an Ordinance enacted by the Issuer on November 19, 2018 (the “Bond Ordinance”) and more fully described herein. Inasmuch as this purchase and sale represents a negotiated transaction, the Issuer acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm’s length, commercial transaction between the Issuer and the Underwriter in which the Underwriter is acting solely as a principal and are not acting as a municipal advisor, financial advisor or fiduciary to the Issuer; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters); (iii) the Underwriter is acting solely in their capacity as underwriter for their own accounts, (iv) the only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (v) the Issuer has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate. The Underwriter has been duly authorized to execute this agreement and to act hereunder.

The maximum aggregate principal amount of the Bonds to be issued, the maximum annual principal maturity or mandatory redemption amounts, and the maximum yield(s) to maturity per annum, are set forth in Schedule I attached hereto. The Bonds are described in, and shall be issued and secured under and pursuant to, the terms and conditions of the Bond Ordinance and any bond agreement authorized thereunder. One or more banks or trust companies as selected by the authorized officials of the Issuer pursuant to the Bond Ordinance (the “Paying Agent”) shall serve as paying agent, sinking fund depository and registrar for the Bonds.

The purchase price for any series of bonds purchased hereunder, including underwriting discount and net original issue discount or original issue premium, shall be negotiated and set forth in a written addendum to this Agreement executed by both parties at least 15 days prior to date of the Closing (as hereinafter defined), and shall not be less than 95.0% nor more than 125% of the aggregate principal amount of Bonds to be issued and delivered by the Issuer, exclusive of any original issue discount and any original issue premium, plus interest accrued, if any, on the Bonds from the dated date of the Bonds to the date of such Closing. The initial offering prices and yields, interest rates, optional and mandatory tender provisions, credit or liquidity provisions, optional and mandatory redemption provisions, sources and uses of funds and any other appropriate terms and conditions applicable to the Bonds, not inconsistent with the Bond Ordinance and any bond agreement authorized thereunder, also shall be set forth in an addendum to this Agreement and in all respects shall be acceptable to the Issuer in its sole discretion. The Bonds may, however, be issued and delivered by the Issuer from time to time, on such dates and in such aggregate principal amounts as may be authorized by the Issuer and acceptable to the Underwriter, and the Underwriter shall, at the time of issuance and delivery of such Bonds, pay the appropriate purchase price set forth above, plus accrued interest, if any, from the dated date of such Bonds to the date of delivery of such Bonds.

2. *Public Offering.* The Underwriter agrees to make a bona fide public offering of all of the Bonds at prices not to exceed the public offering price(s) described above, which will be set forth on the cover of an Official Statement to be prepared by or on behalf of the Issuer (the “Official Statement”) in connection with the marketing and issuance of the Bonds. The Underwriter may subsequently change such offering price(s) without any requirement of prior notice. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering price stated on the cover of the Official Statement.

3. *Establishment of Issue Price.* The provisions for the calculation of “issue price” under IRS Regulation 1.148-1 shall be contained in a written addendum to this Agreement to be executed not later than the sale date of the Bonds. Such addendum shall be in form and substance acceptable to the Underwriter, the Issuer and Bond Counsel.

4. *The Preliminary Official Statement and the Official Statement.*

(a) Upon request of the Underwriter, following notification by the Issuer that it intends to issue Bonds under the Bond Ordinance, a Preliminary Official Statement shall be prepared for use by the Underwriter in connection with any public offering, sale or distribution of the Bonds. The Preliminary Official Statement shall be deemed final by the Issuer as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”). The Issuer hereby agrees to consent to the use by the Underwriter of the Preliminary Official Statement in connection with a public offering of the Bonds.

(b) Not later than seven (7) business days after the Issuer and the Underwriter execute an addendum to this Agreement establishing the final terms applicable to any of the Bonds, and in sufficient time to accompany any confirmation that requests payment from any customer, the Issuer shall provide, or cause to be provided, to the Underwriter, an Official Statement satisfying the requirements of the Rule. The Official Statement shall be complete as of the date of its delivery to the Underwriter and shall be made available in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board (“MSRB”). The Issuer agrees to authorize the Official Statement and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of such Bonds.

(c) If, after the date of the Official Statement to and including the date the Underwriter is no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) 90 days from the “end of the underwriting period” (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from the MSRB but in no case less than 25 days

after the “end of the underwriting period” for the Bonds), the Issuer becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, the Issuer will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time reasonably request), and if, in the opinion of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the Issuer will forthwith prepare and furnish, or cause to be prepared and furnished, at the Issuer’s own expense (in a form and manner approved by the Underwriter), a reasonable number of copies of either amendments or supplements to the Official Statement so that the statements in the Official Statement as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or so that the Official Statement will comply with law. If such notification shall be subsequent to the Closing, the Issuer shall furnish such legal opinions, certificates, instruments and other documents as the Underwriter may deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement.

(d) The Underwriter hereby agrees to timely file the Official Statement with the MSRB. Unless otherwise notified in writing by the Underwriter, the Issuer can assume that the “end of the underwriting period” for purposes of the Rule is the date of the Closing.

5. *Representations, Warranties, and Covenants of the Issuer.* The Issuer hereby represents and warrants to and covenants with the Underwriter that:

(a) The Issuer is a township duly created and organized and existing under laws of the Commonwealth of Pennsylvania (the “Commonwealth”), and has full legal right and authority under the Local Government Unit Debt Act, as amended and supplemented (the “Act”) and the Bond Ordinance (i) to enter into, execute and deliver this Agreement, the Bond Ordinance and, if required by applicable law, a Continuing Disclosure Undertaking (the “Undertaking”) as defined in Section 7(h)(4) hereof and all documents required hereunder and thereunder to be executed and delivered by the Issuer (this Agreement, the Bond Ordinance, the Undertaking and the other documents referred to in this clause (i) are hereinafter referred to as the “*Issuer Documents*”), (ii) to sell, issue and deliver the Bonds to the Underwriter as provided herein, and (iii) to carry out and consummate the transactions contemplated by the Issuer Documents and the Official Statement, and the Issuer has complied, and will at the Closing be in compliance in all respects, with the terms of the Act and the Issuer Documents as they pertain to such transactions;

(b) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, or such later date satisfactory to the Underwriter, the Issuer has duly authorized all necessary action to be taken by it for (i) the enactment of the Bond Ordinance and the issuance and sale of the Bonds, (ii) the approval, execution and delivery of, and the performance by the Issuer of the obligations on its part, contained in the Bonds and the Issuer Documents and (iii) the consummation by it of all other transactions contemplated by the Official Statement, the Issuer Documents and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the Issuer in order to carry out, give effect to, and consummate the transactions contemplated herein, in the Bond Ordinance and in the Official Statement;

(c) The Issuer Documents constitute or will constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors’ rights; the Bonds, when issued, delivered and paid for in accordance with the Bond Ordinance and this Agreement, will constitute legal, valid and binding obligations of the Issuer entitled to the benefits of the Bond Ordinance and enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the

enforcement of creditors' rights; and upon the issuance, authentication and delivery of the Bonds as aforesaid, the Bond Ordinance will provide, for the benefit of the holders, from time to time, of the Bonds, the legally valid and binding pledge it purports to create as set forth in the Bond Ordinance;

(d) The Issuer is not in breach of or default in any material respect under any applicable constitutional provision, law or administrative regulation of the Commonwealth or the United States, any applicable judgment or decree, or any loan agreement, indenture, bond, note, ordinance, agreement or other instrument to which the Issuer is a party relating to the transaction contemplated by this Agreement or to which the Issuer is or any of its property or assets are otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the Issuer under any of the foregoing; and the execution and delivery of the Bonds and the Issuer Documents and the enactment of the Bond Ordinance and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a breach of or default under any constitutional provision, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, ordinance, agreement or other instrument to which the Issuer is a party or to which the Issuer is or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer to be pledged to secure the Bonds or under the terms of any such law, regulation or instrument, except as provided in the Bonds and the Bond Ordinance;

(e) All authorizations and approvals of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Issuer of its obligations under the Issuer Documents and the Bonds have been or will be duly obtained;

(f) The Bonds shall conform to the descriptions thereof to be set forth in the Official Statement under the caption "THE BONDS"; the description of the Bond Ordinance to be contained in the Official Statement under the caption "INTRODUCTION" shall conform to the Bond Ordinance; the proceeds of the sale of the Bonds will be applied generally as described in the addendum to this Agreement and in the Official Statement under the caption "PURPOSE OF THE ISSUE"; and, if applicable, the Undertaking shall conform to the description thereof to be contained in the Official Statement under the caption "Continuing Disclosure Undertaking;"

(g) There is no legislation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best knowledge of the Issuer after due inquiry, threatened against the Issuer, (1) affecting the existence of the Issuer or the titles of its officers to their respective offices, (2) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds, or the collection of taxes pledged to the payment of principal of and interest on the Bonds, pursuant to the Bond Ordinance, (3) in any way contesting or affecting the validity or enforceability of the Bonds or the Issuer Documents, (4) contesting the exclusion from gross income of interest on the Bonds for federal income tax purposes under existing laws or the exclusion from gross income of interest on the Bonds from Pennsylvania personal income tax and Pennsylvania personal property taxes under the laws of the Commonwealth, (5) contesting in any way the timing or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or (6) contesting the powers of the Issuer or any authority for the issuance of the Bonds, the enactment of the Bond Ordinance or the execution and delivery of the Issuer Documents, nor, to the best knowledge of the Issuer, if any such action does exist or is threatened, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents;

(h) As of its date, the Preliminary Official Statement shall not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(i) From its date (unless the Official Statement is amended or supplemented pursuant to paragraph (c) of Section 4 of this Agreement), up to and including the date of Closing, the Official Statement shall not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(j) The Issuer will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Bond Ordinance and not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes or Commonwealth income tax purposes of the interest on the Bonds;

(k) The financial statements of, and other financial information regarding the Issuer, in the Official Statement shall fairly present the financial position and results of the Issuer as of the dates and for the periods therein set forth. Prior to the Closing, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the Issuer. The Issuer is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the Issuer, would have a materially adverse effect on the financial condition of the Issuer;

(l) Prior to the Closing the Issuer will not offer or issue any notes, bonds or other obligations for borrowed money payable from or secured by any of the revenues or assets which will secure the Bonds without prior notice to the Underwriter; and

(m) Any certificate signed by any official of the Issuer duly authorized to do so in connection with the transactions contemplated by this Agreement shall be deemed a representation and warranty by the Issuer to the Underwriter as to the statements made therein.

6. *Closing.*

(a) At such time and date as shall have been mutually agreed upon by the Issuer and the Underwriter (the “*Closing*”), the Issuer will, subject to the terms and conditions hereof, deliver the Bonds to the Underwriter via the Book-Entry Only System of The Depository Trust Company, together with the other documents hereinafter mentioned, and the Underwriter will, subject to the terms and conditions hereof, accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 of this Agreement by a wire transfer payable in immediately available funds to the order of the Issuer. Payment for the Bonds as aforesaid shall be made at the offices of the Paying Agent, or such other place as shall have been mutually agreed upon by the Issuer and the Underwriter. If the Bonds are issued and delivered to the Underwriter from time to time as permitted under Section 1 hereof, the mutual delivery of Bonds and the other documents, certificates and opinions required by this Agreement to be made on the related Closing Date is herein referred to as a “*Closing*.”

(b) The Bonds shall be delivered to the Paying Agent in definitive fully registered form, bearing CUSIP numbers without coupons, with one Bond for each maturity of the Bonds, registered in the name of Cede & Co., all as provided in the Bond Ordinance. Upon request, copies of the executed Bonds shall be made available to the Underwriter at least one business day before the Closing for purposes of inspection.

7. *Closing Conditions.* The Underwriter has entered into this Agreement in reliance upon the representations, warranties and agreements of the Issuer contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and

upon the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligation under this Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions, including the delivery by the Issuer of such documents as are enumerated herein, in form and substance reasonably satisfactory to the Underwriter:

- (a) The representations and warranties of the Issuer contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;
- (b) The Issuer shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing;
- (c) At the time of the Closing, (i) the Issuer Documents and the Bonds shall be in full force and effect in the form heretofore approved by the Underwriter and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriter; and (ii) all actions of the Issuer required to be taken by the Issuer shall be performed in order for Bond Counsel to deliver its opinion referred to hereafter;
- (d) At or prior to the Closing, the Bond Ordinance shall have been duly enacted by the Issuer and in full force and effect, and the Issuer shall have duly executed and delivered the Bonds to the Paying Agent for the Paying Agent's authentication of the Bonds;
- (e) At the time of the Closing, there shall not have occurred any change or any development involving a prospective change in the condition, financial or otherwise, or in the revenues or operations of the Issuer, from that set forth in the Official Statement that in the judgment of the Underwriter, is material and adverse and that makes it, in the judgment of the Underwriter, impracticable to market the Bonds on the terms and in the manner contemplated in the Official Statement;
- (f) The Issuer shall not have failed to pay principal or interest when due on any of its outstanding obligations for borrowed money;
- (g) All steps to be taken and all instruments and other documents to be executed, and all other legal matters in connection with the transactions contemplated by this Agreement shall be reasonably satisfactory in legal form and effect to the Underwriter; and
- (h) At or prior to the Closing, the Underwriter shall have received copies of each of the following documents:
 - (1) The Official Statement, and each supplement or amendment thereto, if any, executed on behalf of the Issuer by an officer of the Issuer, or such other official as may have been agreed to by the Underwriter, and the reports and audits referred to or appearing in the Official Statement;
 - (2) The Bond Ordinance and any bond agreement authorized thereunder, each with such supplements or amendments as may have been agreed to by the Underwriter;
 - (3) This Agreement, together with all addenda pertaining to the final terms of the Bonds, duly executed by the Issuer;
 - (4) The Undertaking of the Issuer which satisfies the requirements of Section (b)(5)(i) of the Rule;

(5) The approving opinion of Bond Counsel with respect to the Bonds;

(6) A certificate, dated the date of Closing, of the Issuer to the effect that (i) the representations and warranties of the Issuer contained herein are true and correct in all material respects on and as of the date of Closing as if made on the date of Closing; (ii) no litigation or proceeding against it is pending or, to its knowledge, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the Issuer to hold and exercise their respective positions, (b) contest the due organization and valid existence of the Issuer, (c) contest the validity, due authorization and execution of the Bonds or the Issuer Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the Issuer from functioning and collecting revenues, and other income, or the levy or collection of taxes to pay the principal of and interest on the Bonds, or the pledge of the full faith, credit and taxing power of the Issuer for payment of the Bonds; (iii) the Bond Ordinance of the Issuer authorizing the execution, delivery and/or performance of the Official Statement, the Bonds and Issuer Documents has been duly enacted by the Issuer, is in full force and effect and has not been modified, amended or repealed, and (iv) to the best of its knowledge, no event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in light of the circumstances under which made, not misleading in any respect as of the time of Closing, and the information contained in the Official Statement (as the same may have been amended or supplemented in accordance with Section 4(c) hereof, if applicable) is correct in all material respects and, as of the date of the Official Statement did not, and as of the date of the Closing does not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(7) A certificate of the Issuer in form and substance satisfactory to Bond Counsel (a) setting forth the facts, estimates and circumstances in existence on the date of the Closing which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code, and (b) certifying that to the best of the knowledge and belief of the Issuer there are no other facts, estimates or circumstances that would materially change the conclusions, representations and expectations contained in such certificate;

(8) Any other certificates and opinions required by the Bond Ordinance for the issuance thereunder of the Bonds; and

(9) The approving opinion of the Solicitor to the Issuer with respect to the Bonds.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds contained in this Agreement, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriter nor the Issuer shall be under any further obligation hereunder.

8. *Termination.* Either party shall have the right to terminate this Agreement and their obligations hereunder if, between the date of this Agreement and the Closing, the market price or marketability of the Bonds shall, in the sole judgement of the terminating party, be materially adversely affected by the occurrence of any of the following:

- (a) Legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or any member of the Congress or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the Commonwealth or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect of any or all of which would be to impose, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Bonds as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated herein;
- (b) Legislation shall be introduced in or enacted (or Ordinance passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice shall be issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, or that the Bond Ordinance is not exempt from qualification under or other requirements of the Trust Indenture Act, or that the issuance, offering, or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect;
- (c) A general suspension of trading in securities on the New York Stock Exchange or the American Stock Exchange, the establishment of minimum prices on either such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York or Pennsylvania state officials authorized to do so;
- (d) The New York Stock Exchange or other national securities exchange or any governmental authority, shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;
- (e) Any amendment to the federal Constitution or Constitution of the Commonwealth or action by any federal or Commonwealth court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the Issuer, its property, the Bonds (or interest thereon), or the validity or enforceability of the Bond Ordinance or the levy of taxes to pay principal of and interest on the Bonds;
- (f) Any event occurring or information becoming known which, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(g) There shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the Issuer, except for changes which the Official Statement discloses are expected to occur;

(h) Prior to the date of Closing, the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency or there shall have occurred any other outbreak or escalation of hostilities or a national or international calamity or crisis, financial or otherwise, which in the judgement of the Underwriter would have a material adverse affect upon the Underwriter's ability to market the Bonds;

(i) Any fact or event shall exist or have existed that, in the Underwriter's judgment, requires or has required an amendment of or supplement to the Official Statement;

(j) There shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service of the Issuer's underlying credit rating or any rating of the Bond Insurer, if any;

(k) The purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; or

(l) Legislation shall be proposed for enactment or be enacted which materially and adversely affects the taxing power of the Issuer or the ability of the Issuer to pledge its full faith, credit and taxing power for the Bonds.

Notwithstanding the foregoing, the Township shall have the right and privilege to terminate its obligation to sell, issue and deliver the Bonds to the Underwriter pursuant to this Agreement for any reason, with or without cause at any time after a period of six (6) months following the initial date of this Agreement and the Bond Ordinance, but not after the date of the execution of any addendum by the Township *pro tanto* (to the extent of the principal authorized in such addendum). Written notice of the Township's election to terminate this Agreement shall be given to the Underwriter promptly, and thereafter the Township will have no further obligation under this Agreement.

9. *Expenses.*

(a) The Underwriter shall be under no obligation to pay, and the Issuer shall pay all expenses incident to the performance of the Issuer's obligations hereunder, including, but not limited to (i) the cost of preparation and printing of the Bonds, Preliminary Official Statement, Official Statement and any amendment or supplement thereto, (ii) the fees and disbursements of Bond Counsel, Issuer Counsel, Disclosure Counsel and Special Tax Counsel, if any; (iii) the fees and disbursements of any Paying Agent or engineers, accountants, and other experts, consultants or advisers retained by the Issuer, if any; and (iv) all fees and expenses in connection with obtaining Bond ratings. The Issuer shall also pay for any expenses (included in the expense component of the Underwriter's discount) incurred by the Underwriter which are incidental to implementing this Bond Purchase Agreement and the issuance of the Bonds, including, but not limited to, meals, transportation and lodging, if any, and any other miscellaneous closing costs.

(b) The Issuer acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

10. *Parties in Interest.* This Agreement as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the Issuer and the Underwriter (including successors or assigns of the Underwriter). Notwithstanding the foregoing, the Issuer shall have the right, which right is hereby specifically acknowledged by the Underwriter, to direct the Underwriter to assign this Agreement and the Underwriter's interests in this Agreement to such party as the Issuer may direct in writing to the Underwriter. Upon such assignment the Underwriter shall be relieved of any obligations under this Agreement. The Issuer shall be responsible for the reasonable out of pocket expenses of the Underwriter in the event of any directed assignment to another party. This Agreement may be assigned by the Underwriter with the Issuer's prior written consent. All of the Issuer's representations, warranties and agreements contained in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds pursuant to this Agreement; and (iii) any termination of this Agreement.

11. *Effectiveness.* This Agreement shall become effective upon the acceptance hereof by the Issuer and shall be valid and enforceable at the time of such acceptance.

12. *Choice of Law.* This Agreement shall be governed by and construed in accordance with the law of the Commonwealth.

13. *Severability.* If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any Constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

14. *Business Day.* For purposes of this Agreement, "business day" means any day on which the New York Stock Exchange is open for trading.

15. *Section Headings.* Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Agreement and will not be used in the interpretation of any provisions of this Agreement.

16. *Counterparts.* This Agreement may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document.

If you agree with the foregoing, please sign the enclosed counterpart of this Agreement and return it to the Underwriter. This Agreement shall become a binding agreement between you and the Underwriter when at least the counterpart of this letter shall have been signed by or on behalf of each of the parties hereto.

Respectfully submitted,

RBC CAPITAL MARKETS, LLC

By _____
Name Daniel C. O'Brien
Title Director
Date November 19, 2018

ACCEPTANCE
ACCEPTED at [_____] [a.m./p.m.] Eastern Time this 19th day of November 2018.

UPPER UWCHLAN TOWNSHIP
Chester County, Pennsylvania

By _____
Name _____
Title (Vice) Chairman of the Township Board of Supervisors

SCHEDULE I

UPPER UWCHLAN TOWNSHIP
Chester County, Pennsylvania
General Obligation Bonds

Summary

Maximum Aggregate Principal Amount: \$14,615,000
Principal Maturity (or Mandatory Redemption): December 1

Maximum Annual Principal Payment Amount	Maximum Yield to Maturity	Principal Maturity or Mandatory Sinking Fund Payment Year
\$ 245,000	6.000%	2019
295,000	6.000%	2020
300,000	6.000%	2021
360,000	6.000%	2022
370,000	6.000%	2023
380,000	6.000%	2024
390,000	6.000%	2025
395,000	6.000%	2026
400,000	6.000%	2027
415,000	6.000%	2028
425,000	6.000%	2029
440,000	6.000%	2030
455,000	6.000%	2031
465,000	6.000%	2032
480,000	6.000%	2033
525,000	6.000%	2034
540,000	6.000%	2035
555,000	6.000%	2036
575,000	6.000%	2037
595,000	6.000%	2038
190,000	6.000%	2039
555,000	6.000%	2040
575,000	6.000%	2041
590,000	6.000%	2042
610,000	6.000%	2043
655,000	6.000%	2044
675,000	6.000%	2045
695,000	6.000%	2046
720,000	6.000%	2047
745,000	6.000%	2048

**ADDENDUM TO
BOND PURCHASE AGREEMENT
(DATED NOVEMBER 19, 2018)
UPPER UWCHLAN TOWNSHIP
CHESTER COUNTY, PENNSYLVANIA
GENERAL OBLIGATION BONDS, SERIES OF 2019**

Packet Page 32

Ladies and Gentlemen:

This document (the “Addendum”), including attachments, constitutes an addendum to, and a part of, the Bond Purchase Agreement, dated November 19, 2018 (the “Purchase Agreement”), between RBC Capital Markets, LLC (the “Underwriter”) and Upper Uwchlan Township, Chester County, Pennsylvania (the “Issuer”).

The terms of the General Obligation Bonds, **Series of 2019** (the “Bonds”), to be issued by the Issuer at a fixed rate and purchased by the Underwriter under the Purchase Agreement, including the aggregate principal amount, underwriter’s discount, original issue discount/premium by maturity and in the aggregate, dated date, annual principal maturity amounts and dates, annual interest rates and payment dates, are set forth or summarized in Schedule III attached hereto. The applicable redemption provisions are set forth in Schedule I attached hereto. Provisions concerning information provided under IRS Regulation 1.148-1 are set forth in Schedule II attached hereto. Except as provided in this Addendum, the Bonds shall be as described in, and shall be sold, issued and secured under and pursuant to the Purchase Agreement and the provisions of the ordinance enacted by the Issuer on November 19, 2018, and any supplements thereto (the “Bond Ordinance”), which are incorporated herein by reference, that authorizes and secures the Bonds, and approves the Purchase Agreement, including this Addendum.

If you agree with the terms of this Addendum, please sign below and return it to the Underwriter, which shall evidence the sale this date of the Bonds by the Issuer and the purchase thereof by the Underwriter.

Respectfully submitted,

RBC CAPITAL MARKETS, LLC

By _____
Name Daniel C. O'Brien
Title Director
Date _____

ACCEPTANCE

ACCEPTED at [_____] [a.m./p.m.] Eastern Time this _____ day of _____, 2018

UPPER UWCHLAN TOWNSHIP
Chester County, Pennsylvania

By _____
Name _____
Title _____

SCHEDULE I

Optional Redemption

The Bonds stated to mature on or after _____ shall be subject to redemption prior to maturity, at the option of the Issuer, as a whole, or in part (in any order of maturity as selected by the Issuer), at any time on or after _____ at a price equal to 100% of the principal amount of the Bonds redeemed, together with accrued interest thereon to the date fixed for such optional redemption. In the event that less than all Bonds of a particular maturity are to be redeemed, the Bonds of such maturity to be redeemed shall be drawn by lot by the Paying Agent.

Mandatory Redemption

TBD

SCHEDULE II

Establishment of Issue Price

- (a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. As applicable, all actions to be taken by the Issuer under this section to establish the issue price of the Bonds may be taken on behalf of the Issuer by the Issuer’s municipal advisor and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.
- (b) Except as otherwise set forth in Schedule II attached hereto, the Issuer will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public.
- (c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Schedule II attached hereto, except as otherwise set forth therein. The information contained below the heading “Bonds Not Meeting the 10% Test” sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the Issuer and the Underwriter, agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:
 - (i) the close of the fifth (5th) business day after the sale date; or
 - (ii) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the Issuer when it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

- (d) The Underwriter confirms that any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The Issuer acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with

the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not

be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

- (e) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:
 - (i) “public” means any person other than an underwriter or a related party,
 - (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
 - (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
 - (iv) “sale date” means the date of execution of this Addendum by all parties.

Bonds Not Meeting the 10% Test

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
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SCHEDULE III

Bond Pricing Summary

ORDINANCE NO. _____
OF THE
BOARD OF SUPERVISORS
TOWNSHIP OF UPPER UWCHLAN
CHESTER COUNTY, PENNSYLVANIA

AUTHORIZING AND DIRECTING THE INCURRENCE OF NONELECTORAL DEBT OF THE TOWNSHIP OF UPPER UWCHLAN, CHESTER COUNTY, PENNSYLVANIA (THE "TOWNSHIP") THROUGH THE ISSUANCE OF A SERIES OF GENERAL OBLIGATION BONDS IN THE AGGREGATE PRINCIPAL AMOUNT CURRENTLY ESTIMATED NOT TO EXCEED \$14,615,000 TO PROVIDE FUNDS FOR AND TOWARDS: (1) CAPITAL COSTS ASSOCIATED WITH EXPANSION OF THE TOWNSHIP BUILDING, LIGHTING AT HICKORY PARK, IMPROVEMENTS TO UPLAND FARMS COMMUNITY CENTER, THE TOWNSHIP'S SHARE OF THE CAPITAL IMPROVEMENTS AT THE UPPER UWCHLAN TOWNSHIP MUNICIPAL AUTHORITY'S WASTE WATER TREATMENT PLANT, EXTENSIONS OF THE SEWER MAINS ON BYERS ROAD AND FOR MILFORD FARMS, THE ACQUISITION OF PROPERTY FOR A DRIP FIELD AND OTHER CAPITAL PROJECTS AS MAY BE APPROVED BY FURTHER ACTION, AND (2) PAYING THE COSTS OF ISSUING THE BONDS; DIRECTING THE PROPER OFFICERS TO PREPARE, CERTIFY AND FILE THE REQUIRED DEBT STATEMENT, BORROWING BASE CERTIFICATE AND EXCLUSION PROCEEDINGS; COVENANTING THAT THE TOWNSHIP SHALL INCLUDE THE AMOUNT OF ANNUAL DEBT SERVICE IN ITS BUDGET FOR EACH FISCAL YEAR; PROVIDING FOR FULLY REGISTERED BONDS, DATING OF THE BONDS, INTEREST PAYMENT DATES, PROVISIONS FOR REDEMPTION AND MAXIMUM PRINCIPAL MATURITY AMOUNTS AND FIXING THE MAXIMUM RATES OF INTEREST ON THE BONDS; PROVIDING FOR BOOK-ENTRY BONDS UPON ORIGINAL ISSUANCE; PROVIDING FOR REPLACEMENT BONDS; AUTHORIZING THE PROPER OFFICERS OF THE TOWNSHIP TO CONTRACT WITH A BANK OR BANK AND TRUST COMPANY FOR ITS SERVICES AS SINKING FUND DEPOSITARY, PAYING AGENT AND REGISTRAR; STATING A COVENANT AS TO PAYMENT OF PRINCIPAL AND INTEREST WITHOUT DEDUCTION FOR CERTAIN TAXES; PROVIDING FOR THE REGISTRATION, TRANSFER AND EXCHANGE OF BONDS; PROVIDING FOR FACSIMILE SIGNATURES AND SEAL AND AUTHENTICATION; APPROVING THE FORM OF THE BONDS, PAYING AGENT'S AUTHENTICATION CERTIFICATE AND ASSIGNMENT AND PROVIDING FOR CUSIP NUMBERS TO BE PRINTED ON THE BONDS; PROVIDING FOR TEMPORARY BONDS; PROVIDING FOR A NEGOTIATED AND STATING THAT SUCH METHOD OF SALE IS IN THE BEST FINANCIAL INTEREST OF THE TOWNSHIP;

ESTABLISHING A SINKING FUND; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE TOWNSHIP TO CERTIFY AND TO FILE WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT CERTIFIED COPIES OF THE NECESSARY PROCEEDINGS FOR INCURRING AND EXCLUDING NONELECTORAL DEBT; COVENANTING THAT THE PROCEEDS OF THE BONDS SHALL NOT BE USED IN SUCH A MANNER AS TO CAUSE THE BONDS TO BE ARBITRAGE BONDS AND MAKING OTHER NECESSARY REPRESENTATIONS UNDER FEDERAL TAX LAW PROVISIONS; APPROVING THE CONTENT AND FORM OF A PRELIMINARY OFFICIAL STATEMENT AND DISTRIBUTION THEREOF AND AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT; AUTHORIZING CONTINUING DISCLOSURE; AUTHORIZING THE PROPER OFFICERS OF THE TOWNSHIP TO DO ALL THINGS NECESSARY TO CARRY OUT THE PURPOSES OF THE ORDINANCE AND TO PAY FINANCING COSTS; AND RESCINDING ALL INCONSISTENT ORDINANCES.

The Board of Supervisors (the "Governing Body") of the Township of Upper Uwchlan, Chester County, Pennsylvania (the "Township"), pursuant to the Pennsylvania Local Government Unit Debt Act, as amended (the "Act"), hereby ordains and enacts as follows:

Section 1. Incurrence of Debt; Amount and Purpose of Bonds. The Governing Body of the Township hereby authorizes and directs the incurring of nonelectoral debt through the issuance of General Obligation Bonds, Series of 2019 (the "Bonds") of the Township in the maximum aggregate principal amount of \$14,615,000 to (a) provide funds for and towards capital costs associated with expansion of the Township building, lighting at Hickory Park, improvements to Upland Farms Community Center, the Township's share of the capital improvements at the Upper Uwchlan Township Municipal Authority's waste water treatment plant, extensions of the sewer mains on Byers Road and for Milford Farms, the acquisition of property for a drip field and other capital projects as may be approved by further action (collectively, the "Capital Project"), and (b) pay the costs of issuing the Bonds (collectively, the "Project").

Realistic cost estimates have been obtained by the Township for the Capital Project through actual bids or professional estimates by qualified persons, as required by Section 8006 of the Act. The construction of the components of the Capital Project is expected to be completed by December 2021.

The Township hereby reserves the right to undertake components of the Capital Project in such order and at such time or times as it shall determine and to allocate the proceeds of the Bonds and other available moneys to the final costs of the Capital Project in such amounts and order of priority as it shall determine;

but the proceeds of the Bonds shall be used solely to pay the “costs”, as defined in the Act, of the Capital Project described herein or, upon appropriate amendment hereto, to pay the costs of other capital projects for which the Township is authorized to incur indebtedness.

Section 2. Declaration of Useful Life of the Capital Project. The realistic estimated useful life of each component of the Capital Project is hereby declared to be as shown on Exhibit “B” attached hereto and incorporated herein.

Section 3. Debt Statement and Borrowing Base Certificate Filing. The Chairperson or Vice-Chairperson of the Governing Body and the Secretary of the Township are hereby authorized and directed to prepare and certify a Debt Statement required by Section 8110 of the Act, a Borrowing Base Certificate and proceedings to exclude a portion of the Bonds as self-liquidating debt from sewer system revenues.

Section 4. Covenant to Pay Bonds. The Township hereby covenants with the registered owners from time to time of the Bonds that the Township shall (i) include the amount of the debt service for the Bonds for each fiscal year in which such sums are payable in its budget for that year, (ii) appropriate such amounts from its general revenues for the payment of such debt service, and (iii) duly and punctually pay, or cause to be paid, from its sinking fund or any other of its revenues or funds the principal of, and the interest on, the Bonds at the dates and places and in the manner stated in the Bonds according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the Township pledges its full faith, credit and taxing power. As provided by the Act, this covenant shall be specifically enforceable.

Notwithstanding the foregoing, the Township intends and expects to levy rates and charges for the use of its sewer system sufficient to pay the expenses of operation and treatment and that portion of the debt service on the Bonds attributable to sewer purposes and intends to file exclusion proceedings with the Department of Community and Economic Development (the “Department”) contemporaneously with the Bond debt incurrence proceedings.

Section 5. Description of Bonds; Maturity Schedule; Redemption of Bonds.

(a) Bonds shall be in fully registered form without coupons, shall be numbered, shall be in the denomination of \$5,000 or any integral multiple thereof, shall be dated as of their date of issuance and shall bear interest from the dates, which interest is payable at the maximum rates provided herein, until maturity, and in the form of Bond attached hereto as Exhibit “A” and made a part hereof.

(b) The Bonds, upon original issuance, shall be issued in the form of a single, fully registered bond for each maturity of the Bonds, in denominations equal to the principal amount of the Bonds maturing on each such date, and shall be delivered to The Depository Trust Company in New York, New York, its successors and assigns (the "Securities Depository") or its nominee, CEDE & CO. Each such Bond shall be registered on the registration books kept by the Paying Agent (as hereinafter defined), appointed in Section 6 hereof, as registrar and transfer agent, in the name of the Securities Depository or, at the Securities Depository's option, in the name of CEDE & CO., as the Securities Depository's nominee, and no beneficial owners thereof will receive certificates representing their respective interests in such Bonds, except in the event the Paying Agent, on behalf of the Township, issues Replacement Bonds as provided in subparagraph (d) below.

(c) The Township has delivered a Blanket Issuer Letter of Representation, dated August 18, 2014, to the Securities Depository (the "Representation Letter"). The execution and delivery by the Township of the Representation Letter shall not in any way limit any undertaking or arrangement contemplated or provided herein in respect of the Securities Depository or the book-entry registration, payment and notification system or in any other way impose upon the Township or the Paying Agent any obligation whatsoever with respect to beneficial owners having interests in the Bonds, any such obligation extending solely to the registered owners of the Bonds as shown on the registration books kept by the Paying Agent. The Paying Agent shall take all action necessary for all representations of the Township in the Representation Letter with respect to the Paying Agent to be complied with at all times.

(d) If the Township determines either:

(i) that the Securities Depository is unable to properly discharge its responsibilities; or

(ii) that the interest of the beneficial owners of the Bonds would be adversely affected by the continuation of the book-entry system of transfer;

then the Paying Agent shall notify the Securities Depository and request the Securities Depository to notify its Participants of the Township's determination and of the availability of certificates with respect to beneficial interests in the Bonds. The Paying Agent shall cause certificates (the "Replacement Bonds") to be prepared, at the Township's expense, for delivery to such beneficial owners, or their nominees, making such adjustments and allowances as it may find necessary or appropriate as to the date of such certificates, and accrued interest. In such event, all references to the Securities Depository herein shall relate only to the period of time when the Securities Depository has possession of at least one Bond and shall be applicable only to such Bond held. Upon issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by

the Securities Depository shall be deemed to be imposed upon and performed by the Paying Agent or alternate or successor transfer agent, to the extent applicable with respect to such Replacement Bonds.

In the event the Securities Depository resigns or the Township makes the determination set forth in (i) above and the Paying Agent or beneficial owners of the Bonds are unable to locate a qualified successor, then the Paying Agent shall authenticate and cause delivery of Replacement Bonds with respect to the interests of the beneficial owners of the Bonds or certificates with respect to the respective interests of the Participants (as such term is used in the operational arrangements of the Securities Depository), or a combination of both, all at the option of the Participants.

If the date for payment of the principal of, and interest on, the Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the corporate trust office of the Paying Agent is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

(e) The Bonds shall bear interest, until maturity or prior redemption at rates set forth in the final Bond Purchase Agreement authorized in Section 11 hereof, but not exceeding the rate set forth below per annum, and shall mature or be subject to mandatory redemptions in amounts not to exceed those set forth below and on _____ of certain years, all as follows:

<u>Maximum Principal Amount</u>	<u>Maximum Interest Rate</u>	<u>Maturity Year</u>
\$ 245,000	6.000%	2019
295,000	6.000	2020
300,000	6.000	2021
360,000	6.000	2022
370,000	6.000	2023
380,000	6.000	2024
390,000	6.000	2025
395,000	6.000	2026
400,000	6.000	2027
415,000	6.000	2028
425,000	6.000	2029
440,000	6.000	2030
455,000	6.000	2031
465,000	6.000	2032
480,000	6.000	2033
525,000	6.000	2034

540,000	6.000	2035
555,000	6.000	2036
575,000	6.000	2037
595,000	6.000	2038
190,000	6.000	2039
555,000	6.000	2040
575,000	6.000	2041
590,000	6.000	2042
610,000	6.000	2043
655,000	6.000	2044
675,000	6.000	2045
695,000	6.000	2046
720,000	6.000	2047
745,000	6.000	2048

The stated maturities of the Bonds have been fixed in compliance with Section 8142(b)(2) of the Act.

(f) Optional Redemption: The Bonds will be subject to redemption prior to maturity at the option of the Township on the date, if any, provided in the final Bond Purchase Agreement.

(g) Mandatory Redemption: In lieu of the maturities set forth in (e) above, the Bonds may be subject to mandatory redemption prior to maturity, in principal amounts not exceeding those listed above, in part, by lot, in direct order of maturity, from moneys to be deposited in the Sinking Fund established under Section 12 of this Ordinance, at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

(h) If a Bond is of a denomination larger than \$5,000, a portion of such Bond may be redeemed. For the purposes of redemption, a Bond shall be treated as representing that number of Bonds which is obtained by dividing the principal amount thereof by \$5,000; each \$5,000 portion of such Bond being subject to redemption. In the case of partial redemption of a Bond, payment of the redemption price shall be made only upon surrender of such Bond in exchange for Bonds of authorized denominations in aggregate principal amount equal to the unredeemed portion of the principal amount thereof.

(i) The Paying Agent is hereby authorized and directed, (1) upon notification by the Township of its option to redeem Bonds in part, to select by lot the particular Bonds or portions thereof to be redeemed, and (2) upon notification by the Township of its option to redeem Bonds in whole or in part, to cause a notice of redemption to be given once by first-class United States mail, postage prepaid, or by another method of giving notice acceptable to the Paying Agent and customarily used by fiduciaries for similar notices at the time such notice is given,

not less than 30 days nor more than 60 days prior to the redemption date, to each registered owner of Bonds to be redeemed. Such notice shall be mailed to the address of such registered owner appearing on the registration books of the Paying Agent, unless such notice is waived by the registered owner of the Bonds to be redeemed. Any such notice shall be given in the name of the Township, shall identify the Bonds to be redeemed, including CUSIP numbers, if applicable, which may, if appropriate, be expressed in designated blocks of numbers (and, in the case of partial redemption of any Bonds, the respective principal amounts thereof to be redeemed), shall specify the redemption date and the place where such Bonds are to be surrendered for payment, shall state the redemption price, and shall state that on the redemption date the Bonds called for redemption will be payable and from such redemption date interest will cease to accrue. Failure to give any notice of redemption or any defect in the notice or in the giving thereof to the registered owner of any Bond to be redeemed shall not affect the validity of the redemption as to other Bonds for which proper notice shall have been given. The costs incurred for such redemptions shall be paid by the Township.

(j) In addition to the notice described in paragraph (i) hereof, further notice shall be given by the Paying Agent as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above:

(1) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption, plus (A) the date of issue of the Bonds as originally issued; (B) the rate of interest borne by each Bond being redeemed; (C) the maturity date of each Bond being redeemed; and (D) any other descriptive information needed to identify accurately the Bonds being redeemed.

(2) Each further notice of redemption shall be sent at least thirty days before the redemption date electronically or by registered or certified mail or overnight delivery service (i) to each rating agency then rating the Bonds, or their respective successors, if any, and (ii) to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ("EMMA"). The foregoing notice of redemption shall be sent to the Securities Depository not less than thirty and not more than sixty days prior to the redemption date by facsimile transmission, certified or registered mail, overnight delivery service or an electronic or other secure method which enables the Paying Agent subsequently to verify the transmission of such notice.

(3) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

The notices required to be given by this Section shall state that no representation is made as to the correctness or accuracy of CUSIP numbers listed in such notice or stated on the Bonds.

(k) In lieu of redeeming the principal amount of any Bonds on a mandatory redemption date, or any portion thereof, the Township or the Paying Agent with the approval of the Township may apply the moneys required to be deposited in the Sinking Fund (as hereinafter defined) to the purchase of a like amount of Bonds at prices not in excess of the principal amount thereof, provided that the following provisions are met:

(1) no purchase of any Bonds of any later maturity shall be made if any Bonds of any earlier maturity will remain outstanding; and

(2) firm commitments for the purchase must be made prior to the time notice of redemption would otherwise be required to be given; and

(3) if Bonds aggregating the amount required to be redeemed cannot be purchased, a principal amount of such Bonds equal to the difference between the principal amount required to be redeemed and the amount purchased shall be paid by the Township.

If at the time of the mailing of any notice of redemption the Township shall not have deposited with the Paying Agent moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that it is conditional, that is, subject to the deposit or transfer of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date, and that such notice shall be of no effect unless such moneys are so deposited.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal and interest being held by the Paying Agent, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds and portions thereof shall cease to be entitled to any benefit or security under the Ordinance, and registered owners of such Bonds shall have no rights with respect to such Bonds, except to receive payment of the principal of and accrued interest on such Bonds to the date fixed for redemption.

Section 6. Paying Agent, Sinking Fund Depositary and Registrar; Payment of Principal and Interest without Deduction for Taxes. The proper officers of the Township are hereby authorized and directed to contract with Fulton Bank National Association (the "Paying Agent") for its services as sinking fund depositary, paying agent and registrar with respect to the Bonds, and such Bank is hereby appointed to act in such capacities with respect to the Bonds.

The principal of the Bonds shall be payable to the registered owner of each Bond, as shown on the registration books of the Township on the date of payment in lawful money of the United States of America upon surrender of the Bonds, when due, at the designated corporate trust office of the Paying Agent or at the designated office of any additional or appointed alternate or successor paying agent or agents. Interest on the Bonds shall be paid by check, mailed to the person in whose name such Bond is registered, at his address as it appears on the registration books maintained by or on behalf of the Township, as of the close of business on the fifteenth day of the calendar month (whether or not a business day) immediately preceding each interest payment date in question (the "Regular Record Date"), irrespective of any transfer or exchange of such Bond subsequent to such Regular Record Date and prior to such interest payment date. If the Township shall default in the payment of interest due on such interest payment date, such interest shall thereupon cease to be payable to the registered owners of the Bonds shown on the registration books as of the Regular Record Date. Whenever moneys thereafter become available for the payment of the defaulted interest, the Paying Agent, on behalf of the Township, shall immediately establish a "special record date" (which shall be a business day) relating thereto (the "Special Record Date") and shall mail a notice of such date to the registered owners of the Bonds at least fifteen days prior to the Special Record Date. Such notice shall be mailed to the registered owner of the Bonds as shown on the registration books kept by the Paying Agent on the fifth day preceding the date of mailing. The Special Record date shall be at least ten days but not more than fifteen days prior to the special interest payment date. The defaulted interest shall be paid on the special interest payment date by check mailed to the registered owners of the Bonds, as shown on the registration books kept by the Paying Agent as of the close of business on the special record date.

So long as any Bonds are registered in the name of the Securities Depository or its nominee, to the extent available, the Paying Agent shall transfer, on each interest and principal payment date, the amount of interest and principal due on each such date to the Securities Depository, which amounts so transferred, shall be, on the interest and principal payment date, at the principal office of the Securities Depository, "good funds same day" or otherwise in accordance with the procedures established from time to time by the Securities Depository. All payments made by the Paying Agent to the Securities Depository or its nominee shall fully satisfy the Township's obligations to pay principal and interest on the Bonds to the extent of such payments, and no beneficial owner of any Bond registered in the name of the Securities Depository or its nominee shall have any recourse against the Township hereunder for any failure by the Securities Depository or any Participant therein to remit such payments to the beneficial owners of such Bonds.

The principal of, and interest on, the Bonds are payable without deduction for any tax or taxes, except gift, succession, franchise, excise or inheritance taxes, now or hereafter levied or assessed thereon under any present or future laws of the Commonwealth of Pennsylvania, all of which taxes, except as above provided, the Township assumes and agrees to pay.

Section 7. Registration, Transfer and Exchange of Bonds. The Township shall keep, at the corporate trust office of the Paying Agent, as registrar, books for the registration, transfer and exchange of Bonds. The Governing Body hereby authorizes and directs the Paying Agent, as registrar and transfer agent, to keep such books and to make such transfers or exchanges on behalf of the Township.

The ownership of each Bond shall be recorded in the registration books of the Township, which shall contain such information as is necessary for the proper discharge of the Paying Agent's duties hereunder as Paying Agent, registrar and transfer agent.

The Bonds may be transferred or exchanged as follows:

(a) Any Bond may be transferred if endorsed for such transfer by the registered owner thereof and surrendered by such owner or his duly appointed attorney or other legal representative at the corporate trust office of the Paying Agent, whereupon the Paying Agent shall authenticate and deliver to the transferee a new Bond or Bonds of the same maturity and in the same denomination as the Bond surrendered for transfer or in different authorized denominations equal in the aggregate to the principal amount of the surrendered Bond.

(b) Bonds of a particular maturity may be exchanged for one or more Bonds of the same maturity and in the same principal amount, but in a different authorized denomination or denominations. Each Bond so to be exchanged shall be surrendered by the registered owner thereof or his duly appointed attorney or other legal representative at the corporate trust office of the Paying Agent, whereupon a new Bond or Bonds shall be authenticated and delivered to the registered owner. No charge shall be imposed in connection with any transfer or exchange except for taxes or governmental charges related thereto.

(c) In the case of any Bond properly surrendered for partial redemption, the Paying Agent shall authenticate and deliver a new Bond in exchange therefor, such new Bond to be of the same maturity and in a denomination equal to the unredeemed principal amount of the surrendered Bond; provided that, at its option, the Paying Agent may certify the amount and date of partial redemption upon the partial redemption certificate, if any, printed on the surrendered Bond and return such surrendered Bond to the registered owner in lieu of an exchange.

Except as provided in subparagraph (c) above, the Paying Agent shall not be required to effect any transfer or exchange during the 15 days immediately preceding the date of mailing of any notice of redemption or at any time following the mailing of any such notice, if the Bond to be transferred or exchanged has been called for such redemption. No charge shall be imposed in connection with any transfer or exchange except for taxes or governmental charges related thereto.

No transfers or exchanges shall be valid for any purposes hereunder except as provided above.

New Bonds delivered upon any transfer or exchange shall be valid general obligations of the Township, evidencing the same debt as the Bonds surrendered.

The Township and the Paying Agent may treat the registered owner of any Bond as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and any notice to the contrary shall not be binding upon the Township or the Paying Agent.

Section 8. Execution of Bonds. The Bonds shall be executed by the manual or facsimile signature of the Chair or Vice-Chair of the Governing Body and shall have the corporate seal of the Township or a facsimile thereof affixed thereto, duly attested by the manual or facsimile signature of the Secretary of the Township, and the said officers are hereby authorized and directed to execute the Bonds in such manner. The Chair or Vice-Chair of the Governing Body is authorized and directed to deliver, or cause to be delivered, the Bonds to the purchaser thereof against the full balance of the purchase price therefor. The Bonds shall be authenticated by the Paying Agent.

Section 9. Form of Bonds; CUSIP Numbers. The form of the Bonds, Paying Agent's authentication certificate and assignment shall be substantially as set forth in Exhibit "A" attached hereto.

The Bonds shall be executed in substantially the form as set forth in Exhibit "A" hereto with such appropriate changes, additions or deletions as may be approved by the officers executing the Bonds in the manner provided in Section 8 hereof or as may be required by the Bond Purchase Agreement accepted pursuant to Section 11 hereof; such execution shall constitute approval by such officers on behalf of the Governing Body. The opinion of bond counsel is authorized and directed to be printed upon the Bonds.

The Township, pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures (CUSIP) has caused CUSIP numbers to be printed on the Bonds. No representation is made as to the accuracy of said numbers as printed on the Bonds, and the Township shall have

no liability of any sort with respect thereto. Reliance with respect to any redemption notice with respect to the Bonds may be placed only on the identification numbers printed thereon.

Section 10. Temporary Bonds. Until Bonds in definitive form are ready for delivery, the proper officers of the Governing Body may execute and, upon their request in writing, the Paying Agent shall authenticate and deliver in lieu of such Bonds in definitive form, one or more printed or typewritten bonds in temporary form, substantially of the tenor of the Bonds hereinbefore described with appropriate omissions, variations and insertions, as may be required. Such bond or bonds in temporary form may be for the principal amount of Five Thousand Dollars (\$5,000.00) or any whole multiple or multiples thereof, as such officers may determine. The aforesaid officers, without unnecessary delay, shall prepare, execute and deliver Bonds in definitive form to the Paying Agent, and thereupon, upon presentation and surrender of the bond or bonds in temporary form, the Paying Agent shall authenticate and deliver, in exchange therefor, Bonds in definitive form in an authorized denomination of the same maturity for the same aggregate principal amount as the bond or bonds in temporary form surrendered. Such exchange shall be made by the Township at its own expense and without any charge therefor. Until so exchanged, the temporary bond or bonds shall be in full force and effect according to their terms.

Section 11. Manner of Sale; Award of Bonds; Bid Price; Range of Interest Rates. The Governing Body of the Township after due deliberation and investigation, has found that a private sale by negotiation is in the best financial interest of the Township and based upon such finding the Governing Body of the Township hereby authorizes awarding the Bonds, at a private sale, to RBC Capital Markets, LLC (the "Underwriter"), upon the terms to set forth in the Addendum (the "Addendum") to the Bond Purchase Agreement, which is attached hereto and made a part hereof (the "Bond Purchase Agreement"). The Chair or Vice Chair of the Governing Body and the Secretary of the Township are further authorized, upon favorable recommendation from the Township Manager, to accept the Bond Purchase Agreement presented by the Underwriter, provided that the terms comply with the parameters set forth in this Ordinance, including an underwriting discount not to exceed ninety-five percent (95%) of the principal amount of the Bonds, within the parameters set forth in Section 5 hereof as to annual interest rate (or yield, if higher) and maturity or mandatory redemption amount (net of any original issue discount).

Section 12. Sinking Fund; Appropriation of Annual Amounts for Payment of Debt Service. There is hereby established a separate sinking fund for the Township to be known as "Sinking Fund - Township of Upper Uwchlan, 2019 General Obligation Bonds" (the "Sinking Fund") and into the Sinking Fund there shall be paid, unless other dates are provided for in the Addendum, no later than each June 1 and December 1 as required, all moneys necessary to pay the

debt service on the Bonds as shown in the attachments to the Bond Purchase Agreement, and the Sinking Fund shall be applied exclusively to the payment of the interest covenanted to be paid upon the Bonds and to the principal thereof at maturity and to no other purpose whatsoever, except as may be authorized by law, until the same shall have been fully paid.

The Paying Agent, as Sinking Fund Depositary, is hereby authorized and directed to pay from the Sinking Fund the principal or redemption price of and interest on the Bonds as the same become due and payable in accordance with the terms thereof and the Township hereby covenants that such moneys, to the extent required, will be applied to such purpose.

All moneys deposited in the Sinking Fund for the payment of the Bonds which have not been claimed by the registered owner thereof after two years from the date when payment is due, except where such moneys are held for the payment of outstanding checks, drafts or other instruments of the Sinking Fund Depositary, shall be returned to the Township. Nothing contained herein shall relieve the Township of its liability to the registered owners of the unrepresented Bonds.

Section 13. Debt Proceedings. The Secretary of the Township is hereby authorized and directed to certify to and file with the Department in accordance with the Act, a complete and accurate copy of the proceedings taken in connection with the increase of debt authorized hereunder, including the debt statement, borrowing base certificate, exclusion proceedings relating to the portion of the Bonds being applied to the sewer projects of the Township and to pay the filing fees necessary in connection therewith.

Section 14. Tax Covenant and Representations. The Township covenants that the Township will make no use of the proceeds of the Bonds at any time during the term thereof which would cause such Bonds to be "arbitrage bonds" within the meaning of Section 148 of the United States Internal Revenue Code of 1986, as amended (the "Code"), and all applicable regulations and that it will comply with the requirements of all Code sections and regulations necessary to ensure that the Bonds are described in Code Section 103(a) and not described in Section 103(b) throughout the term of the Bonds.

In order to better assure continuing compliance with provisions of the Code regarding the investment and use of proceeds of tax exempt bonds by the Township and with its obligations set forth in Section 16 hereof regarding continuing disclosure of certain financial and operating information to secondary markets, the Township is adopting Resolution [REDACTED] to adopt a Compliance Policy appointing the Township Secretary to conduct or supervise the monitoring, recordkeeping and filing duties set forth in the policy.

Section 15. Preliminary Official Statement; Official Statement. The Preliminary Official Statement, a preliminary draft of which was presented to this meeting, with such additions and other changes, if any, as may be approved by the Township's officer executing the same with the advice of counsel, is hereby approved and directed to be prepared and upon its preparation, to be executed by the Chair or Vice Chair of the Township following such investigation as such officer deems necessary as to the contents thereof. The use and distribution of the approved Preliminary Official Statement by the Underwriter, and the distribution thereof on and after the date hereof is hereby authorized in connection with the public offering by the Underwriter of the Bonds. An Official Statement is substantially the same form as the Preliminary Official Statement, with such additions and other changes, if any, as may be approved by the Township's officer executing the same with the advice of counsel, such approval to be conclusively evidenced by the execution thereof, is hereby authorized and directed to be prepared and upon its preparation, to be executed by the Chair or Vice Chair of the Township following such investigation as such officer deems necessary as to the contents thereof. The Township hereby further approves the distribution and use of the Official Statement as so prepared and executed in connection with the sale of the Bonds.

Section 16. Continuing Disclosure. The Township shall be responsible for providing all information required by this section, although the Paying Agent may agree with the Township to disseminate such information. The Paying Agent's sole obligation, if it so agrees, with regard to continuing disclosure is to disseminate information provided to it by the Township. The Paying Agent is not obligated to independently obtain or disseminate any such information.

The Township shall disseminate in a timely manner, in accordance with the continuing disclosure obligations set forth in Resolution [REDACTED] and the provisions of Rule 15c2-12(b)(5) (the "Rule") promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, electronically through the EMMA system for electronic filing operated by the Municipal Securities Rulemaking Board, the information set forth in Resolution [REDACTED], a copy of which will be attached to the Official Statement.

Section 17. Incidental Action. The proper officers of the Township are hereby authorized, directed and empowered on behalf of the Township to execute any and all agreements, papers and documents and to do or cause to be done any and all acts and things necessary or proper for the carrying out of the purposes of this Ordinance, including filing the necessary proceedings with the Pennsylvania Department of Community and Economic Development to qualify a portion of the debt represented by the Bonds as self-liquidating under the Debt Act.

Section 18. Payment of Issuance Costs. The proper officers of the Township are hereby authorized and directed to pay the costs of issuing the Bonds

at the time of delivery of the Bonds to the Underwriter; provided that the total of such costs shall not exceed the amount of Bond proceeds available therefor.

Section 19. Inconsistent Ordinances. All Ordinances or parts of Ordinances inconsistent herewith be and the same hereby are rescinded, cancelled and annulled.

Section 20. Effective Date. This Ordinance shall take effect on the earliest date permitted by the Act.

DULY ORDAINED AND ENACTED this 19th day of November, 2018.

TOWNSHIP OF UPPER UWCHLAN

[SEAL]

By: _____
Chairperson, Board of Supervisors

Attest:

Secretary

**TOWNSHIP OF UPPER UWCHLAN
COUNTY OF CHESTER, PENNSYLVANIA**

CERTIFICATE OF SECRETARY

The undersigned, Secretary of the Township of Upper Uwchlan
HEREBY CERTIFIES that:

1. The foregoing Ordinance authorizing the issuance and sale of General Obligation Bonds of the Township of Upper Uwchlan was duly moved and seconded and enacted by a majority vote of all the members of the Board of Supervisors of said Township at a duly called and convened public meeting of said Board held on November 19, 2018; that public notice of said meeting was given as required by law; and that the roll of the Board was called and such members voted or were absent as follows:

<u>Name</u>	<u>Vote</u>
Jamie W. Goncharoff, Chairperson	_____
Sandra M. D'Amico, Vice Chairperson	_____
Guy A. Donatelli	_____

2. Said Ordinance has not been altered, amended, modified, or suspended and is still in full force and effect as of the date of the delivery of this Certificate.

WITNESS my hand and seal of the Township of Upper Uwchlan as of November 19, 2018.

SEAL

Gwen Jonik, Secretary

EXHIBIT "A"

No. R-__

\$

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF CHESTER
TOWNSHIP OF UPPER UWCHLAN
GENERAL OBLIGATION BOND, SERIES OF 2019

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL ISSUANCE DATE</u>	<u>CUSIP</u>
%	_____, 20__	January __, 2019	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

The TOWNSHIP OF UPPER UWCHLAN, Chester County, Pennsylvania (the "Township"), existing by and under the laws of the Commonwealth of Pennsylvania, for value received, hereby acknowledges itself indebted and promises to pay to the registered owner named above, on the maturity date specified above under this Bond shall be redeemable and shall have been duly called for previous redemption in whole or in part and the redemption price duly made or provided for, the principal amount shown above; and to pay interest thereon at the annual rate specified above (computed on the basis of a 360-day year of twelve 30-day months) from the most recent Regular Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, or from the Original Issuance Date stated above, if no interest has been paid. Such payment of interest shall be made on _____, 20__, and on each _____ and _____, thereafter (each, a "Regular Interest Payment Date") until the principal hereof has been paid or provided for as aforesaid. The principal of, and interest on, this bond may be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

The principal or redemption price of this bond is payable upon presentation and surrender hereof at the corporate trust office of Fulton Bank National Association, Lancaster, Pennsylvania, or at the designated office of any additional or appointed alternate or successor paying agent or agents (the "Paying Agent"). Interest shall be paid by check mailed to the registered owner hereof, as shown on the registration books kept by the Paying Agent as of the close of business on the applicable Regular or Special Record Date (each as hereinafter defined).

The record date for any Regular Interest Payment Date (each, a "Regular Record Date") shall mean the close of business on the fifteenth day of the calendar month (whether or not a business day) next preceding such Regular Interest Payment Date. In the event of a default by the Township in the payment of interest becoming due on any Regular Interest Payment Date, the interest so becoming due shall forthwith cease to be payable to the registered owners otherwise entitled thereto as of such date. Whenever moneys thereafter become available for the payment of the defaulted interest, the Paying Agent, on behalf of the Township, shall immediately establish a "special record date" (which shall be a business day) relating thereto (the "Special Record Date") and shall mail a notice of such date to the registered owners of the Bonds at least fifteen days prior to the Special Record Date. Such notice shall be mailed to the registered owner of the Bonds as shown on the registration books kept by the Paying Agent on the fifth day preceding the date of mailing. The Special Record date shall be at least ten days but not more than fifteen days prior to the special interest payment date. The defaulted interest shall be paid on the Special Interest Payment Date by check mailed to the registered owners of the bonds, as shown on the registration books kept by the Paying Agent, as of the close of business on the Special Record Date.

So long as The Depository Trust Company ("DTC"), or its nominee, CEDE & CO., is the registered owner hereof, all payments of the principal of, and interest on, this bond shall be payable in the manner and at the respective times of payment provided for in DTC's Operational Arrangements as in effect from time to time.

If the date for payment of the principal or redemption price of, and interest on, this bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the designated corporate trust office of the Paying Agent is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

The principal or redemption price of, and interest on, this bond are payable without deduction for any tax or taxes, except gift, succession, franchise, excise or inheritance taxes, now or hereafter levied, or assessed thereon under any present or future laws of the Commonwealth of Pennsylvania, all of which taxes, except as above provided, the Township assumes and agrees to pay.

This bond is one of a duly authorized issue of \$ _____ aggregate principal amount of general obligation bonds of the Township known as "Township of Upper Uwchlan General Obligation Bonds, Series of 2019" (the "Bonds") all of like tenor, except as to interest rate, redemption provisions, and date of maturity. The Bonds are issuable only in the form of fully registered bonds without coupons in the denomination of \$5,000 or integral multiples thereof and are issued in accordance with the provisions of the Pennsylvania Local Government Unit Debt Act, as amended (the "Act"), and by virtue of an Ordinance of the Township duly enacted (the "Ordinance"), and the sworn statement of the duly authorized officers of the Township as appears on record in the office of the Pennsylvania Department of Community and Economic Development, Harrisburg, Pennsylvania.

It is covenanted with the registered owners from time to time of this bond that the Township shall (1) include the amount of the debt service for each fiscal year in which such sums are payable in its budget for the year, (2) appropriate such amounts from its general revenues for the payment of such debt service, and (3) duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds the principal or redemption price of, and the interest on, this bond at the dates and places and in the manner stated in this bond, according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the Township pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable; subject, however, as to the enforceability of remedies, to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally. Nothing in this paragraph shall be construed to give the Township any taxing power not granted by another provision of law.

OPTIONAL REDEMPTION

The Bonds maturing on and after _____, 20__ are subject to redemption prior to maturity on _____, 20__ or on any date thereafter at a redemption price of 100% of the principal amount thereof plus interest accrued to the redemption date.

MANDATORY SINKING FUND REDEMPTION

The Bonds maturing on _____ of the years _____ are subject to mandatory redemption from moneys in amounts required by the Ordinance to be deposited by the Township in the Sinking Fund, on _____ of the years _____ through _____, inclusive, except the years _____, and by lot within a maturity, at a redemption price of 100% of the principal amount redeemed, plus accrued interest to the redemption date.

So long as DTC or its nominee is the registered owner of the Bonds, if less than all of the Bonds of any maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by DTC and the DTC Participants in such manner as DTC and the DTC Participants may determine.

Any redemption of this bond under the preceding paragraphs shall be made as provided in the Ordinance, upon not less than thirty days' nor more than sixty days' notice, by mailing a copy of the redemption

notice by first-class United States mail, postage prepaid, or by another method of giving notice which is acceptable to the Paying Agent and customarily used for similar notices at the time such notice is given, to each address of such registered owner as it appears on the registration books of the Paying Agent as of the date such Bonds are selected for redemption, unless such notice is waived by the registered owner of the Bonds to be redeemed; provided, however, that failure to give notice of redemption by mailing or any defect in the notice as mailed or in the mailings thereof to the registered owner of any Bond to be redeemed shall not affect the validity of the redemption as to other Bonds for which proper notice shall have been given. In the event that less than the full principal amount hereof shall have been called for redemption, the registered owner hereof shall surrender this bond in exchange for one or more new Bonds in an aggregate principal amount equal to the unredeemed portion of the principal amount hereof.

In lieu of redeeming the principal amount of Bonds set forth in the Ordinance on the mandatory redemption date, or any portion thereof, purchases of such Bonds of the particular maturity may be made in accordance with the provisions of the Ordinance.

If at the time of the mailing of any notice of redemption the Township shall not have deposited with the Paying Agent moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that it is conditional, that is, subject to the deposit or transfer of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date, and that such notice shall be of no effect unless such moneys are so deposited.

The Township, in the Ordinance, has established a sinking fund with the Paying Agent, as the sinking fund depositary, into which funds for the payment of the principal or redemption price of, and the interest on, the Bonds shall be deposited not later than the date fixed for disbursement thereof. The Township has covenanted in the Ordinance to make payments out of such sinking fund or out of any other of its revenues or funds, at such times and in such amounts, as shall be sufficient for prompt and full payment of the principal or redemption price of, and interest on, this bond.

The Township, pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures (CUSIP) has caused CUSIP numbers to be printed on the Bonds. No representation is made as to the accuracy of said numbers as printed on the Bonds, and the Township shall have no liability of any sort with respect thereto. Reliance with respect to any redemption notice with respect to the Bonds may be placed only on the identification numbers printed thereon.

This bond is registered as to both principal and interest on the bond register to be kept for that purpose at the corporate trust office of the Paying Agent, and both principal and interest shall be payable only to the registered owner hereof. This bond may be transferred in accordance with the provisions of the Ordinance, and no transfer hereof shall be valid unless made at said office by the registered owner in person or his duly appointed attorney or other legal representative and noted hereon. The Township and the Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and interest hereon and for all other purposes, whether or not this bond shall be overdue. The Township and the Paying Agent shall not be affected by any notice to the contrary.

No recourse shall be had for the payment of the principal of, or interest on, this bond, or for any claim based hereon or on the Ordinance, against any member, officer or employee, past, present, or future, of the Township or of any successor body, either directly or through the Township or any successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the execution and issuance of this bond.

So long as DTC or its nominee is the registered owner of the Bonds, the Trustee will recognize DTC or its nominee as the owner of the Bonds for all purposes, including notices and voting. Conveyance of notices and other communications by DTC and DTC Participants, by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory and regulatory requirements as may be in effect from time to time.

This bond shall not be valid or become obligatory for any purpose until the Paying Agent's Authentication Certificate printed hereon is duly executed.

IN WITNESS WHEREOF, UPPER UWCHLAN TOWNSHIP has caused this bond to be signed in its name by the facsimile signature of the Chairperson of its Governing Body and a facsimile of its corporate seal to be printed hereon and attested by the facsimile signature of its Secretary all as of the ____ day of January, 2019.

TOWNSHIP OF UPPER UWCHLAN

[SEAL]

By: _____
Jamie W. Goncharoff, Chairperson

Attest:

Gwen Jonik, Secretary

PAYING AGENT AUTHENTICATION CERTIFICATE

This bond is one of the bonds of the series designated therein. Printed hereon is a complete text of the opinion of Lamb McErlane PC, Bond Counsel, dated the date of the initial delivery of, and payment for, the Bonds, a signed copy of which is on file with the undersigned.

FULTON BANK NATIONAL ASSOCIATION, PAYING
AGENT

By: _____
Authorized Officer

AUTHENTICATION DATE:

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
 TENENT - as tenants by the entireties
 JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIFORM GIFT MIN ACT

_____Custodian_____

(Cust) (Minor)

under Uniform Gifts to Minors Act _____

(State)

Additional abbreviations may also be used though not in the above list.

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

 (Please type or print name, address (including postal zip code) and social security or other tax identification number of the transferee)

_____ the within Bond and

all rights thereunder, and hereby irrevocably constitutes and appoints _____

his/her attorney to transfer said Bond on the books of the within described transfer agent with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

By: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

In the presence of: _____

(Signature)

(Type or Print Name)

Text of Opinion of
Lamb McErlane PC, Bond Counsel

Re: Township of Upper Uwchlan
\$ _____ General Obligation Bonds, Series of 2019

You have requested our opinion as to the legality of the above general obligation bonds (the "Bonds"). The Bonds are issued by the Township of Upper Uwchlan, Chester County, Pennsylvania (the "Township"), under the provisions of the Pennsylvania Local Government Unit Debt Act, as amended (the "Act"), and pursuant to an ordinance enacted by the Board of Supervisors of the Township on November 19, 2018 (the "Ordinance"). The Bonds are being issued to finance the capital costs of expansion of the Township building, lighting at Hickory Park, improvements to Upland Farms Community Center, the Township's share of the capital improvements at the Upper Uwchlan Township Municipal Authority's waste water treatment plant, extensions of the sewer mains on Byers Road and for Milford Farms, the acquisition of property for a drip field and to pay the costs of issuing the Bonds.

The Township has covenanted in the Ordinance (i) to include the amount of debt service for the Bonds for each fiscal year in which such sums are due and payable in its budget for that year, (ii) to appropriate such amounts from its general revenues for the payment of such debt service, and (iii) to duly and punctually pay, or cause to be paid, from its sinking fund or any other of its revenues or funds, the principal or redemption price of, and interest on, the Bonds at the dates and places and in the manner stated in the Bonds, according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the Township has pledged its full faith, credit and taxing power in the Ordinance.

The Township in the Ordinance has designated the Bonds as qualified tax exempt obligations pursuant to Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code") and has made certain representations and covenants in the Ordinance necessary to cause the Bonds to continue to be obligations described in such Section of the Code during the period in which the Bonds are outstanding.

As Bond Counsel for the Township, we have examined the relevant provisions of the Constitution of the Commonwealth of Pennsylvania; the Acts of Assembly pursuant to which the Bonds are authorized, issued and sold; the transcript of proceedings filed with the Pennsylvania Department of Community and Economic Development (the "Department"); and certain statements, affidavits and other documents which we have considered pertinent.

In rendering this opinion we have examined and relied upon (i) the opinion of Buckley Brion McGuire & Morris LLP, Solicitor to the Township, with respect, among other things, to the due enactment by the Township of the Ordinance, and (ii) the accuracy of the statements and representations and the performance of the covenants of the Township set forth in the Ordinance and the Township's Tax Certificate and Agreement delivered on this date in connection with the issuance of the Bonds.

Based on the foregoing, we are of the opinion that:

1. The Township is authorized under the provisions of the Constitution and laws of the Commonwealth of Pennsylvania to issue the Bonds for the purposes above set forth, and the Township has authorized the issuance thereof.
2. As indicated in the Township's debt statement filed with the Department in connection with the issuance of the Bonds, outstanding debt of the Township, including debt represented by the Bonds, is within the debt limitations of the Act.
3. The Bonds are the valid and binding general obligations of the Township payable from the revenues of the Township from whatever source derived, which revenues, at the time of the issuance and sale of the Bonds, include *ad valorem* taxes levied upon all the taxable property within the Township, without limitation as to rate or amount.
4. Under the laws of the Commonwealth of Pennsylvania ("Pennsylvania"), as currently enacted and construed, the Bonds are exempt from personal property taxes in Pennsylvania, and interest on the Bonds is exempt from Pennsylvania personal income tax and corporate net income tax.

5. Interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining adjusted current earnings. The opinion set forth in this paragraph is subject to the condition that the Township comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Township has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

6. Banks, thrift institutions and other financial institutions which purchase the Bonds may take into account, as a deductible expense in calculating their federal income tax liability, 80 percent of their interest expense allocable to ownership of the Bonds.

The initial public offering price of Bonds of certain maturities (the "Discount Bonds") is less than the amount payable at maturity. An amount not less than the difference between the initial public offering price of the Discount Bonds and the amount payable at maturity constitutes original issue discount. We are of the opinion that the appropriate portion of such original issue discount allocable to the original and each subsequent holder of a Discount Bond will, upon sale, exchange, redemption or payment at maturity of such Discount Bond, be treated as interest and excluded from gross income for federal income tax purposes to the same extent as the stated interest on the Discount Bonds.

In providing this opinion, we advise you as follows:

(a) Except as expressly stated above, we express no opinion regarding any other federal or state income tax consequences of acquiring, carrying, owning or disposing of the Bonds. Owners of the Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Bonds, which may include original issue premium and purchase at a market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

(b) The enforceability (but not the validity) of the documents mentioned herein may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter enacted by any state or the federal government affecting the enforcement of creditors' rights generally, and "enforceable in accordance with its (their) terms" shall not mean that specific performance would necessarily be available as a remedy in every situation.

(c) We express no opinion herein with respect to the adequacy of the security or sources of payment for the Bonds or the accuracy or adequacy of any description of the Township or its facilities in any offering document used in connection with the sale of the Bonds.

Lamb McErlane PC

EXHIBIT "B"

UPPER UWCHLAN TOWNSHIP

Proposed Capital Projects

2019 Bond Issue

Estimated Costs

<u>Project</u>	<u>Estimated Costs</u>	<u>Estimated Useful Life</u>
Township Building Expansion	\$3,750,000	25 years
Hickory Park Lighting	\$400,000	25 years
Upland Farms Community Center Improvements	\$1,500,000	15 years
Upper Uwchlan Township Municipal Authority's Waste Water Treatment Plan Improvements	\$2,500,000	25 years
Sewer Main Extensions	\$1,200,000	25 years
Drip Field Property Acquisition	\$1,500,000	25 years
Parameters Contingency	<u>\$3,765,000</u>	N/A
	\$14,615,000	

**Upper Uwchlan Township
Chester County, Pennsylvania
Resolution _____**

**A RESOLUTION ESTABLISHING A TAX EXEMPT BONDS POST - ISSUANCE
COMPLIANCE POLICY**

WHEREAS, Upper Uwchlan Township intends to issue Series 2018 Tax Exempt General Obligation Bonds in order to design and construct various capital improvements; and

WHEREAS, the Securities and Exchange Commission and the Internal Revenue Service encourages tax-exempt bond issuers to have a formal Post-Issuance Compliance Policy to insure that the federal securities law requirements for continuing disclosure of financial and operating information for publicly offered bonds or notes and federal tax law requirements concerning record keeping for bond proceeds, use of proceeds, investment and income from proceeds and use of facilities financed with tax-exempt bonds, be followed to honor the contractual obligations of the Issuer concerning its Township Secretary to monitor the following requirements and take required actions to achieve the foregoing purpose.

BE IT RESOLVED THAT the Upper Uwchlan Township Board of Supervisors hereby adopts the following tax-exempt bonds post issuance compliance policy:

1. Appointment of Bond Compliance Officer.

Upper Uwchlan Township (the "Issuer") desires to establish policies and procedures (the "Policy") to be followed by it for its outstanding tax-exempt bonds, tax-exempt bank loans or equipment leases, and any federally subsidized taxable interest obligations like Build America Bonds which must follow the same rules, in order to better insure that the federal securities law requirements for continuing disclosure of financial and operating information for publicly offered bonds or notes and federal tax law requirements concerning record keeping for bond proceeds, use of proceeds, investment and income from proceeds and use of facilities financed with tax-exempt bonds, be followed to honor the contractual obligations of the Issuer concerning its Township Secretary to monitor the following requirements and take required actions to achieve the foregoing purpose. The appointee shall be referred to herein as the "Bond Compliance Officer". This policy is intended to be the Issuer's Tax Exempt Bonds Post-Issuance Tax Compliance Policy and can be identified as such in any filing with the Internal Revenue Service, such as form 8038-G.

2. Bond Transcript.

The Bond Compliance Officer shall require that bond counsel for each issue of tax-exempt obligations prepare and provide a transcript (the "Closing Transcript") of all of the issuance documentation, including authorizing resolutions or ordinances, financing agreements, continuing disclosure agreements required under Securities and Exchange

Commission (“SEC”) Rule 15c2-12 (the “Rule”) as a condition for the public issuance of bonds and a tax compliance certificate or agreement or similar document prepared by bond counsel concerning use and investment of proceeds of the bonds. The Closing Transcript shall be maintained by the Bond Compliance Officer so long as the bonds are outstanding and for a period of not less than six years thereafter in order to provide appropriate information which may be necessary to respond to inquiries from the SEC, the Internal Revenue Service (“IRS”) or in connection with refunding of bonds.

3. Secondary Market Disclosure.

The Closing Transcript for each issue of bonds that were publicly offered since 1994 usually contains a continuing disclosure undertaking (the “CDA”) either as a separate contract or as part of one of the major documents, like the bond resolution, or trust indenture. (At the time of adoption of this Policy, the Issuer was preparing to issue its General Obligation Bonds, Series of 2018, and recited its CDA obligations in the bond ordinance as well as a Continuing Disclosure Certificate printed as an Appendix to the Official Statement for those bonds). The Rule requires that the underwriter of publicly offered bonds obtain the agreement of the Issuer of the bonds to file annual information (the “Annual Report”) with a public depository, now maintained exclusively by the Municipal Services Rulemaking Board and called Electronic Municipal Market Access (“EMMA”) and also to post with EMMA electronically a notice if certain “Material Events” occur that have an impact on the financial or operating condition of the Issuer so that a bond purchaser in the secondary market can have relevant current information to help make a decision whether to purchase or hold its bonds.

The Bond Compliance Officer shall retain a copy of that CDA and review its provisions at least quarterly by each October 1, January 1, April 1 and June 30 of each fiscal year to best assure that reportable events or tax developments are determined in a timely manner so that the Issuer will be providing the correct information in the Annual Report and address tax matters and material event notices at the correct time. Attached to this Policy as Appendix A is a general description of that annual information as well as of the “Material Event” types currently required to be disclosed to the marketplace under the Rule. The Bond Compliance Officer will also determine whether to make other officials of the Issuer aware periodically of those Material Events to make it more likely that an event will be identified as requiring such disclosure upon its occurrence.

The Bond Compliance Officer will be primarily responsible for filing the annual report, although the actual filing may have been contracted out to another (usually referred to as the “Dissemination Agent”) which is either a company specializing in such dissemination or perhaps the paying agent or trustee for the bond issue. In the event the Bond Compliance Officer is unclear as to some provision of the continuing disclosure undertaking or has a question concerning whether an event should be considered “material”, the Bond Compliance Officer should undertake to contact either the bond counsel or underwriter identified in the transcript for its bonds.

4. Investment of Bond Proceeds: Arbitrage and Rebate.

At the time of issuance of each series of tax-exempt bonds, a tax certificate, arbitrage certificate, tax compliance agreement or similar document (the "Tax Certificate") should have been prepared by bond counsel and provided to the Issuer and included in the Closing Transcript. That document should describe whether bond proceeds are subject to a restriction on the return on investment (the "yield") that exists either at the time of issuance or comes into play later if proceeds are not spent within certain periods, and whether certain investment income must be rebated to the U.S. Treasury.

For each bond issue, meticulous records shall be kept regarding investments made with bond proceeds or amounts treated as bond proceeds, including any documentation, such as bids obtained for certain kinds of investments, to establish the fair market value of those investments. The date and amount of expenditures of bond proceeds, together with any investment earnings on them, and the purpose for which the expenditure was made, also need to be maintained with precision.

In connection with investment of bonds proceeds which could (as described in the Tax Certificate) result in rebate liability on the part of the Issuer, the Bond Compliance Officer shall make arrangements to have an experienced person perform the required calculations, unless an exemption from rebates applies. While the IRS regulations do not require that an Issuer obtain the services of a rebate consultant, unless the Issuer determines after careful consideration that it is able to perform those calculations on its own, it will retain an accountant, financial advisor or other consultant. Arbitrage rebate payments are ordinarily due every five years after the date of issue of the bonds. Where investments may be found to have inadvertently violated the arbitrage rebate regulations, it may be available to make a "yield reduction payment" in order to cure the violations.

If the Issuer decides to set aside funds reasonably expected to be used to pay debt service on bonds in the future, it shall consult bond counsel in advance to see whether such funds will need to be invested at a restricted yield because of that intended use.

5. Private Use of Bond Financed Facilities.

During the construction or other expenditure period, the Bond Compliance Officer shall maintain familiarity with what the Tax Certificate said the Issuer "reasonably expected" to spend the proceeds on, and when, and duly record any material variation in actual results from that described in the Tax Certificate at the time of issue. If proceeds are spent on items to be owned or used by private parties, where appropriate, the Bond Compliance Officer should seek advice of bond counsel to determine whether a change gives rise to a tax issue.

After the construction period, the Bond Compliance Officer shall maintain a list of the items financed with the proceeds of bonds so that if the item is sold or leased to, or managed by, a private person (rather than the government) during the period while the bonds are still outstanding, an examination can be made as to whether that change in

use presents a tax issue. "Private use" includes use by non-profit corporations and the federal government.

The Bond Compliance Officer shall generate and maintain a complete list of facilities financed with all of the bonds the Issuer has outstanding. A single facility may be financed by more than one bond issue and a bond issue may finance more than one facility. When bonds are refunded or refinanced, their use must be considered to be the use for which the bonds that were refunded were originally issued as carrying forward to the new bonds. The Issuer needs to make a clear allocation of the proceeds of bonds and keep track of it throughout the life of the issue because if bonds are outstanding for a given facility that the Issuer decides to sell, lease or have managed by a private party, a question is raised as to whether the portion of the facility sold, the nature of the management contract, or length of the lease, may cause the bonds to be considered to be for a private use, as opposed to a governmental use for which the bonds were originally issued. In most cases, the Issuer will need to consult with bond counsel in order to determine whether a problem has arisen and how to handle it. Generally, no more than 10% of the proceeds of bonds, or perhaps 5% under certain cases, can be devoted to some private business use. There is also a limit of 5% on the amount of bond proceeds (or, at most, \$5,000,000) which can be loaned to a private person without causing the bonds to be "private activity" bonds. It may be necessary to redeem the bonds within 90 days of the change in use of the facility, so it is important that bond counsel be consulted before the change of use is consummated so that there is sufficient time to design an appropriate remedy for the Issuer. Where bonds cannot yet be redeemed, it may be possible to establish an escrow fund that is invested at no more than the bond yield and call the bonds as early as possible. Another possible remedy would be to find a use of proceeds for the bonds which would qualify as a governmental use, such as in a situation where a bond-financed facility is sold and the sale price would be enough to satisfy the change-in-use rules.

6. Record Keeping and other Duties of the Bond Compliance Officer.

Since a Material Event or a change in use of a facility can occur at any time, the only preparation a Bond Compliance Officer can have for those matters is to review this Policy at least quarterly, as provided above, so that it is likely that the Bond Compliance Officer would identify such an event if it occurs. The Bond Compliance Officer shall decide whether it is appropriate to have at least one other member of the Issuer's administration also review this policy to increase the likelihood of identification of an issue.

A matter that will always require attention on a continuing basis is record keeping concerning the use of proceeds of the bonds – how they were invested, the yield on the investment and the amount earned, the date when proceeds were spent on facilities, identification of the facility on which they were spent, the necessity for an arbitrage rebate calculation to be made at the fifth anniversary after the bonds are issued and, perhaps, every five years thereafter and at the final maturity of the bonds, or otherwise as required by the original Tax Certificate generated at the time the bonds were issued. The Bond Compliance Officer shall maintain the copy of the Closing Transcript for the bond issue

as well as all the records related to investment and use of proceeds. Those records may sometimes be voluminous, particularly where the Issuer has obtained bids for investments in order to meet the fair pricing requirements of the Internal Revenue Code and regulations and also depending on the complexity of the project financed with the bond proceeds, such as construction records and the like so that a final allocation can be made in each case of the use of proceeds.

RESOLVED AND ADOPTED, this ____ day of November 2018.

ATTEST: UPPER UWCHLAN TOWNSHIP
BOARD OF SUPERVISORS

Secretary

Appendix A

Continuing Disclosure Filings Required under Federal Securities Law For Publicly Offered Municipal Bonds

The following is intended as a general description of the kinds of matters an Issuer should appoint one of its officers or administrators to be aware of so that the Issuer complies with its continuing disclosure responsibilities. In all cases, the actual Continuing Disclosure Agreement (typically either a separate instrument or an article or section of an authorizing resolution, ordinance or bond indenture) should be referred to for precise requirements.

Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission (the "Commission") requires, generally, annual filing (the "Annual Report") of certain operating and financial information relating to an "Issuer" (usually a municipality, school district or authority or, sometimes, the beneficiary of the financing) of publicly offered securities, typically in the form of tax-exempt municipal bonds, as well as filing of information concerning certain "Material Events." The Annual Report and notices of Material Events are to be filed electronically with the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") system. The general nature of the information to be contained in the Annual Report or the notices of Material Events can be summarized as follows:

Annual Report: The Issuer's annual audited financial statements and budget for the current fiscal year are virtually always part of the Annual Report. The Continuing Disclosure Agreement that the Issuer signed at the time the Bonds were issued may also require updating of certain information contained in the Official Statement but not contained in the audit, like a list of largest taxpayers or student enrollment trends. Such information must be filed by the Issuer within the number of days after the end of each fiscal year specified in the Continuing Disclosure Agreement.

Material Events: In a timely manner, not to exceed 10 business days after the occurrence of the event (your agreement may read differently; the Rule was moderately amended in 2010) to the Municipal Securities Rulemaking Board, electronically as aforesaid, notice of the occurrences of any of the following events with respect to the Bonds:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults, if material;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers or their failure to perform;
- (f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue

- (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (g) Modifications to the rights of holders of the Bonds, if material;
 - (h) Calls of the Bonds, if material, and tender offers;
 - (i) Defeasances;
 - (j) Release, substitution or sale of property securing repayment of the Bonds, if material;
 - (k) Rating changes;
 - (l) Bankruptcy, insolvency, receivership or similar event of the Issuer (this event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer);
 - (m) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
 - (n) Appointment of a successor or additional Paying Agent or the change of name of a Paying Agent, if material.

The way the Rule is written, underwriters are prohibited from buying an Issuer's Bonds unless it agrees to an undertaking like that summarized above.

Upper Uwchlan Township

11/13/18





Boyle Construction

Packet Page 74

- 3rd generation Eastern PA firm
- 41 years as Agency Construction Manager, Design/Builder & General Contractor
- 85% of projects from repeat clients
- 25 years of extensive Public CM experience
- 30% Public CM Projects
- Project staff experienced in public projects
- Project sizes range from \$5,000-\$30 million
- Average 5-year annual revenue \$42 - \$52 million

Project Team



Sean Boyle
Owner/President

- Oversee all services
- Offer Value Engineering Alternatives
- Contribute to constructability reviews
- Identify typical unforeseen costs
- Utilize 30 years in the industry



**Ken Duerholz AIA, ASHE,
LEED AP**
Project Executive

- Oversee budgeting efforts by using current project cost models and historical data
- Analyze design to contribute to alternative construction and materials
- 3D Visualization through 30+ years of project execution



Tony Ganguzza
**Pre-Construction
Project Manager**

- Dive into the estimate details to ensure all items are captured
- Provide detailed scheduling and phasing information
- Create detailed specifications for public bidding process
- Assist in permitting and land development solutions



Christian Donovan
Construction Manager

- Specialize in public project execution
- Organize project meetings and minutes/action items
- Execute design details specific to fire stations
- Oversee all on-site prime contractors
- Assign schedule details to ensure all primes are working to full capacity
- Reduce change orders by ensure all primes adhere to contract specifications



Nikki Cuocco
Assistant Project Manager

- Keep everyone organized!
- Streamline communications for the team by utilizing technology
- Organize electronic files for team sharing
- Communicate to staff and contractors from pre-construction thru bidding and project completion
- Compile required documentation for funding sources

Public CM Experience Matters



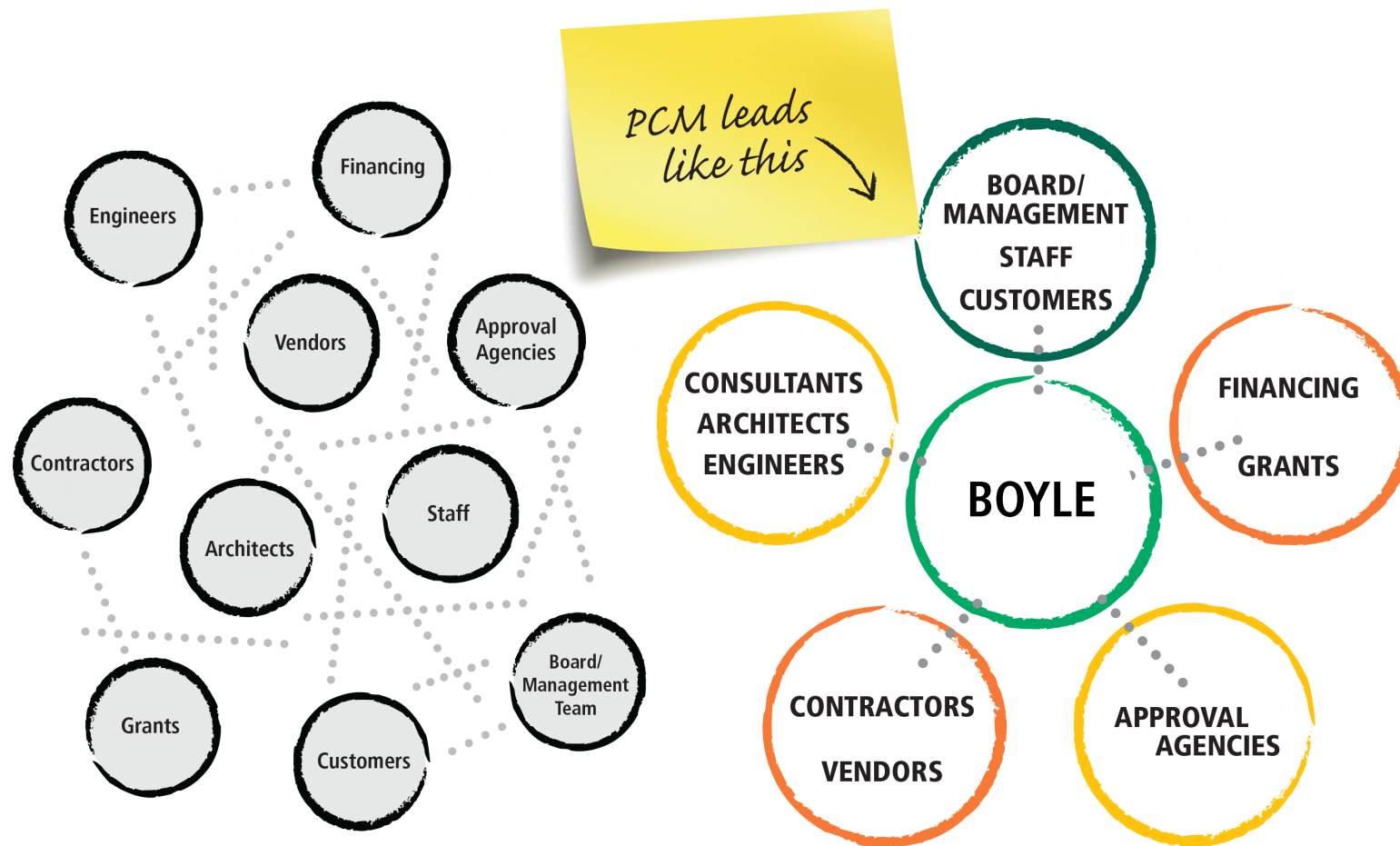
- **Coatesville** – administration
- **East Vincent Township** – administration, police, public works and salt shed
- **Bristol Township** – administration, police, new public works and salt shed
- **Chalfont Borough** – commercial property
- **Hatfield Township** – administration and aquatic center
- **Lower Gwynedd Township** – administration and police
- **Newtown Township** – administration, police and public works
- **Northampton Township** – police
- **Souderton Borough** – commercial property
- **Allentown** – fire station, parking garages
- **Bethlehem** – parking garages, entertainment pavilion, visitor's center, elevated pedestrian walkway, business incubator
- **Bethlehem Township** – park facility
- **Easton** – administration and public market
- **Freemansburg Borough** – police
- **Hanover Township** – administration and community center
- **Hellertown Borough** – park pavilion
- **Lehigh County** – community treatment center, detox facility, forensics center and courthouse
- **Lehigh County Authority** – administration and garage
- **Lower Macungie Township** – community center and fire station
- **Lower Saucon Township** – administration, police and public works
- **Palmer Township** – public works
- **Palmerton Borough** – fire station
- **Carbon County** – administration and parking garage

Public CM Differentiators



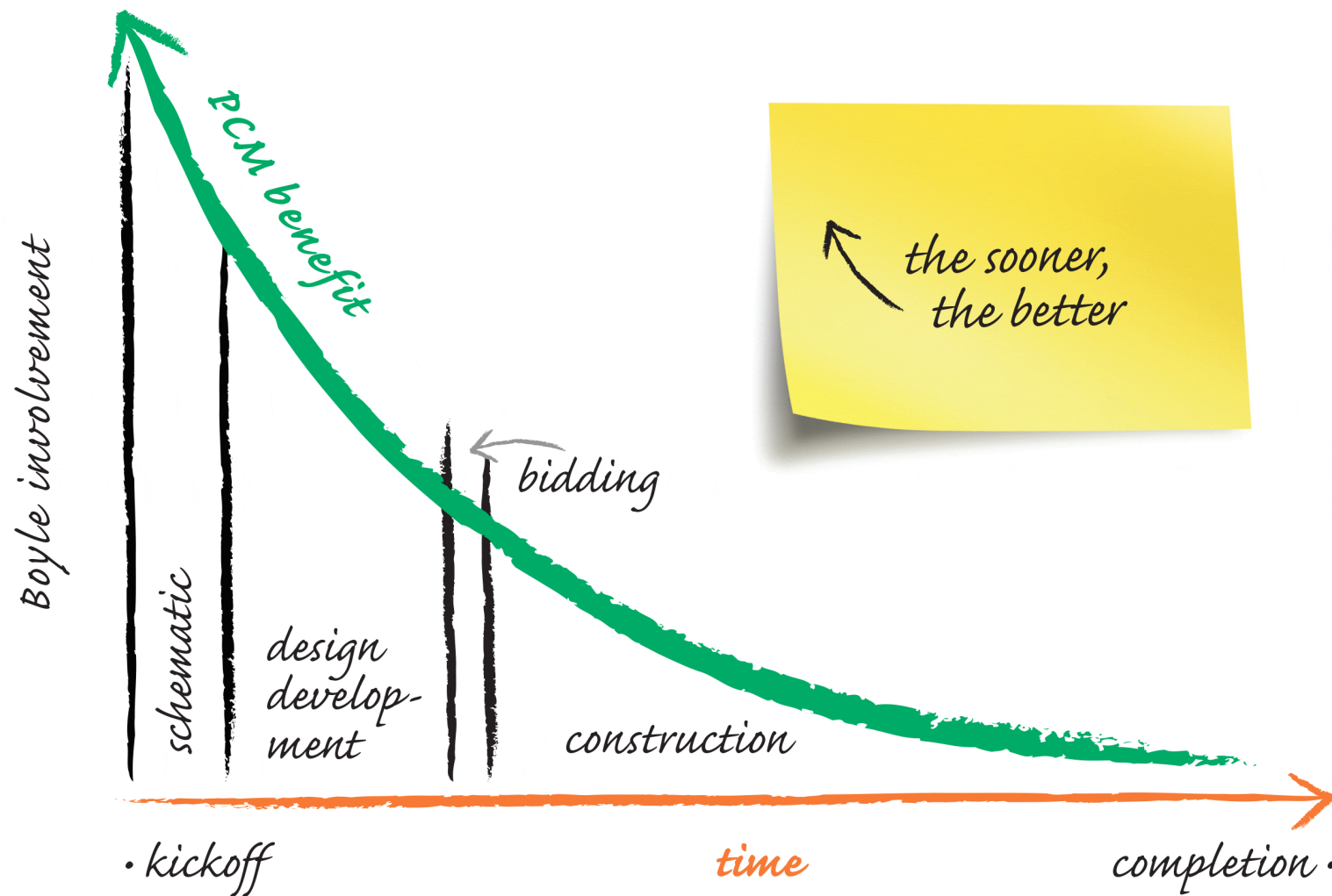
- **Critical Budgets** – cost controls must be in place and maintained during design and then repeatedly checked
- **Schedule Challenges** – multi-prime contractors and public procurement presents schedule challenges – establish strict milestones
- **Public Bid Requirements** – multi-prime bidding, adhering to public bidding protocols, good bidder coverage and bidding strategies are critical
- **Lowest Bidder** – the lowest bidder wins...so Boyle's onsite Superintendent is critical to manage all prime contractors to stay on time and on budget
- **Documentation** – detailed documentation must be maintained for public bidding, grants and public funding
- **Public Money** – everyone looks to see how public money is spent, so tight budget controls minimize cost overruns and allow you to answer questions and keep everyone informed

Quarterback the Team



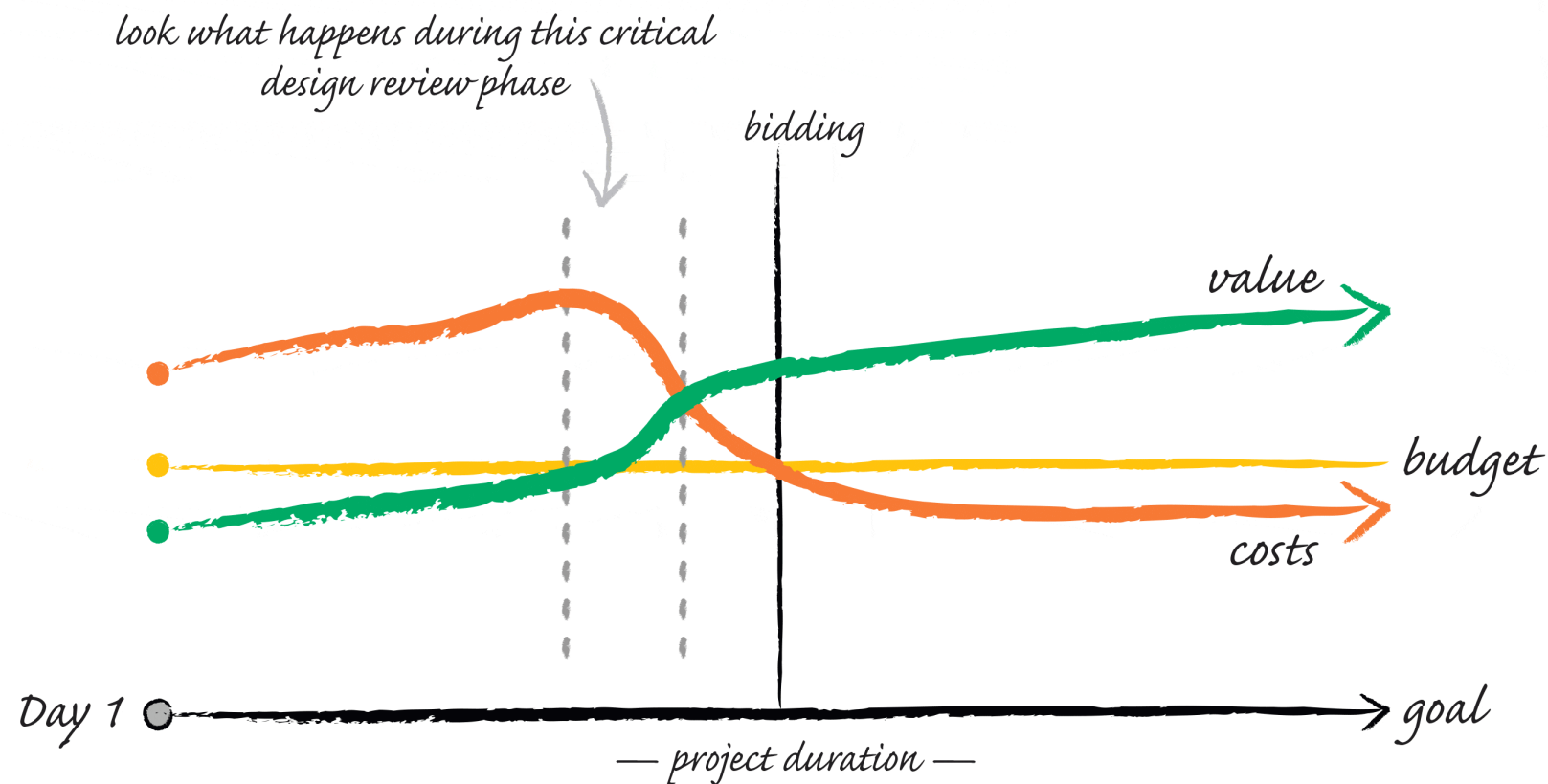
- On Day 1, Boyle organizes your project's objectives and maintains goals, schedules, and budgets as the Project and Construction Manager (PCM).
- Boyle leads the team taking the strain off your current staff, we report directly to you on project updates and decision points.
- We control the process by moving the entire team in one direction toward your project goal.

Day 1 Implementation



- Boyle helps reduce time, costs, and risks
- Provide accurate detailed estimates to guide the team to design to budget
- Our thorough public project planning makes everyone on the team accountable to meet the project schedule
- Land Development services to assist the project team
- Red-line bid documents to receive accurate detailed bids from prime contractors
- Reduce risks and add value

Costs vs Value



- Boyle adds value – providing information to wisely spend money
- Accurate detailed estimates – Anticipate risks, evaluate constructability, offers value engineering alternatives to maximize programming
- We continuously offer alternatives and life cycle and energy information to allow you to make the best decisions

Value Engineering and Detailed Estimates

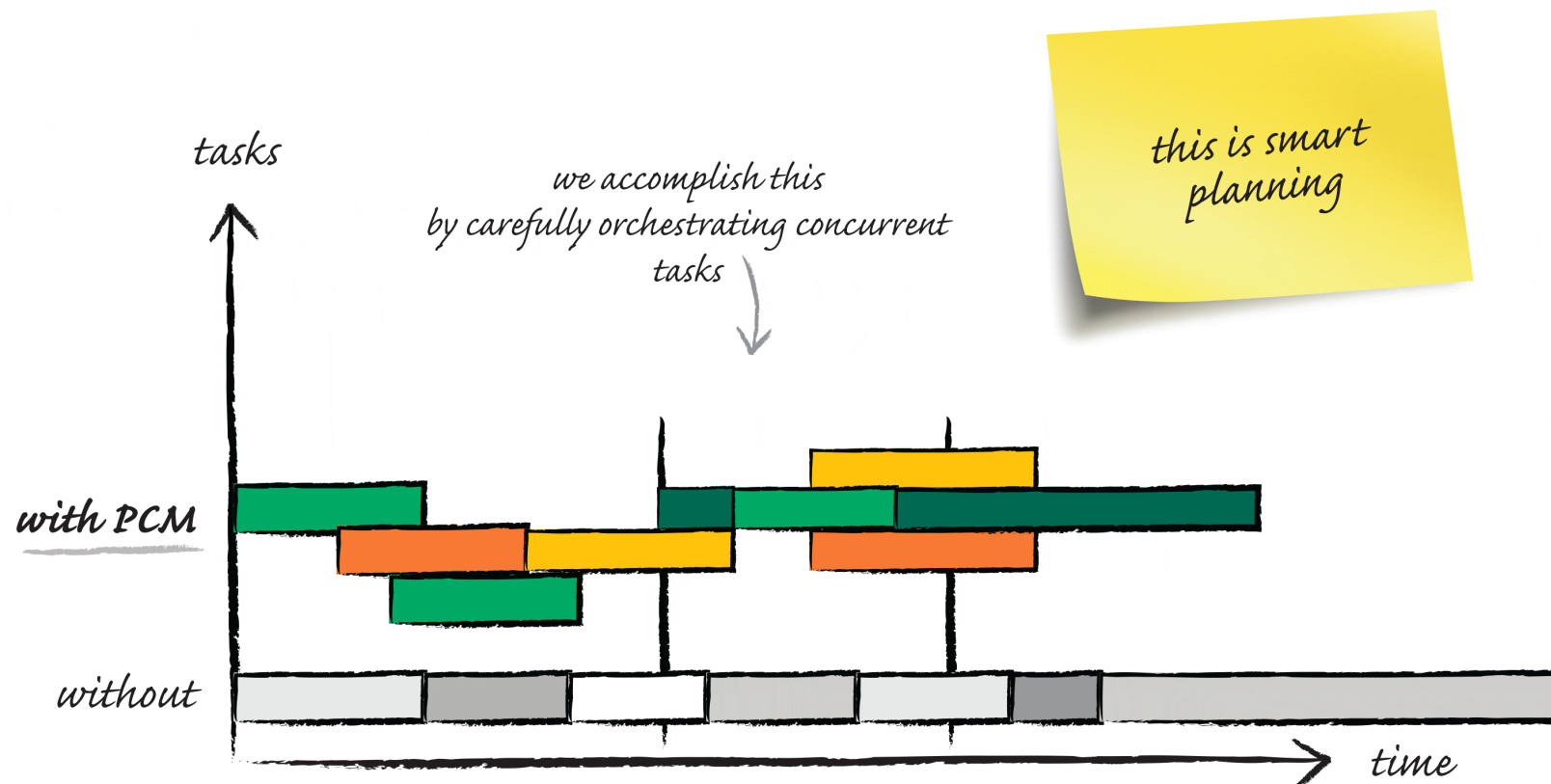
East Vincent Township Proposed Admin./Police, Public Works, Salt Storage, & Site Executive Opinion of Trending Costs June 15, 2017					
CURRENT COMMITTED COSTS #REF!					
Description of Work	Quantity	Unit	Unit Price	Extension	
SITE WORK BID PACKAGE \$1,445,347					
(SWP-1) Site Work Bid Package	1	Bid	\$1,590,000	\$1,590,000	
Alt Bid #2 -Rough-in Gas line	1	Bid	\$5,000	\$5,000	
Alt Bid #3 -4' Concrete Apron at PW	1	Bid	\$7,000	\$7,000	
Site Lighting Credit	1	Credit CO	(\$105,000)	(\$105,000)	
Redi Rock retaining Wall Credit	1	Credit CO	(\$47,166)	(\$47,166)	
Sanitary Sewer Relocation Credit	1	Credit CO	(\$4,487)	(\$4,487)	
Site Conduits and Wire	1	Sum	\$50,000	In Above	
Site Landscaping (minimal stabilization)	1	sum	\$135,000	In Above	
Exterior Signage Allowance	1	Sum	\$25,000	In Admin.	
Site Plumbing	1	Sum	\$100,000	In Above	
Emergency Generator	1	Sum	\$135,000	In Admin.	
Building Demolition				In Above	
Fencing Subcontractor	1	Sum	\$22,000	In Above	
40' PW rolling Gate				See Alt.s	
Owner Allowance	1	Sum	\$50,000	In Above	
Landscape Allowance	1	Sum	\$25,000	In Above	
Temp. Toilet Allowance	1	Sum	\$1,000	In Above	
Generator Pad Allowance	1	Sum	\$5,000	In Above	
Allowance Subtl.	\$81,000				
PW & SALT STORAGE BID PACKAGE \$1,421,658					
Public Works Building	8,185	SF		See Below	
Salt Storage Building	1,640	SF		See Below	
(GT-2) General Trades Awarded Bid Package				\$1,039,600	
(P-5) Plumbing Awarded Bid Package				\$101,000	
(M-3) Mechanical Awarded Bid Package				\$84,300	
(E-4) Electrical Awarded Bid Package Including Sitelights				\$196,758	
(GT-2) Allow No. 1 - Foundation Deviation	1	Sum	\$15,000	In Above	
(GT-2) Allow No. 2 - Temp Toilets & Dump.	1	Sum	\$3,500	In Above	
(GT-2) Allow No. 3 - Owner Allowance	1	Sum	\$20,000	In Above	
(E-4) Allow No. 1 - Owner Allowance	1	Sum	\$10,000	In Above	
(E-4) Allow No. 2 - Temp Electric	1	Sum	\$10,000	In Above	
(M-3) Allow No. 1 - Owner Allowance	1	Sum	\$10,000	In Above	

East Vincent Township Proposed Admin./Police, Public Works, Salt Storage, & Site Potential Value Engineering January 13, 2017				
VALUE ENGINEERING AREAS AMOUNT TRADE REMARKS				
SITE WORK				
SW - 1	Eliminate 40" operable gate at PW Yard	-\$10,000	SC	value \$20K or more
SW - 2	Reduce or stage Landscaping values at \$135K		SC	Staged landscaping 2 -3 yrs.
SW - 3	Reduce/Revise Site Lighting (Eliminate 10 ea.)	-\$20,000	EC/SC	
SW - 4	Evaluate conc. Encased electrical conduits	-\$10,000	EC/SC	
SW - 5	Remove ground rods at light poles	-\$1,000	EC/SC	
PW & SALT STORAGE				
PW - 1	Evaluate painted surfaces.		GC	
PW - 2	Elimate CMU Walls to deck and ext. stone PW	-\$45,000	GC	
PW - 3	Elimate CMU walls to deck at interior		GC	
PW - 4	Is Paint & Maint. Bay required?			
PW - 5	Mezzanine required?		GC	
PW - 6	Eliminate Locker room windows		GC	
PW - 7	Eliminate Powder Coat railings		GC	
PW - 8	Eliminate ext. veneer stone on Salt Shed	-\$22,000	GC	
ADMIN. & POLICE				
AP - 1	Eliminate Coordination drawings, only Mech dwgs	-\$2,000	EC	
AP - 2	Alter light fixture package	-\$10,000	EC	
AP - 3	Provide Tax Exempt Number for project		EC	Could be 10's of thousands
AP - 4	Evaluate the extent of CMU in Police Areas	TBD		
AP - 5	Remove Ballistic Wall Construction	TBD		
AP - 6	Remove basement solution (if possible)	TBD		
AP - 7	One story if possible. Min. mezzanine at 2,999 SF	TBD		
AP - 8	Most cost effective HVAC system.			
AP - 9	Is an emergency generator required? Size?			\$135K vs. \$60K

Options with Detailed Estimates

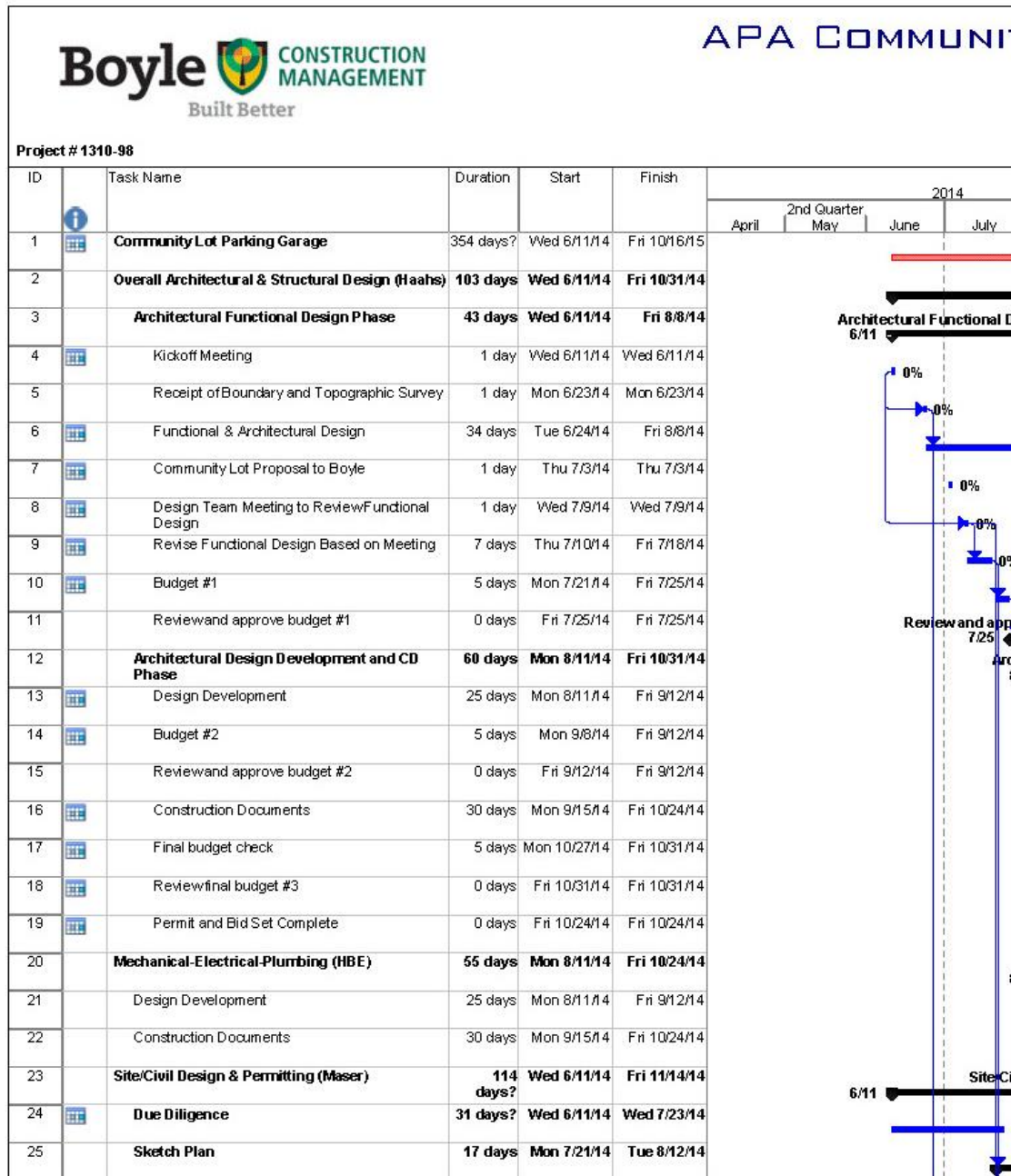
ESTIMATE FORM - DETAILED BREAKDOWN														
Project: East Vincent Township			16,000 SF- 1 Story Basement - 0 SF 1st Floor - 16,000 SF 2nd Floor - 0 SF				20,367 SF- 1 Story Basement - 0 SF 1st Floor - 16,000 SF 2nd Floor - 4367 SF				19,000 SF- 1 Story plus Mezz. Basement - 0 SF 1st Floor - 16,000 SF Mezzanine - 2999 SF			
Description: Cost Models for Various Options			Cost Per SF \$242.94				Cost Per SF \$220.25				Cost Per SF \$225.96			
Location: 262 Ridge Road, Spring City PA, 19475			\$3,886,973				\$4,485,801				\$4,293,169			
Size: Varies Based on Options														
D/B: Township Administration Building Bid														
Due Date: 1/16/2017														
			OPTION 5				OPTION 6				OPTION 6A			
NO.	DESCRIPTION	SUBCONTRACTOR	QTY	UNIT	UNIT PRICE	TOTAL	QTY	UNIT	UNIT PRICE	TOTAL	QTY	UNIT	UNIT PRICE	TOTAL
BUILDING CONCRETE			\$327,245.00				\$327,245.00				\$327,245.00			
	Excavation for Concrete		1	bid	\$100,000.00	\$100,000.00	1	bid	\$100,000.00	\$100,000.00	1	bid	\$100,000.00	\$100,000.00
	Continuous footings (3' wide, 12" thick)		63	cy	\$325.00	\$20,475.00	63	cy	\$325.00	\$20,475.00	63	cy	\$325.00	\$20,475.00
	Pier footings - perimeter (4' x 4' x 18" thick)		18	cy	\$325.00	\$5,850.00	18	cy	\$325.00	\$5,850.00	18	cy	\$325.00	\$5,850.00
	Pier footings - interior (3' x 3' x 12" thick)		6	cy	\$325.00	\$1,950.00	6	cy	\$325.00	\$1,950.00	6	cy	\$325.00	\$1,950.00
	Piers/pedestals (2' x 2' x 12')		9	cy	\$700.00	\$6,300.00	9	cy	\$700.00	\$6,300.00	9	cy	\$700.00	\$6,300.00
	Foundation walls (12' high, 12" thick)		63	cy	\$650.00	\$40,950.00	63	cy	\$650.00	\$40,950.00	63	cy	\$650.00	\$40,950.00
	S.O.G. sub-base		16,000	sf	\$2.00	\$32,000.00	16,000	sf	\$2.00	\$32,000.00	16,000	sf	\$2.00	\$32,000.00
	Slab on grade		16,000	sf	\$5.50	\$88,000.00	16,000	sf	\$5.50	\$88,000.00	16,000	sf	\$5.50	\$88,000.00
	Slab on deck		0	sf	\$4.00	\$0.00	0	sf	\$4.00	\$0.00	0	sf	\$4.00	\$0.00
	Foundation perimeter insulation and damp-proofing		2,240	sf	\$3.00	\$6,720.00	2,240	sf	\$3.00	\$6,720.00	2,240	sf	\$3.00	\$6,720.00
	Set A.B. & L.P.		1	ls	\$5,000.00	\$5,000.00	1	ls	\$5,000.00	\$5,000.00	1	ls	\$5,000.00	\$5,000.00
	Elevator walls and slab		0	ls	\$8,000.00	\$0.00	0	ls	\$8,000.00	\$0.00	0	ls	\$8,000.00	\$0.00
	House keeping pads		1	ls	\$5,000.00	\$5,000.00	1	ls	\$5,000.00	\$5,000.00	1	ls	\$5,000.00	\$5,000.00
	Door pads, ramp and retaining wall from basement		1	ls	\$15,000.00	\$15,000.00	1	ls	\$15,000.00	\$15,000.00	1	ls	\$15,000.00	\$15,000.00
	Pan filled concrete stair		0	fit	\$2,500.00	\$0.00	0	fit	\$2,500.00	\$0.00	0	fit	\$2,500.00	\$0.00
MASONRY and EXTERIOR FINISHES			\$145,485.00				\$240,620.00				\$219,020.00			
	Subcontractor (CMU Shafts @ 12' high per floor)		1,000	bid	\$15.00	\$15,000.00	3,440	bid	\$15.00	\$51,600.00	2,000	bid	\$15.00	\$30,000.00
	Subcontractor (Stone Veneer 30%)		2,100	bid	\$25.00	\$52,500.00	3,020	bid	\$25.00	\$75,500.00	3,020	bid	\$25.00	\$75,500.00
	Subcontractor (Hardiboard Siding (20%))		1,345	sf	\$9.00	\$12,105.00	1,960	sf	\$9.00	\$17,640.00	1,960	sf	\$9.00	\$17,640.00
	Miscellaneous Framing and Exterior Trims		6,720	sf	\$3.00	\$20,160.00	9,780	sf	\$3.00	\$29,340.00	9,780	sf	\$3.00	\$29,340.00
	Vapor Barrier		6,720	sf	\$2.00	\$13,440.00	9,780	sf	\$2.00	\$19,560.00	9,780	sf	\$2.00	\$19,560.00
	E.I. F.S. (40%)		2,690	sf	\$12.00	\$32,280.00	3,915	sf	\$12.00	\$46,980.00	3,915	sf	\$12.00	\$46,980.00
STEEL			\$41,100.00				\$61,600.00				\$51,100.00			
Structural steel			\$15,000				\$15,000				\$15,000			
	Erect structural steel and bar joists		0	ls	\$18,000.00	\$0.00	0	ls	\$18,000.00	\$0.00	0	ls	\$18,000.00	\$0.00
	Metal bar joist and structural steel - floor		0	sf	\$15.00	\$0.00	0	sf	\$15.00	\$0.00	0	sf	\$15.00	\$0.00
	First and second floor steel supports for wood framing		1	ls	\$15,000.00	\$15,000.00	1	ls	\$15,000.00	\$15,000.00	1	ls	\$15,000.00	\$15,000.00
Miscellaneous Metal			\$26,100				\$46,600				\$36,100			
	Pan stairs and railings		0	fits	\$10,000.00	\$0.00	2	fits	\$10,000.00	\$20,000.00	1	fits	\$10,000.00	\$10,000.00
	Exterior Misc. Iron		1	allow	\$15,000.00	\$15,000.00	1	allow	\$15,000.00	\$15,000.00	1	allow	\$15,000.00	\$15,000.00
	Hoist beam for elevator		0	ea	\$1,000.00	\$0.00	0	ea	\$1,000.00	\$0.00	0	ea	\$1,000.00	\$0.00
	Ship ladder - elevator		0	ea	\$500.00	\$0.00	1	ea	\$500.00	\$500.00	0	ea	\$500.00	\$0.00
	Ship ladder - roof		1	ea	\$2,500.00	\$2,500.00	1	ea	\$2,500.00	\$2,500.00	1	ea	\$2,500.00	\$2,500.00
	Lintels - beams for concrete wall openings		0	ea	\$500.00	\$0.00	0	ea	\$500.00	\$0.00	0	ea	\$500.00	\$0.00
	Hand / Guardrails @ Dais		40	lf	\$50.00	\$2,000.00	40	lf	\$50.00	\$2,000.00	40	lf	\$50.00	\$2,000.00
	Structural Steel - Mov. Partition Support		21	lf	\$100.00	\$2,100.00	21	lf	\$100.00	\$2,100.00	21	lf	\$100.00	\$2,100.00
	Sallyport OH door frame		1	ea	\$4,500.00	\$4,500.00	1	ea	\$4,500.00	\$4,500.00	1	ea	\$4,500.00	\$4,500.00
CARPENTRY AND MILLWORK			\$377,850.00				\$433,350.00				\$427,550.00			
Rough Carpentry			\$294,600				\$350,100				\$344,300			
	Rough carpentry/blocking material		1	ls	\$8,000.00	\$8,000.00	1	ls	\$8,000.00	\$8,000.00	1	ls	\$8,000.00	\$8,000.00
	Roof trusses installed with plywood		20,000	sf	\$10.00	\$200,000.00	20,000	sf	\$10.00	\$200,000.00	20,000	sf	\$10.00	\$200,000.00
	Roof trusses crane rigging		6	days	\$1,000.00	\$6,000.00	6	days	\$1,000.00	\$6,000.00	6	days	\$1,000.00	\$6,000.00
	Wood framed walls (Exterior with ext. plywood)		6,720	sf	\$5.00	\$33,600.00	9,780	sf	\$5.00	\$48,900.00	9,780	sf	\$5.00	\$48,900.00
	Wood framed walls (Interior, no GWB)		1,175	lf	\$40.00	\$47,000.00	1,435	lf	\$40.00	\$57,400.00	1,435	lf	\$40.00	\$57,400.00
	Wood framed flooring with plywood		0	sf	\$8.00	\$0.00	3,725	sf	\$8.00	\$29,800.00	3,000	sf	\$8.00	\$24,000.00
Millwork			\$83,250				\$83,250				\$83,250			
	Dais walls and panels		1	ea	\$30,000.00	\$30,000.00	1	ea	\$30,000.00	\$30,000.00	1	ea	\$30,000.00	\$30,000.00
	Front vestibule panels		1	bid	\$7,500.00	\$7,500.00	1	bid	\$7,500.00	\$7,500.00	1	bid	\$7,500.00	\$7,500.00
	Base trim and chair rail (main corridor)		550	bid	\$5.00	\$2,750.00	550	bid	\$5.00	\$2,750.00	550	bid	\$5.00	\$2,750.00
	Window sills and stools		60	bid	\$200.00	\$12,000.00	60	bid	\$200.00	\$12,000.00	60	bid	\$200.00	\$12,000.00
	Misc. counters at offices		1	bid	\$25,000.00	\$25,000.00	1	bid	\$25,000.00	\$25,000.00	1	bid	\$25,000.00	\$25,000.00
	Transaction tops (solid surface)		3	bid	\$2,000.00	\$6,000.00	3	bid	\$2,000.00	\$6,000.00	3	bid	\$2,000.00	\$6,000.00

Smart Planning



- Time = Money, we know the best way to save money on a construction project is to save time by implementing concurrent tasks.
- Boyle prepares and monitors the master project schedule on a regular basis and communicates with the team.
- We manage the process and overlap activities to gain process efficiencies and reduce overall durations.
- We prepare a detailed milestone schedule for inclusion in the bid documents.


Master and Milestone Schedules



East Vincent Township Milestone Schedule
October 25, 2016 (Revised 3/17/17)

Major Milestones	Site	Salt Shed	PW Building	Admin/Police
BCI Plan Review, Budget & Evaluation	1/16 - 1/20/17	1/16 - 1/20/17	1/16 - 1/20/17	1/16 - 1/20/17
Team Meeting to Review Budget	2/8/2017	2/8/2017	2/8/17	2/8/2017
Revisions to Schematic Layout	2/16/2017	2/16/2017	2/16/2017	2/16/2017
Team Meeting to Review Final Layout	2/16/2017	2/16/2017	2/16/2017	2/16/2017
Prepare Bid and Construction Documents	2/17 - 2/24/17	2/13 - 3/3/17	2/13 - 3/3/17	2/15 - 3/31/17
BCI Review of Construction Documents	2/17 - 2/24/17	3/6 - 3/8/17	3/6 - 3/8/17	4/3 - 4/12/17
Revisions to Construction Documents	N/A	3/9 - 3/22/17	3/9 - 3/22/17	4/13 - 4/21/17
Permits	N/A	3/22-4/22/17	3/22-4/22/17	4/3 - 5/4/17
Bid Documents to Bidders	2/27/2017	3/23/2017	3/23/2017	4/24/2017
Bid Advertisement #1	2/28/2017	3/24/2017	3/24/2017	4/25/2017
Bid Advertisement #2	3/3/2017	3/29/2017	3/29/2017	4/28/2017
Pre-Bid Conference	3/10/2017	3/31/2017	3/31/2017	5/4/2017
Last day for questions	3/17/2017	4/7/2017	4/7/2017	5/11/2017
Last addendum issued	3/20/2017	4/10/2017	4/10/2017	5/15/2017
Accept Bids	3/23/2017	4/13/2017	4/13/2017	5/23/2017
BCI Review of Bids	3/24 - 3/31/17	4/13-4/20/17	4/13-4/20/17	5/24 - 6/1/17
BCI Award Recommendation	3/31/2017	4/21/2017	4/21/2017	6/2/2017
BCI Letter of Intent	4/3/2017	4/24/2017	4/24/2017	6/5/2017
EVT to Award Bids (BOS Meeting)	4/5/2017	5/3/2017	5/3/2017	6/7/2017
BCI Contract Preparation & Review	4/6 - 4/14/17	4/24-5/4/2017	4/24-5/4/2017	6/8 - 6/19/17
Contract Execution	4/17 - 4/19/17	5/5-5/9/2017	5/5-5/9/2017	6/20 - 6/22/17
Notice to Proceed	4/20/2017	5/10/2017	5/10/2017	6/23/2017
Construction Start	4/24/2017	5/12/2017	5/12/2017	6/26/2017
Projected Construction Completion	5/2/2018	07/07/17	10/30/17	3/2/2018
Post-Construction	5/25/2018	07/28/17	11/20/17	4/2/2018

Creative Bid Strategies

CLIENT: EAST VINCENT TOWNSHIP PROJECT NAME: Municipal complex Site Improvements PROJECT NUMBER: 1610-100 BID OPENING: March 23, 2017 DATE: March 31, 2017				<div>"Built Better"</div> <div>Boyle CONSTRUCTION MANAGEMENT</div>		
		RESPONSIVE BIDS		NON - RESPONSIVE BIDDERS		
#	DESCRIPTION	GRACE INDUST.	ABC CONST.	Bean Inc.	Spear Excav	Dirt Work
1	Mobilization and Traffic Regulation	\$144,650	\$140,000	\$115,500	\$100,050	\$100,050
2	Owner's Allowance	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
3	Landscape Allowance	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
4	Temp Toilet Allowance	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
5	Generator Pad Allowance	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
6	Soil Erosion and Sediment Control	\$77,800	\$80,000	\$121,625	\$113,908	\$80,000
7	Clearing and Grubbing	\$10,395	\$17,000	\$57,500	\$10,850	\$3,500
8	Demolition (Including Buildings)	\$99,950	\$67,000	\$50,600	\$109,234	\$130,975
9	EarthWork	\$142,860	\$150,000	\$101,600	\$160,913	\$140,000
10	Sanitary Sewer	\$101,200	\$97,000	\$61,756	\$86,652	\$22,725
11	Storm Drainage System	\$213,100	\$160,000	\$162,720	\$104,684	\$130,896
12	Water System	\$28,300	\$11,000	\$20,160	\$19,820	\$16,768
13	Site Concrete	\$105,000	\$168,000	\$196,000	\$156,333	\$155,699
14	Jersey Barriers	\$31,800	\$9,000	\$27,000	\$22,600	\$22,600
15	Concrete Curb	\$23,950	\$11,000	\$37,500	\$11,136	\$12,915
16	Site Bollards	\$12,100	\$5,000	\$3,500	In Paving	\$6,867
17	Asphalt Paving/Striping/Signs	\$306,000	\$300,000	\$318,425	\$262,692	\$206,692
18	Pole Mounted Lights W/Service	\$88,300	\$159,000	\$35,000	\$94,100	\$94,100
19	Chain link Fencing and Swing Gates	\$35,650	\$28,000	\$29,250	\$30,967	\$30,967
20	Fine Grade, Rake and Seed	\$52,000	\$84,000	\$58,800	\$18,104	\$28,137
21	Electric Service Excavation and Backfill	\$14,700	\$4,000	\$16,320	\$11,673	\$11,673
22	Transformer Vault	\$1,500	\$10,000	\$15,000	\$8,833	\$8,833
23	Telephone Service Excavation and Backfill	\$11,800	\$4,000	\$12,240	\$9,347	\$9,347
24	Relocate Existing Propane Tank	\$6,400	\$5,000	\$14,600	\$8,667	\$8,667
25	Bonds	Included	Included	\$30,000	\$30,000	\$30,000
BASE BID TOTAL		\$1,588,455	\$1,590,000	\$1,566,096	\$1,451,563	\$1,332,409
BID ALTERNATES						
	ALT. BID #1 SLIDING GATE	\$12,500	\$60,000	\$13,000	\$28,500	\$28,500
	ALT. BID #2 FUTURE GAS LINE	\$14,700	\$5,000	\$9,520	\$9,407	\$9,657
	ALT. BID #3 4 FOOT CONCRETE APRON	\$17,205	\$7,000	\$10,200	\$11,468	\$11,468
	ALT. BID #4 INSTALL (13) FUTURE PARKING SP.	\$24,670	\$19,000	\$15,888	\$19,853	\$19,853
	ALT. BID #5 STONE FOR ALL (3) BUILDINGS	\$38,205	\$54,000	\$68,604	\$18,954	\$44,940
	ALT. BID #6 PAVE 23 SPACES AT SOUTH SITE	\$18,250	\$19,000	\$20,777	\$19,342	\$19,342
DESIRED BID ALTERNATE SUBTOTAL:		\$31,905	\$12,000	\$19,720	\$20,875	\$21,125
BASE BID WITH SELECT ALTS.		\$1,620,360	\$1,602,000	\$1,585,816	\$1,472,438	\$1,353,534
RESULTS		\$18,360	LOW			

- We will offer advice to the Architect on bidding strategies specifying prime packages with base and alternate pricing.
- In reviewing the bid documents we will stress to the Architect's team the importance of creating packages that are clear and leave minimal questions to the bidder.
- Our team will red line important specifics and ensure clear delineation of prime responsibilities to ensure accurate pricing.

Change Order Management



- Average total project change orders less than 2%, most are owner added scope items
- Boyle's in depth knowledge of the bid documents prevents prime contractors from request and/or receiving change orders.
- Boyle challenges each change order/allowance request with our own independent budget to verify or reduce amounts.
- We dive into the details and mitigate all change order and allowance requests.

Integrated Technology

Displaying 1 - 10 of 10

Spec Section	#	Rev	Title	Type	Status	Responsible Contractor	Submit By	Received From	Received Date	Ball In Court	Approvers
6050 Millwork	6050-1	0	Millwork Shop Drawing	Shop Drawing	Closed	Morris Black	12/09/16	Tom Lawler	12/09/16		Fairfield, Todd (Boyle Construction Onderko, Kyle (BDA Architects))
6050 Millwork	6050-2	0	Miscellaneous Millwork Hardware	Product Information	Closed	Morris Black	12/09/16	Tom Lawler	12/09/16		Fairfield, Todd (Boyle Construction Onderko, Kyle (BDA Architects))
8010 Doors Frames and Hardware	8010-1	0	DOORS/FRAMES/HARDWARE SHOP DRAWINGS AND SCHEDULES	Shop Drawing	Closed	General Supply Company	12/05/16	John Cuocco	12/02/16		Fairfield, Todd (Boyle Construction Onderko, Kyle (BDA Architects))
8010 Doors Frames and Hardware	8010-2	0	Wood Veneer Samples	Sample	Closed	General Supply Company	12/05/16	John Cuocco	12/02/16		Fairfield, Todd (Boyle Construction Onderko, Kyle (BDA Architects))
9090 Flooring	9090-1	0	FINISHED FLOORING SAMPLES	Sample	Closed	Cope Commercial Flooring and Interiors, Inc.	12/05/16	Aaron Zakaszski	12/02/16		Fairfield, Todd (Boyle Construction Onderko, Kyle (BDA Architects))
9090 Flooring	9090-1	1	FINISHED FLOORING SAMPLES	Sample	Closed	Cope Commercial Flooring and Interiors, Inc.	12/05/16	Aaron Zakaszski			Onderko, Kyle (BDA Architects)
9120 Painting	9120-1	0	Paint Draw-downs		Open	Professional Wallcovering		Joe Giuliano	12/15/16	Kyle Onderko	Onderko, Kyle (BDA Architects)
220000 Plumbing	220000-1	0	Plumbing Fixtures	Product Information	Closed	Integrity Mechanical	12/07/16	Ken Eisenhart	12/08/16		Fairfield, Todd (Boyle Construction Onderko, Kyle (BDA Architects))
260000 Electrical	260000-1	0	Lighting Fixtures	Product Information	Open	BEI Electrical	12/09/16	Bryan Lieberman	12/07/16	Kyle Onderko	Fairfield, Todd (Boyle Construction Onderko, Kyle (BDA Architects))
260000 Electrical	260000-2	0	Fire Alarm Product Data	Product Information	Open	BEI Electrical	12/09/16	Bryan Lieberman	12/07/16	Kyle Onderko	Fairfield, Todd (Boyle Construction Onderko, Kyle (BDA Architects))

Architectural drawings shown include: START ELEVATOR 2 - FIRST FLOOR, TOTAL FLOOR PLAN, and a section view of the building.

- Procore CM Software
 - Web-based central document repository
 - Access granted by permissions to Township staff, design team, prime contractors and any stakeholders
 - Manages and organizes all processes in an easy to use format and tracking system for submittals, RFIs, meeting minutes, etc.
- BIM Technology
- Building Connected for Bidding
- MS Project for Scheduling

Why Boyle?

- **Added value through CM Services with proven methodology and proven results**
- **Extensive public project experience**
 - Public procurement expertise
 - On-time and on-budget record
- **Expert principals work on your project**
 - Experienced staff
 - Assign staff with the right skill set
- **Lead and manage entire project** – concept, planning, approvals, finance, design, and construction
 - Plan early and continuously monitor schedule
 - Establish budget and continuously update
 - Execute project with Boyle's proven CM methods
- **Team collaboration** – owner, architects, engineers, consultants, designers, contractors, and owner vendors

Proven results – ask our clients



What do our Customers and Colleagues Say?

"We are glad that we had you as a partner on this project because we felt hiring a Construction Management firm with your experience allowed us to receive the maximum amount of job cost savings... Boyle Construction ensured we were on time, even finishing the project over a month ahead of schedule. You completed the entire project while we occupied the municipal complex which was a very difficult logistical task."

Joe Czajkowski
Former Township Manager
Newtown Township

"Sean Boyle's team is extremely well qualified in managing complex construction projects with multiple layers of issues from cost constraints and tight schedules to owner and public expectations. I have seen the firm face and successfully overcome obstacles from challenging designs and historical considerations to successfully completing a phased addition and renovation while the secure facility remained open 24 hours a day. Boyle Construction has played an integral part in managing public funds and making sure they are spent efficiently."

Donald T. Cunningham
Former Mayor, City of Bethlehem
Former County Executive, Lehigh County

"Having a contractor who understands how to build consensus and cost control was essential and time after time, Boyle delivered. Like a well orchestrated life saving mission, their team performed flawlessly and regularly exceeded our expectations. I would highly recommend Boyle Construction to anyone who truly wants their project 'Built Better' and enjoy working with teams who care."

Larry Wiersch
Executive Director
Cetronia Ambulance Corps

"I found Boyle Construction to be exceptional in the services that they provided. The money expended on their services had a great value to Hatfield Township as it took pressure off the organization, allowing staff to continue to function effectively while a major capital project was underway. One final note, Boyle was instrumental in keeping change orders to a minimum."

Stephanie Teoli
Former Township Manager
Hatfield Township



Questions?

Sean Boyle, President
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Tony Ganguzza, PE, VP of Professional Services
tganguzza@boyleconstruction.com

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Boyle Construction
1209 Hausman Road, Suite B
Allentown, PA 18104
Phone: 484-223-0726





UPPER UWCHLAN TOWNSHIP

MEMORANDUM

ADMINISTRATION

TO: Board of Supervisors

FROM: Cary B. Vargo
Township Manager

RE: Septage Management Ordinance

DATE: November 9, 2018

Attached for your review and consideration is a Septage Management Ordinance. This ordinance regulates on lot septic systems in the Township requiring system owners to have said systems pumped, inspected, and maintained once every three years. The requirements of this ordinance are based on best management practices with the goal of protecting the Townships high quality water resources. The Chester County Health Department has put into place a data management system that allows the Township to capture information on septic system pumping activities. This system allows the Township to identify and track problematic systems or regionally based septic problems and notify property owners of the need to pump, inspect, and properly maintain their systems.

The ordinance has been reviewed by the members of the Municipal Authority, the Municipal Authority Solicitor, Township staff, and the Township Solicitor with all recommended changes being incorporated into the final draft presented for your review. Matt Brown, Authority Administrator, will be in attendance at your November work session to review the ordinance and the attached FAQ sheet and answer any questions you may have. This proposed ordinance will appear on both your November and December work session agenda's and you will be asked to adopt the ordinance at your December business meeting.



UPPER UWCHLAN TOWNSHIP
CHESTER COUNTY, PENNSYLVANIA

ORDINANCE _____

AN ORDINANCE AMENDING CHAPTER 141 OF THE UPPER UWCHLAN TOWNSHIP CODE TITLED, “SEWERS” TO ADD A NEW ARTICLE III TITLED, “ON LOT SEWAGE DISPOSAL SYSTEMS” TO ADOPT REGULATIONS FOR INDIVIDUAL ON-LOT SEWER SYSTEMS.

BE IT ENACTED AND ORDAINED by the Board of Supervisors of the Township of Upper Uwchlan, Chester County, Pennsylvania, as follows:

SECTION 1. Chapter 141 of the Upper Uwchlan Township Code, titled, “Sewers” shall be amended to adopt a new Article III, titled “On Lot Sewage Disposal Systems” which shall provide as follows:

“ARTICLE III. INDIVIDUAL ON-LOT SEWER SYSTEMS.

§ 141-23. Authority; purpose.

- A. In accordance with municipal codes, the Clean Streams Law (Act of June 27, 1937, P.L. 1987., No. 394 as amended, 35 P.S. §§691.1 to 691.1001), and the Pennsylvania Sewage Facilities Act (Act of January 24, 1966, P.L. 1535 as amended 35 P.S. §750.1 et seq., known as Act 537), it is the power and the duty of Upper Uwchlan Township to provide for adequate sewage treatment and disposal facilities and for the protection of the public health by preventing the discharge of untreated or inadequately treated sewage. The Official Sewage Facilities Plan for Upper Uwchlan Township indicates that it is necessary to formulate and implement a sewage management program to effectively prevent and abate water pollution and hazards to the public health caused by improper treatment and disposal of sewage.
- B. The purpose of this Article is to provide for the regulation, inspection, maintenance, and rehabilitation of Individual Sewage Systems (as hereinafter defined); to further permit intervention in situations, which may constitute a public nuisance or hazard to the public health; and to establish penalties and appeal procedures necessary for the proper administration of a sewage management program.

§ 141-24. Applicability.

From the effective date of this Article, the provisions of this Article shall apply to all portions of the Township served by Individual Sewage Systems. Within such an area or areas, the provisions of this Article shall apply to all persons owning any property serviced by an Individual Sewage System and to all persons installing or rehabilitating such sewage systems.

§ 141-25. Permit Requirements.

- A. No Person shall install or construct an Individual Sewage System or install, construct, occupy or use a building or structure served by that Individual Sewage System without first obtaining a permit from the Sewage Enforcement Officer, employed by the Chester County Health Department and/or the Township, which permit shall indicate that the site and the plans and specifications of such system are in compliance with the provisions of the Clean Streams Law (35 P.S. §§691.1-691.1001) and the Pennsylvania Sewage Facilities Act (35 P.S. 750.1 et seq.) and the regulations adopted pursuant to those Acts.
- B. No system or structure designed to provide individual sewage disposal shall be covered from view until approval to cover the same has been given by a Sewage Enforcement Officer.
- C. Applicants for sewage permits shall be required to notify the Sewage Enforcement Officer of the schedule for construction of the permitted on-lot sewage disposal system so that inspection(s) in addition to the final inspection required by the Sewage Facilities Act shall be scheduled and performed by a Sewage Enforcement Officer.
- D. No building or occupancy permit shall be issued for a new building which will contain sewage generating facilities until a sewage permit has been obtained from a Sewage Enforcement Officer.
- E. No building or occupancy permit shall be issued and no work shall begin on any alteration or conversion of any existing structure, if said alteration or conversion will result in the increase or potential increase in sewage flows from the structure, until either the structure's owner receives a permit for alteration or replacement of the existing sewage disposal system or until the structure's owner and the appropriate officials of the Township receive written notification from a Sewage Enforcement Officer that such a permit will not be required. The Sewage Enforcement Officer shall determine whether the proposed alteration or conversion of the structure will result in increased sewage flows.

- F. No Individual On-lot Sewer System shall be modified or subject to rehabilitation (as defined herein) without the issuance of a permit by the Sewage Enforcement Officer.
- G. No Individual On-lot Sewer System shall be used or loaded in a manner which is inconsistent with the permit that was issued to authorize that system's installation or with the requirements of Chapter 73 of Title 25 of the Pennsylvania Code, as the same may be amended from time to time.
- H. Permit applications for Individual On-lot Sewer Systems which include electronically, mechanically, hydraulically or pneumatically operated or controlled devices shall be accompanied by the respective manufacturer's recommended maintenance schedule and product specifications.

§ 141-26. Inspections.

- A. The following steps shall be taken with regard to the On-Lot Sewage Disposal Systems in the Township:
 - 1. The Property Owner shall arrange for an initial inspection of the On-Lot Sewage System to be conducted by a Certified Inspector within three (3) years of the effective date of this Article for the purpose of determining the type and functional status of each sewage disposal system in the Township. The inspection shall be conducted in accordance with all applicable state and federal regulations. All costs associated with inspection, pumping and remediation shall be the responsibility of the Property Owner.
 - 2. Every three years after the initial inspection, the Property Owner shall have conducted another inspection for the purpose of determining the functional status and condition of the sewage disposal system.
 - 3. The Township or its designee shall send, via regular U.S. Mail, notice to the Property Owner that the On-Lot Sewage Disposal System is due for inspection and certification. Within forty- five (45) days from receiving the notice from the Township, the Property Owner must schedule an appointment with a Certified Inspector provided however that no notice will be sent if the County records reflect that the system has been pumped, inspected and passed inspection within the last three (3) years.
 - 4. At the time of the scheduled inspection the On-Lot Sewage Disposal System shall be pumped by a Pumper/Hauler Business so that it may be inspected by the Certified Inspector. The Property Owner shall ensure that the person performing the inspection and the pumping is both a Certified Inspector and a Pumper/Hauler Business or that separate persons having those

qualifications perform the tasks.

5. The Certified Inspector shall prepare a written report of its inspection (including the name, company and certification number of the inspector and the date of inspection) and furnish a copy to the Property Owner, the Township and the Chester County Department of Health for entry into its tracking system. The Certified Inspector will provide the Property Owner with any specific conclusion(s) relative to the system inspection.
- B. To the extent that a Property Owner does not conduct the inspection and pumping of an On-Lot Sewage Disposal System as specified in subsection A above, the On-Lot Sewage Disposal System may be inspected by an Authorized Agent at any reasonable time after the Township provides ten (10) days prior written notice, sent by regular U.S. Mail, to the Property Owner. Such inspection may include a physical tour of the On-Lot Sewage Disposal System and its related components. The Township may also arrange for the pumping of that system. Any costs that the Township or the Authorized Agent incurs with the inspection and pumping shall be reimbursed by the Property Owner. Any delinquent costs are subject to the procedures of Sections 10 and 13.A.5 of this Article.
 - C. It is recommended that On-Lot Sewage Disposal Systems be routinely inspected by the Property Owner or a Responsible Management Entity in accordance with the following schedule:
 1. Semi Annually - Individual Residential Drip Irrigation Systems permitted in accordance with 25 Pa Code § 73.167.
 2. Once every three years - All Tanks, including but not limited to Treatment Tanks (i.e, Septic Tanks), Pump Tanks, and Distribution Boxes to be checked for surface discharge and settlement. Surface discharge or settlement of more than 4 inches for Distribution Boxes will require water tightness testing, verification of the structural integrity and proper slope, and the removal of any solids and scum buildup.

§ 141-27. Operation.

- A. Property Owners are responsible to properly operate the Sewage Facilities on their individual properties; this includes providing where necessary electrical power and access to communication service for the operation of the Sewage Facilities and to respond to any alarm notification.
- B. Property Owners shall not introduce or dispose of any substance into any Sewage Facility that would cause harm or in any way interfere with the proper operation of the Sewage Facility.
- C. Only normal domestic wastes shall be discharge into any Sewage Facilities. The

following shall not be discharged into the Sewage Facility:

1. Industrial waste;
2. Automobile oil and other non-domestic oil;
3. Toxic or hazardous substances or chemicals including, but not limited to, pesticides (insecticides, fungicides, herbicides, and anti-microbial agents), disinfectants (excluding household cleaners and non-incident cleaning products), acids, paints, paint thinners, gasoline, and other solvents; or
4. Clean surface or ground water, including water from roof or cellar drains, springs, basement sump pumps, and french drains.
5. Food waste – Property Owners of On-Lot Sewage Disposal Systems will not install or use garbage disposals.

§ 141-28. Maintenance.

- A. After each inspection by a Certified Inspector, the Property Owner shall promptly complete any recommended repairs to the On-Lot Sewage System to prevent System Failure.
- B. Maintenance Agreements. Sewage Facilities operated and maintained by any person other than the Property Owner shall be through a maintenance agreement between the Property Owner and a Responsible Management Entity (RME). The RME shall provide the Property Owner an inspection and maintenance report within the three-year cycle and enter such report into the County Septage Management System.
- C. All Individual On-lot Sewage System pumping shall be performed in accordance with Chapter 504 of the Chester County Health Department regulations and shall also conform to the following minimum standards, unless other standards are specified by an equipment manufacturer.
 1. At all times, the Pumper Truck Operator's personal safety, as well as protection of the environment and the landowner's property, shall receive the highest priority.
 2. Tanks shall only be pumped from or through the manhole or access port (i.e., the largest tank opening).
 3. Tanks shall not be pumped from or through the observation or Inspection Port.
 4. When necessary to break up solids, backwashing with clean water or

material of a similar nature already on board the pumper truck may be employed. Mechanical means (scraping, raking, etc.) are not necessary but may be employed, provided that appropriate safeguards are taken to prevent injury.

5. When backwashing, care shall be taken not to fill or refill the tank to a level greater than 12 inches below the elevation of the outlet pipe.
 6. No liquids or solids are to be discharged into or through the outlet pipe.
 7. Tanks shall be deemed to be cleaned when adequate organic solids are removed leaving only sufficient biological organism “seed” sludge and the total average liquid depth remaining in the tank is less than one inch.
 8. At all times, and in all phases of operations, the Pumper/Hauler shall comply with all laws and regulations regarding the activities associated with Individual On-Lot Sewage System maintenance and disposal of materials removed therefrom.
- D. Any person owning a building served by an Individual On-Lot Sewage System which utilizes any components or technologies deemed by DEP to require more detailed operation and maintenance requirements than provided for in this Article, including but not limited to Individual Residential Drip Irrigation Systems, Alternate Systems, or Experimental Systems shall be further subject to the maintenance responsibilities recommended by DEP for said system. The Township may impose additional requirements as deemed necessary to provide for the increased oversight inherent in these cases, including but not limited to entering an operation and maintenance agreement which shall outline the specific maintenance responsibilities for said system, collection of an annual fee and posting financial security with the Township to guarantee proper operation and maintenance of said system.
- E. Surface contouring shall be required as necessary to direct surface water and drainage away from all components of Individual On-Lot Sewage Systems.
- F. Any person owning a building served by an On-Lot Sewage Disposal System which contains an aerobic treatment tank shall follow the operation and maintenance recommendations of the equipment manufacturer and maintain a service agreement with said equipment manufacturer. A copy of the manufacturer’s recommendations and a copy of the service agreement shall be submitted to the Township within six months of the effective date of this Article.
- G. Additional maintenance activity may be required as needed including, but not limited to, providing reasonable access to initial treatment unit, cleaning and unclogging of piping, servicing and the repair of mechanical and electrical equipment, leveling of Distribution Boxes, Tanks and lines, removal of obstructing

roots or trees, etc.

- H. Property Owners with an Individual Sewage System connecting to a public or private Sewage Facility shall operate and maintain their Individual Sewage Systems in accordance with any rules, regulations, and all other requirements of the receiving community sewage facility. This includes paying fees for collection, conveyance, treatment, and disposal of Sewage, and the maintenance of certain components of their Individual Sewage System unless such facilities and/or appurtenances are part of an Upper Uwchlan Township Municipal Authority system wherein these Property Owners pay fees (e.g., quarterly) which include part, or all, of such services.
- I. Property Owners with an Individual Sewage System connecting to a public or private Sewage Facility by means other than with a Building Sewer shall retain the services of an RME to maintain their Individual Sewage System unless the Individual Sewage System is maintained by the community sewage facility.

§ 141-29. Disposal of Septage.

- A. All Septage originating within the Township shall be disposed of in accordance with the requirements of the Solid Waste Management Act (Act 97 of 1980, 35 P.S. §§6018.101 et seq.) and all other applicable laws and at sites or facilities approved by DEP.
- B. Pumper/Haulers operating within the Township shall operate in a manner consistent with the provisions of the Pennsylvania Solid Waste Management Act (Act 97 of 1980, 35 P.S. §§6018.101–6018.1003), all other applicable laws, and Chester County Health Department regulations.

§ 141-30. System Rehabilitation.

- A. No person shall operate or maintain an Individual On-lot Sewage System in such a manner to constitute a System Failure. Any suspected System Failure shall be reported to the Chester County Health Department, who shall make a final determination as to functional status and rehabilitation measures required. Any person owning a building served by an On-lot Sewage Disposal System determined to be in a state of System Failure by the Chester County Health Department shall perform all corrective measures required to abate the System Failure. The Chester County Health Department shall have the authority to require abatement of any System Failure by the following methods: cleaning, repair or replacement of components of the existing system, adding capacity or otherwise altering or replacing the system's initial treatment unit, expanding the existing disposal areas, replacing the existing disposal area, replacing the system with a Retaining Tank, frequent pumping, or any other alternative appropriate for the specific site.

- B. In accordance with all applicable laws and after written notice has been provided to the Property Owner, an Authorized Agent shall have the right to enter, upon land for the purposes of inspections described in this section. Such inspection may include a physical tour of the Individual Sewage System and its related components, the taking of samples from surface water, wells, or other groundwater sources, the sampling of the contents of the sewage disposal system itself, and/or the introduction of a traceable substance into the interior plumbing of the structure served to ascertain the path and ultimate destination of wastewater generated within the structure. An Authorized Agent shall inspect systems known to be, or alleged to be, malfunctioning. Should said inspections reveal that the system is indeed malfunctioning, the Authorized Agent shall order action to be taken to correct the malfunction. If total correction cannot be done in accordance with the regulations of DEP including, but not limited to, those outlined in Chapter 73 of Title 25 of Pennsylvania Code or, is not technically or financially feasible in the opinion of the Authorized Agent and a representative of DEP; then action by the property owner to mitigate the malfunction shall be required.

- C. If there arises a geographic area where numerous On-Lot Sewage Disposal Systems are in System Failure, a resolution of these area wide problems may necessitate detailed planning and a revision to the portion of the Sewage Facilities Plan pertaining to areas affected by such malfunctions. If a DEP authorized Official Sewage Facilities Plan Revision has been undertaken, repair or replacement of individual sewage disposal systems in System Failure within the area affected by the revision may be delayed, pending the outcome of the plan revision process. However, immediate corrective action will be compelled whenever a System Failure, as determined by Township officials and/or DEP, represents a serious public health or environmental threat.

- D. A written notice of violation shall be issued to any person who is the owner of any property which is found to be served by an On-Lot Sewage Disposal System in System Failure or which is discharging sewage without a permit.

- E. Within fourteen (14) days of notification by the Township that a System Failure has been identified, the property owner shall make application to the Sewage Enforcement Officer for a permit to repair or replace the failing system. Within 45 days of initial notification by the Township, construction of the permitted repair or replacement shall commence provided that all necessary permits have been issued. Within 60 days of the original notification by the Township, the construction shall be completed unless seasonal or unique conditions mandate a longer period, in which case the Township may set an extended completion date or mandate the use of a Retaining Tank.

- F. Should none of the remedies described in this Article be effective in eliminating the System Failure of an existing Individual On-Lot Sewage System, the Property

Owner is not absolved of responsibility for that System Failure. The Township and the Chester County Health Department may require whatever action is necessary to lessen or mitigate the System Failure to the extent necessary.

§ 141-31. Duties and Responsibilities of Responsible Management Entities (RME).

- A. Registration Requirements - Any RME offering or performing installation, inspection, operation, or maintenance services on any Sewage Facility in the Township shall meet the licensing and certification requirements as set forth in the definition of a Responsible Management Entity in this Article.
- B. Reporting Requirements – RMEs shall provide the Property Owner a copy of any and all inspection and maintenance reports including any supplemental report. In addition, RMEs shall supply applicable information to the County. The report shall be routed via the County Septage Management System.
- C. Evaluations of Sewage Facilities – Any person performing an evaluation of a Sewage Facility for a real estate transaction or a mortgage refinancing shall also be a registered RME and comply with reporting requirements above.
- D. Emergency Services - RMEs shall include emergency services in all service and maintenance agreements that provide 24-hour contact information. This contact information shall be posted on or near a component of the sewage system in plain sight. If the RME is not licensed to pump and transport liquid waste by the Chester County Health Department, the RME shall provide a subcontract with a licensed liquid waste transporter who would be on 24-hour call to abate any nuisance or Malfunction.

§ 141-32. Performance of Work by Township and Liens.

The Township, upon written notice from the Chester County Health Department that an imminent health hazard exists due to failure of the Property Owner to maintain an Individual On-Lot Sewage System, shall immediately notify the Property Owner in writing of the determination. The Property Owner shall within five (5) working days act to obtain a permit and promptly commence and complete construction per the agreed timeline with the Chester County Health Department and the Township. If the Property Owner fails to meet the agreed schedule, the Township shall have the authority to perform, or contract to have performed, the work required. The Property Owner shall be charged for the work performed and, if necessary, a lien shall be entered therefore in accordance with the Municipal Claims and Tax Liens Act, 53 P.S. §7101 et seq.

§ 141-33. Administration.

- A. The Township shall fully utilize those powers it possesses through enabling statutes

and ordinances to affect the purposes of this Article.

- B. The Township shall employ qualified individuals to carry out the provisions of this Article and may delegate to the Municipal Authority the authority to carry out certain obligations and powers of the Township pursuant to this Article. The Township may also contract with private qualified persons or firms as necessary to carry out the provisions of this Article. The Township may appoint its Engineer, the Township Manager or Municipal Authority as its Authorized Agent to act on its behalf.
- C. The Township's Authorized Agent shall have the right to enter upon land, following notice, for the purpose of administering the provisions of this Article as specified above, subject to compliance with all applicable laws.
- D. All records pertaining to sewage permits, building permits, occupancy permits and all other aspects of the Sewage Management Program shall be made available for inspection consistent with the provisions of the Open Records Law.
- E. The Board of Supervisors shall establish all administrative procedures necessary to properly carry out the provisions of this Article.
- F. The Board of Supervisors may by Resolution establish a fee schedule, and authorize the collection of fees, to cover the cost to the Township of administering this Article.

§ 141-34. Appeals.

Appeals from final decisions of the Township or any of its Authorized Agents under this Article shall be made to the Upper Uwchlan Township Municipal Authority, who is the designated agent of the Board of Supervisors to hear such appeals. Such appeal shall be made in writing within forty-five (45) days from the date of written notification of the action being appealed. The appellant shall be entitled to a hearing before the Municipal Authority at its next regularly scheduled meeting, if a written appeal is received at least seven (7) days prior to that meeting. If the appeal is received within seven (7) days of the next regularly scheduled meeting, the appeal shall be heard at the next regularly scheduled meeting unless another mutually agreed date is selected. Both the appellant and the Municipal Authority may have technical and/or legal representation if desired. The Municipal Authority shall thereafter affirm, modify, or reverse the aforesaid decision. The hearing may be postponed for a good cause shown by the appellant or the Municipal Authority. Additional evidence may be introduced at the hearing provided that it is submitted with the written notice of appeal. A decision shall be rendered in writing within two (2) regularly scheduled meetings of the Upper Uwchlan Township Municipal Authority. In the event an Appeal is requested with respect to a Chester County Health Department designated "imminent health hazard", the Property Owner and Municipal Authority shall work together to hold a hearing and render a decision within the timelines required for Property Owner action under this Article.

§ 141-35. Fines and Penalties.

- A.
 1. Any person who fails or refuses to comply with any provision of this Article shall be in violation of this Article which violation shall be enforced by action brought before a District Justice in the same manner provided for the enforcement of summary offenses under the Pennsylvania Rules of Criminal Procedure.
 2. Upon conviction, such person shall pay a fine of not less than \$100 and not more than \$1,000 (or such other maximum fine as then may be provided or permitted by applicable law) per violation, together with costs of prosecution, including, but not limited to, reasonable attorney's fees, in each case. Upon default in payment of the fine and costs, such person shall be subject to imprisonment to the maximum extent allowed by law for the punishment of summary offenses.
 3. Each day, or portion thereof, that a violation is found to exist, and each provision of this Article that is found to have been violated, shall constitute a separate offense each punishable by the aforesaid fine and imprisonment.
 4. All fines and costs collected for the violation of this Article shall be paid to the Township.
 5. If the payment of fines and costs to the Township are noted as delinquent, the Township shall utilize all current procedures for collection including liens.
- B. Other remedies. The provisions of Subsection A above (including, but not limited to, the manner of enforcement of a violation of this Article and the fine and the penalty for such violation) shall not be in limitation of, but shall be in addition to:
 1. Such other or further remedies or enforcement actions as may be available to the Township and/or the Municipal Authority under other provisions of this Article or under other law (including, but not limited to, other applicable local, state or federal law) or in equity (including, but not limited to, injunctive relief) for any actions or inactions which violate any provision of this Article. Nothing in this section or other provision of this Article shall be deemed to preclude the Township and/or Authority from pursuing such other or further remedies concurrently.
 2. Such other or further remedies or enforcement actions as may be available to any governmental entity, other than the Township, having jurisdiction, under any applicable local, state, or federal law, or in equity (including, but not limited to, injunctive relief), for any actions or inactions which violate any provision of this Article.

§ 141-36. Definitions.

Unless the context specifically and clearly indicates otherwise, the meaning of terms used in this Article shall be as follows:

- A. “Absorption Area” shall mean a component of an individual or community sewage system where liquid from a Treatment Tank seeps into the soil; it consists of an aggregate-filled area containing piping for the distribution of liquid and the soil or sand/soil combination located beneath the aggregate.
- B. “Act 537 Plan” shall mean a Municipality’s Official Plan as defined in the Pennsylvania Sewage Facilities Act, as of January 24, 1966, P.L. 1535 (1965), No. 537, as amended, 35 P.S. §§750.1-750.20a (“Sewage Facilities Act” or “Act 537”).
- C. “Authorized Agent” shall mean a Certified Sewage Enforcement Officer (SEO), professional engineer or sanitarian, plumbing inspector, soils scientist, water quality coordinator, Chester County Health Department Licensed Liquid Waste Hauler or any other person who is designated to carry out the provisions of this Article as the agent of the Board or Chester County Health Department.
- D. “Board” shall mean the Board of Supervisors of Upper Uwchlan Township, Chester County, Pennsylvania.
- E. “Building Sewer” shall mean the piping carrying liquid wastes, from a building to the Treatment Tank, Holding Tank, Grinder Pump Tank, or Retaining Tank.
- F. “Certified Inspector” shall mean a person who has obtained a certification from the Pennsylvania Sewage Management Association to inspect On-Lot Sewage Disposal Systems.
- G. “Chester County Health Department (CCHD)” shall mean the designated Sewage Enforcement Officer (SEO) for Upper Uwchlan Township or an employee of the Chester County Health Department.
- H. “Cleanout” shall mean a component of a Sewage Facility that provides access for inspection and cleaning the Building Sewer or other pipes.
- I. “DEP/the Department” shall mean the Department of Environmental Protection of the Commonwealth of Pennsylvania.
- J. “Distribution Box” shall mean a Tank with one inlet that provides equal distribution

of Effluent from a Treatment Tank through two or more outlets.

- K. “Domestic Sewage” shall mean Sewage derived principally from dwellings, business buildings, institutions and the like, and may not contain groundwater, surface water or storm water.
- L. “Effluent” shall mean a liquid waste discharged from a sewage system or component of a sewage system.
- M. “Improved Property” shall mean any property or lot within the Township upon which there is an erected structure intended for continuous or periodic habitation, occupancy or use by human beings or animals and from which structure Sewage shall or may be discharged.
- N. “Individual Sewage System” shall mean a Sewage Facility and all of its components serving a single lot. Individual Sewage Systems include the following:
 - i. Individual On-Lot Sewage Systems rely on a subsurface absorption or surface infiltration system for the renovation of Sewage through native soils prior to disposal or the retention of Sewage in a Retaining Tank. Individual on-lot sewage systems are permitted through the Chester County Health Department and include but are not limited to the following systems defined by 25 Pa Code § 73.1:
 - (a) Conventional sewage systems;
 - (b) Alternate sewage systems;
 - (c) Experimental sewage systems;
 - (d) Bonded disposal systems;
 - (e) Individual residential spray irrigation systems;
 - (f) Retaining tanks/ Holding tanks; and
 - (g) Grey Water systems.
 - ii. Individual Sewerage Systems rely on other means than native soils to renovate Sewage prior to disposal or retention in a Retaining Tank. Individual sewerage systems include but are not limited to the following:
 - (a) Gravity sewer connections – Where the Building Sewer connects to a gravity service lateral of a community sewage facility;

- (b) Pressure sewer connections – Where the Building Sewer is connected to a Tank containing a pump which conveys Sewage through a pressure sewer to either a gravity or pressure service lateral of a community sewage facility; and
 - (c) Small flow treatment facilities – An Individual sewerage system permitted by the DEP that is designed to adequately treat Sewage flows no greater than 2,000 gallons per day with final disposal to surface waters, a dry stream channel, or storm water collection system.
- O. “Industrial Waste” shall mean any solid, liquid or gaseous substance or waterborne wastes or form of energy rejected or escaping from any industrial, manufacturing, trade or business process or from the development, recovery or processing of natural resources, as distinct from domestic sanitary sewage.
- P. “Inspection Port” shall mean a component of a Sewage Facility that provides sufficient access for the inspection of the contents of a Tank.
- Q. “Maintenance” shall mean those actions required to provide for the long-term proper functioning of a sewage facility.
- R. “Malfunction” shall mean the condition which occurs when an Individual On-lot Sewage System fails to function in the expected or satisfactory manner per normal mode of operation.
- S. “Municipal Authority” shall mean the Upper Uwchlan Municipal Authority.
- T. “Official Sewage Facilities Plan” shall mean a comprehensive plan for the provision of adequate sewage disposal systems, adopted by the Board of Supervisors and approved by the Pennsylvania Department of Environmental Protection, pursuant to the Pennsylvania Sewage Facilities Act.
- U. “On-lot Sewage Disposal System” shall mean any system for disposal of domestic sewage involving pretreatment and subsequent disposal of the clarified sewage into a subsurface soil absorption area or retaining tank. For purposes of this Article, the term only refers to individual sewage systems.
- V. “Person” shall mean any individual, association, public or private corporation for profit or not for profit, partnership, firm, trust, estate, department, board, bureau of

agency of the Commonwealth, political subdivision, municipality, district, authority, or any other legal entity whatsoever which is recognized by law as the subject of rights and duties. Whenever used in any clause prescribing and imposing a penalty or imposing a fine or imprisonment, the term person shall include the members of an association, partnership or firm and the officers of any local agency or municipal, public or private corporation for profit or not for profit.

- W. “Planning Module for Land Development” shall mean a revision to, or exception to the revision of, the Official Plan, submitted in accordance with DEP regulations, and in connection with the request for approval of a Subdivision or land development plan.
- X. “Primary Area” shall mean an area on a lot, tract or parcel of land that has been tested by the Sewage Enforcement Officer and found suitable, based upon the then current DEP site requirements, for the installation of an Individual On-lot Sewage System, and which will be preserved and protected from alteration for installation of the initial Individual On-lot Sewage System for sewage generated on that lot, tract, or parcel (see Replacement Area)
- Y. “Property Owner” shall mean any person vested with ownership, legal or equitable, sole or partial, of any property located in the Township.
- Z. “Pump Tank” shall mean a Tank or chamber or pump that receives and temporarily stores Sewage or partially treated Sewage from which it is pumped or dosed. Pump Tanks include:
 - 1. Effluent Pump Tank – A Tank that receives Septic Tank Effluent or partially treated Sewage and conveys the liquid portion of the wastewater to absorption system or other component of a Sewage Facility. Effluent pumps also include: Dosing Pumps, Lift Pumps, Dosing Siphons, and other specialized discharge control mechanisms; and
 - 2. Grinder Pump Tank – A Tank that receives Domestic Sewage and contains a pump that macerates waste solids prior to ejection.
- AA. “Pumper/Hauler Business” shall mean any sole proprietor, company, partnership or corporation which engages in cleaning any or all components of a community or Individual On-lot Sewer System and evacuates and transports the Septage cleaned therefrom, whether for a fee or free of charge. Said Pumper/Hauler Business shall be licensed by the Chester County Department of Health and shall provide said Department with a record of each pumping of on-lot sewage disposal systems in the Township.

- BB. “Pumpers Report/Receipt” - Chester County Sludge/Septage Manifest and Report (Manifest) Form which shall be used by all licensed Pumpers/Haulers to report each pumping of on-lot sewage disposal systems in the Township.
- CC. “Pumper/Hauler Truck Operator” shall mean a natural person who engages in cleaning any or all components of a community or individual on-lot sewage system and evacuates and transports the Septage cleaned therefrom, whether for a fee or free of charge.
- DD. “Regulations” shall mean the Pennsylvania Code, Title 25, Chapters 71, 72 and 73.
- EE. “Rehabilitation” shall mean work done to modify, alter, repair, enlarge or replace an existing on-lot sewage disposal system.
- FF. “Replacement Area” shall mean an area on a lot, tract, or parcel of land, separate from the Primary Area, that has been tested by the Sewage Enforcement Officer and found suitable, based upon the then current DEP site requirements, for the installation of an on-lot system, and which will be preserved and protected from alteration for potential future use if the Primary Area on the same lot, tract, or parcel shall fail for any reason. (see Primary Area).
- GG. “Responsible Management Entity” or “RME” shall mean an individual, firm or corporation experienced in the operation and maintenance of Sewage facilities, who is a licensed Pumper Hauler Business with the Chester County Health Department and/or a Pennsylvania Sewage Management Association Certified Inspector. RME’s may also include through a general oversight agreement with the Township such entities as Municipal Authorities, Investor Owned Public Utility Companies and Homeowner Associations.
- HH. “Retaining Tank” shall mean a Tank that retains Sewage and is designed and constructed to facilitate ultimate disposal of the Sewage to another site. Retaining Tanks include:
1. Chemical toilet – A permanent or portable non-flushing toilet using chemical treatment in a Retaining Tank for odor control.
 2. Holding Tank – A Tank, whether permanent or temporary, to which Sewage is conveyed by a water carrying system. Said Tank is part of a closed system which does not discharge to the ground.
 3. Privy – A Tank designed to receive Sewage where water under pressure is

not available.

4. Incinerating toilet – A device capable of reducing waste materials to ashes.
 5. Composting toilet – A device for holding and processing human and organic kitchen waste employing the process of biological degradation through the action of microorganisms to produce a stable, humus-like material.
 6. Recycling toilet – A device in which the flushing medium is restored to a condition suitable for reuse in flushing.
- II. “Septage” shall mean the residual scum, sludge and other materials pumped from septic or aerobic treatment tanks and the systems they serve.
- JJ. “Sewage” shall mean any substance that contains any of the waste products or excrement or other discharge from the bodies of human beings or animals and any noxious or deleterious substance being harmful or inimical to the public health, or to animal or aquatic life or to the use of water for domestic water supply or for recreation or any substance which constitutes pollution under the Clean Streams Law, 35 PS §§ 691.1- 691.1001, as amended.
- KK. “Sewage Enforcement Officer (SEO)” shall mean a person certified by the State Board for the Certification of Sewage Enforcement Officers, who is employed by the Township or Chester County Health Department (CCHD) to administer the provisions of this Article, the provisions of the Act, and the regulations in PA Code Title 25, Chapters 71, 72 and 73.
- LL. “Sewage Facility” shall mean an all-inclusive term for a Sewage collection, conveyance, treatment, and disposal system.
- MM. “Sewage Management District” shall mean any area or areas of the Township designated in the Official Sewage Facilities Plan adopted by the Board of Supervisors as an area for which a Sewage Management program is to be implemented.
- NN. “Sewage Management Program” shall mean a comprehensive set of legal and administrative requirements encompassing the requirements of this Article, the Sewage Facilities Act, the Clean Streams Law, the regulations promulgated thereunder and such other requirements adopted by the Board of Supervisors to

effectively enforce and administer this Article

- OO. “Sewer System” shall mean a system of pipes that collect Sewage from several Improved Properties; Sewer Systems include Pressure and Gravity Sewer Systems or any combination of both.
- PP. “Subdivision” shall mean the division or re-division of a lot, tract or other parcel of land into two or more lots, tracts, parcels or other divisions of land, including changes in existing lot lines. The enumerating of lots shall include as a lot that portion of the original tract or tracts remaining after other lots have been subdivided therefrom.
- QQ. “System Failure” shall mean the condition in which one or more malfunctions results in pollution to the ground or surface waters, contamination of private or public drinking water supplies, nuisance problems or a hazard to public health.
- RR. “Tank” shall mean a water-tight receptacle which liquids pass through or are retained in.
- SS. “Tank Access Cover” shall mean a component of a Sewage Facility that provides access for inspection, cleaning and maintenance of the internal components of a Tank.
- TT. “Township” shall mean Upper Uwchlan Township, Chester County, Pennsylvania.
- UU. “Treatment Tank” shall mean a Tank designed to provide a suitable environment for the bacterial decomposition or disinfection of Sewage. Treatment Tanks include:
 - 1. Septic Tank – A Treatment Tank or compartment of another Tank that provides for the anaerobic decomposition and the physical separation of solids in Sewage.
 - 2. Aerobic Sewage Treatment Tank – A Treatment Tank or compartment of another Tank that provides for the aerobic biochemical stabilization of solids in Sewage.
 - 3. Filter Tank – A Treatment Tank or compartment of another Tank that contains a media to which microorganisms attach and provide a suitable environment for the biochemical stabilization of solids in Sewage.
 - 4. Chlorine Contact Tank - A Treatment Tank or compartment of another Tank that provides a suitable environment for the disinfection of Effluent.”

SECTION 2. Repealer.

All Ordinances or Resolutions or parts of Ordinances or Resolutions, insofar as they are inconsistent herewith, are hereby repealed.

SECTION 3. Severability.

If any sentence, clause, section or part of this Ordinance is for any reason found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality or invalidity shall not affect or impair any of the remaining provisions, sentences, clauses, sections, or parts of this Ordinance, it being the intent of Upper Uwchlan Township, Chester County that such remainder shall be and shall remain in full force and effect.

SECTION 4. Effective Date.

This Ordinance shall become effective within five (5) days of its adoption.

ENACTED this ____ day of _____, 2018.

ATTEST:

**UPPER UWCHLAN TOWNSHIP
BOARD OF SUPERVISORS**

Gwen A. Jonik, Township Secretary

Jamie W. Goncharoff, Chairman

Sandra M. D'Amico, Vice-Chairman

Guy A. Donatelli, Member

FREQUENTLY ASKED QUESTIONS
UPPER UWCHLAN TOWNSHIP SEWAGE SYSTEMS MANAGEMENT ORDINANCE

WHAT IS THE TOWNSHIP DOING?

The Township is currently in the process of developing a Sewage Systems Management Ordinance (i.e., Septic Management Program (SMP)), as part of the ongoing Act 537 Plan update and to meet the requirements of the Pennsylvania Department of Environmental Protection (PA DEP) and the Chester County Health Department (CCHD). As part of these requirements, the Township remains focused on maintaining the integrity of the remaining operational on-lot septic systems in the community.

WHAT IS THE ACT 537 PLAN?

The Pennsylvania Sewage Facilities Act (Act 537) requires all municipalities to develop and maintain an up-to-date sewage facilities official plan to protect public health from diseases, prevent future sewage treatment problems and protect the quality of the state's surface water and groundwater.

WHY IS THE TOWNSHIP ADOPTING A SEPTIC MANAGEMENT PROGRAM

The Township lies between two (2) high quality watersheds, a designation assigned by the PA DEP. Due to the initiatives to protect the Delaware and Chesapeake Bays from nutrient overload, high quality watersheds must be preserved. Specifically, the goal is to protect these watersheds from elevated levels of nitrogen and phosphorus compounds commonly found in wastewater. Failing or malfunctioning on-lot septic systems adversely impact the watersheds through release of nutrients in excess of allowable levels. In order to take part in caring for the environment we live in, the Township has developed a process for routine pumping and repair of existing on-lot septic systems that are not already covered by operations and maintenance agreements.

The goal of the program is to positively contribute to environmental preservation and to protect the Township against potential legal financial liability. <<Information RE: legal citation to be added.>>

WHY SHOULD MY MUNICIPALITY MANAGE ON-LOT SEPTIC SYSTEMS?

Most municipalities have areas that can never be physically or cost-effectively served by public sewer facilities, and as such have homes with individual on-lot septic systems. Our Township in particular only serves 60% of homes through public sewer, and the remaining homes have individual on-lot septic systems. While the Township does contain suitable soils for individual on-lot septic systems in some areas, other areas have poor localized soils that increase the risk of on-lot septic system failure if the system is not properly managed and maintained.

When an on-lot septic system fails, it must be repaired or replaced which often includes retiring the existing absorption area (i.e., drain field) and constructing a new one. Construction of a new absorption area must take into account the required isolation distances from property lines, occupied buildings, driveways, water supply lines, and existing on-lot septic systems, which restricts the available space to build a new absorption area. The average residential lot size in the Township is less than one acre, which does not provide significant usable area to construct a new subsurface absorption area. In such cases where there is not enough usable area for subsurface absorption, construction of an above-grade sand mound is required, which comes at an added cost to the homeowner.

Repairing or replacing an on-lot septic system is not a permanent solution to all sewage disposal problems. These systems require regular management and maintenance to prevent malfunctions from occurring. Malfunctioning on-lot septic systems have the potential to cause public health issues and adverse impacts to watersheds, among other hazards which is why the Township is taking the necessary steps to manage on-lot septic systems.

WHAT IS INVOLVED IN A SEPTIC MANAGEMENT PROGRAM?

The draft SMP includes the following requirements:

- Regular pumping of on-lot septic system tanks at least once every three (3) years;
- Visual inspection of the on-lot septic system and its components by a Certified Inspector at the time of pumping;
- Reporting by a Certified Inspector to the County regarding the inspection; and,
- Public education.

ARE THERE MINIMUM REQUIREMENTS FOR SEPTIC MANAGEMENT PROGRAMS?

There are minimum requirements only if a sewage management program is required by PA DEP regulation. Maintenance standards are listed in 25 Pa. Code §71.73 to make sure that management programs carry out the minimum activities necessary to maintain on-lot septic systems (visit www.pacode.com for additional information). Requirements of the code are as follows:

- The property owner shall arrange for an initial inspection of the on-lot septic system within three (3) years of the effective date of this ordinance;
- Septage removal shall occur once every three (3) years or following an inspection that reveals that the treatment tanks are filled with solids or scum in excess of one-third (1/3) of the liquid depth of the tank; and,
- The property owner shall safely operate and maintain the treatment components and appurtenances that make up the on-lot septic system, including:
 - Maintenance of surface contouring to divert stormwater from the system, and
 - Use of water conservation devices to reduce hydraulic loading to the system.

IS THE SEWAGE MANAGEMENT PROGRAM BEING DEVELOPED FOR A SPECIFIC AREA OF THE TOWNSHIP?

No. The SMP is being developed to address on-lot septic systems on a Township wide basis, not a single area specifically. The Act 537 plan has identified specific areas of potential risk to on-lot septic systems that may require alternative treatment in the future; however the development of an SMP is harmonious with the goals of the requirements of the PA DEP and the CCHD.

I'M NOT SURE IF I HAVE AN ON-LOT SEPTIC SYSTEM. HOW DO I DETERMINE HOW MY SEWAGE IS DISPOSED OF?

If you do not currently receive a quarterly sewer bill from the Township, you most likely have an on-lot septic system. If you contact the Township and provide your address, the Township will let you know if there is a sewer collection system in your general area. If your property is not located near public sewer, then you have an on-lot septic system. However, if your property is located near public sewer, further investigation will be required to determine how your sewage is disposed of. The Township can assist as needed.

MY ON-LOT SEPTIC SYSTEM WORKS GREAT AND HAS NEVER HAD TO BE PUMPED, WHY WOULD YOU REQUIRE THAT IT BE PUMPED NOW?

All septic systems, even those that have always functioned correctly, accumulate solids which require removal. If the solids accumulate to a point where they are discharged into the absorption area (i.e., drain field), there is an increased probability of failure of the absorption area and a possibility for contamination of your property and the surrounding area. This would require you to perform an extensive and costly repair. Having the on-lot septic system pumped out on a regular basis will help prevent this from happening. Additionally, the ordinance requires the Certified Inspector to perform a visual inspection of the septic system which may alert you of a necessary repair in advance of complete system failure, saving you from replacing the leach field in the future.

HOW CAN I FIND A CERTIFIED INSPECTOR?

The Pennsylvania Septage Management Association (PSMA) has a list of approved service providers on their website. Providers with PSMA Inspector Certification have taken and passed a certification exam. The PSMA inspection procedures are recognized as the industry standard by the Commonwealth of Pennsylvania, county, and local courts.

Visit www.pdma.net/find_service_provider_new.cfm and enter the applicable search criteria to find a Certified Inspector to service your on-lot septic system. Be sure to check the boxes for “Certified Only?”, “Pumping”, and “Inspecting” to view providers that can meet all requirements of the SMP. As noted on the PSMA website, you should always:

- Confirm the company is a PSMA member before hiring them;
- Request a PSMA/NOF certified technician perform the work on your system; and,
- Request that the inspector apply the complete PSMA inspection standards

HOW MUCH WILL PUMP OUT, INSPECTION, AND REPORTING COST?

Costs will be determined on a case by case basis by the PSMA Certified company that you hire for the pumping, inspection, and reporting for your on-lot septic system. The Township recommends contacting several companies to evaluate pricing options prior to hiring.

I ALREADY HAVE MY SEPTIC TANK REGULARLY PUMPED. WHAT BENEFIT(S) DO I RECEIVE FROM THE ADDED COST OF A CERTIFIED INSPECTION?

A PSMA Certified Inspector is trained to focus on the overall well-being and health of your on-lot septic system, rather than simply focusing on system malfunction, as an agent of a regulatory agency would. A regulatory agency inspector will consider a system to be in violation only if there is observable sewage emerging onto the land surface or the sewage has backed up into the home. A PSMA Certified Inspector, who must pass a certification exam prior to receiving the PSMA Inspector Certification, is trained to understand how on-lot septic systems work, why they fail, and to recognize the warning signs of impending malfunctions. These Certified Inspectors are taught to examine all necessary components of the septic system to ensure they are in place and in good condition. A Certified Inspector will provide a written report that includes all observations that determine the overall condition of the system, and a recommendation relative to problems that can be expected in the near future based on current system operation.

The following analogy is provided by the Penn State University Agricultural and Biological Engineering Department: “If you were to go buy a car and want it to be legal, you would check for a state inspection to see if it complied with the state laws. But if you would like to know how good the car is, if there is much useful life to it, and if there are any hidden problems not checked in a state inspection, you would have a mechanic inspect the car completely. A comprehensive inspection may reveal a slight engine knock, misfire or smoking exhaust, which are concerns of possible failure.” The PSMA Certified Inspector serves as the “mechanic” in this analogy.

WHAT IS THE LIFE SPAN OF AN ON-LOT SEPTIC SYSTEM?

With proper installation, upgrades, care, and maintenance, an appropriately sized on-lot septic system could last the life of the house.

WHAT ARE SOME SYMPTOMS OF ON-LOT SEPTIC SYSTEM PROBLEMS?

There are many signs of a failing on-lot septic system, including, but not limited to: sluggish drains, sewer odor, spongy soil, lush green grass, ponding water, pump failure alarms, sewer backups, erratic pumping, etc.

WHAT CAUSES THESE PROBLEMS?

There are several factors that may lead to failing on-lot septic systems, including, but not limited to: poor site location (i.e., steep slopes, poor soils or high water table); inadequate design (i.e., the system is too small for the current use);

improper construction; overloaded system that allows solids to clog the soil; root invasion; physical damage from driving over the system; flushing of harmful substances, etc.

WHAT CAN I DO TO TAKE CARE OF MY ON-LOT SEPTIC SYSTEM?

Ways to properly care for and maintain an on-lot septic system include, but are not limited to, the following:

- Schedule an inspection and regular pumping of the septic tank at least once every three (3) years;
- Install water conservation fixtures and appliances (specifically, front loading washing machines);
- Be mindful of the frequency of use of washing machines;
- Repair leaking fixtures;
- Do not use the system as a trash can (i.e., do not install or use a garbage disposal);
- Investigate and remedy problems;
- Follow the "do-not-flush" list of items, including trash, food waste, grease, medications, paint, thinner, varnishes, motor oil, chemicals, etc.;
- Divert rainwater runoff from the system, including sump pump discharges;
- Do not drive across the system or compact the soil in any way;
- Do not plant trees or shrubs on the system; and,
- Replace an older septic tank with the latest standard model including an effluent filter.

Additional information pertaining to on-lot septic systems can be found at the following locations:

- *Penn State Septic & Sewage Disposal Fact Sheets:*
http://www.pdma.net/fact_sheets.cfm
- *Environmental Protection Agency's "Why Maintain Your Septic System" Page:*
<https://www.epa.gov/septic/why-maintain-your-septic-system>
- *CCHD's On-Lot Septic Systems Pages:*
<http://chesco.org/955/On-Lot-Septic-Systems>

MEMORANDUM

From: Christopher E. Frantz, Esquire

To: Upper Uwchlan Township Board of Supervisors (“UUT”), Upper Uwchlan Township Municipal Authority (“UUMA”)

CC: Cary Vargo, Matt Brown, Kristin Camp, Esquire

Date: 10-15-2018

Re: **Proposed Amendments to (a) Intermunicipal Sewer Service Agreement between UUT, UUMA and West Vincent Township (“WVT”) and (b) Operation and Management Agreement between UUT and UUMA**

Coming before you for action will be three (3) separate documents, or groups of documents, all of which are necessitated by the completion and pending dedication of the sewer facilities to serve the Byers Station developments. In chronological order (which is not necessarily the same as the order in which you will act), the documents are (1) an amendment to the 2003 Intermunicipal Sewer Service Agreement between UUT, UUMA and WVT (the “2003 Agreement”); (2) an amendment to the 2016 Operation and Management Agreement between UUT and UUMA (the “O & M”); and, (3) deeds of dedication for disposal areas and sewer facilities which will be proposed by the developers of the Byers Station residential communities. This Memorandum is intended to provide some background and context for each document.

1. First Amendment to Intermunicipal Sewer Service Agreement: The 2003 Agreement created the West Vincent Sewer Service Area, a specifically defined geographic area in WVT containing residences of the Byers Station communities (Byers Station includes properties in both UUT and WVT). Under the 2003 Agreement, UUT would own the sewer related collection, treatment and disposal facilities, the hardware if you will, UUMA would operate the sewer system and WVT would own the real property containing all the disposal areas. However, the current leadership of WVT has indicated the township does not necessarily wish to own the real property. UUT and UUMA staff and consultants believe it would be preferable for UUT to own all disposal areas, not only because it has a history of prudent ownership of similar property but, also, because ownership of any unimproved disposal areas will provide for future sewer system needs whether that be replacement or expansion.

The First Amendment to Intermunicipal Sewer Service Agreement amends the 2003 Agreement in a number of respects among them the following: first, and most importantly, all disposal areas, including lagoons, will be deeded to UUT. Second, the definitions of “Facilities” and “System” are revised so that the latter refers to the entire UUT sewage collection, treatment and disposal system and the former refers to the portion of the System physically located in WVT. Third, WVT acknowledges that UUMA will operate the System and Facilities including the setting of rates.

There are three (3) additional facets of the First Amendment of which you need to be aware, all of which may be found in or are related to paragraph 5. First, there are certain walking trails which adjoin or bisect the WVT disposal areas. Those trail grounds will be part of the land conveyed to UUT *but* the conveyance will be under and subject to any existing walking trail easements. The easements will be shown in the deeds by metes and bounds descriptions and the deeds (as does paragraph 5 of the First Amendment) will make clear that neither UUT nor UUMA will have any responsibility for the trails (the Byers Station HOAs will have responsibility and WVT thereafter upon any default by the HOAs).

Secondly, there are or were on the WVT disposal areas trails used for horses. There is no recorded right for horses to use any portion of the WVT disposal areas and signs will be posted to that effect. Furthermore, the WVT folks believe there has been little or no recent equestrian passage over what is now disposal area.

Finally, the First Amendment provides WVT can demand a return deed for any portion of the disposal area actively used by UUT for a purpose other than the operation of a sewer system (UUT and UUMA staff and consultants do not see this as likely). The language of paragraph 5 of the First Amendment further states that maintaining vacant land for future sewer needs is a proper use of the ground by UUT and would not create in WVT an ability to demand a return of the vacant ground.

2. First Amendment to Operation and Management Agreement: The present O & M, which dates to October, 2016, delineates the specific roles of UUT and UUMA in the ownership and operation of the various properties which collectively comprise the Upper Uwchlan public sewer system or, simply, the System. In the most basic terms, UUT owns all the real and personal properties of the System and UUMA is responsible for managing, operating and repairing the System, setting rates, billing and collections, preparing and filing all reports required by agencies with oversight authority including, for example, the Pennsylvania Department of Environmental Protection, and reviewing plans for and overseeing construction of all connections to the System. In addition, the O & M provides the framework by which revenues are collected and allocated to pay both operating expenses and the debt service on the \$5,955,000 General Obligation Bonds, Series of 2014, the funds from which were used to upgrade and expand the System.

The O & M references the existence of a 2003 Agreement with WVT and the fact certain residential properties located in WVT would be served by the System, but it does not speak to ownership of the disposal areas physically located in WVT since WVT was to own those facilities. As noted above, however, the present WVT leadership is amenable to having UUT own all System real property and facilities. The proposed change in ownership of the WVT disposal areas, required UUT and UUMA staff, consultants and legal counsel to examine whether the proposed amendments to the 2003 Agreement created any potential issues and whether the existing O & M continues to adequately address its subject matter. While it is felt the O & M adequately addresses most topics, the review group believes the O & M's treatment of questions of ownership and operation can be improved *vis-a-vis* the fact sewer service will be provided outside UUT's municipal limits.

The general rule in Pennsylvania is that a municipally owned and operated utility such as a sewer system cannot provide service outside its municipal limits without the oversight and approval of the Pennsylvania Public Utilities Commission (the “PUC”). However, that is not the case where a municipality owns a sewer system but leases it to a municipal authority which then operates and manages the sewer system outside the control of the municipality itself. While the O & M states UUMA will “possess” the System, the review group believes that should be amended to make clear the System is the subject of a lease and, therefore, it is proposed that both UUT and UUMA approve the First Amendment to Operation and Management Agreement which, after reiterating the distinct role of UUT as the owner and UUMA as the operator of the System, creates a simple lease from UUT to UUMA of all System real property, personal property, rights, and easements. The First Amendment further provides that any future termination of the O & M by UUT while the System serves WVT or any municipality other than UUT will only be effective if UUT shall have first received all permissions required to provide extraterritorial sewer service.

3. Deeds: Although not yet in hand, deeds for both the WVT sewer facilities and the disposal areas are anticipated from Ewing Group, LLC, Toll PA II, L.P., and U. S. Home Corporation d/b/a Lennar as those entities complete their communities. The deeds to the disposal areas will be under and subject to any existing walking trail easements with the trails to be described in metes and bounds. Maintenance of those trails will be left to the homeowner associations per the original WVT approved Declarations of Covenants and Restrictions. It is the recommendation of the review group that the disposal areas be fenced in for the protection of not only the areas and disposal facilities, but also for those using the trails. Until such time as fencing is erected, it is strongly suggested that numerous, readily visible signs with clear language be put up to warn all trail users of the dangers to both they and the disposal facilities if they stray from the trails and unto the disposal areas. Otherwise, review and acceptance of the deeds will be as per UUT protocol.

FIRST AMENDMENT TO INTERMUNICIPAL SEWER SERVICE AGREEMENT

THIS FIRST AMENDMENT TO INTERMUNICIPAL SEWER SERVICE AGREEMENT (hereinafter the “Amendment”), dated and effective the _____ day of _____, 2018, by and between the Township of West Vincent, Chester County, Pennsylvania (“West Vincent Township”), the Township of Upper Uwchlan, Chester County, Pennsylvania (“Upper Uwchlan Township”), and the Upper Uwchlan Township Municipal Authority (the “Authority”).

BACKGROUND

- A. West Vincent Township, Upper Uwchlan Township and the Authority are parties to that certain Intermunicipal Sewer Service Agreement duly authorized by all of the parties and effective as of October 6, 2003 (the “Intermunicipal Agreement”). The Intermunicipal Agreement established the West Vincent Sewer Service Area to provide for the connection of the residences then planned to be constructed within that specific area, only, to the existing sewer collection and treatment system owned by Upper Uwchlan Township and operated by the Authority.
- B. Since the effective date of the Intermunicipal Agreement, Ewing Group, LLC and Toll PA II, L.P., have completed construction of those portions of the Facilities (as defined in the Intermunicipal Agreement and as amended by this Amendment) needed to collect, convey, treat, store and dispose of sewage generated by residences each constructed and sold within the West Vincent Sewer Service Area. Ewing Group, LLC and Toll PA II, L.P. are prepared to deed, dedicate or subject to easement(s), as necessary, the Facilities to the party or parties as directed by Upper Uwchlan Township, West Vincent Township and the Authority.
- C. It is contemplated that in the future U.S. Home Corporation d/b/a Lennar will complete further portions of the Facilities intended to serve residences it constructed and sold within the West Vincent Sewer Service Area.
- D. Based upon their experience, changed circumstances since the execution of the Intermunicipal Agreement, and a subsequent Operations and Management Agreement between Upper Uwchlan Township and the Authority pursuant to which the Authority operates all sewer facilities owned by Upper Uwchlan Township, the parties desire to amend the Intermunicipal Agreement to promote the best means of treating sewage generated by residences in the West

Vincent Sewer Service Area and to change, clarify and emphasize, as necessary, certain provisions of the Intermunicipal Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements contained herein, and intending to be legally bound, the parties agree as follows:

1. The definition of “Facilities” in paragraph 1.(c) of the Intermunicipal Agreement is amended to (a) delete the limitation to personalty and (b) delete reference to real property to be owned by West Vincent Township. Henceforth, “Facilities” shall mean and refer to that portion of the Upper Uwchlan sewage collection, conveyance, storage, and disposal system, both personalty and realty, located within West Vincent Township which will provide sewer service to users in the West Vincent Sewer Service Area.
2. The definition of “System” in paragraph 1.(d) of the Intermunicipal Agreement is amended to delete reference to disposal areas retained by West Vincent Township. Henceforth, “System” shall mean and refer to the Upper Uwchlan Township sewage collection, conveyance, treatment, storage and disposal system, both personalty and realty, wherever situated including, without limitation, disposal areas situate in West Vincent Township, which will provide sewer service to users in the West Vincent Sewer Service Area.
3. Paragraphs 2.(a), 2.(b) and 2.(c) of the Intermunicipal Agreement are hereby amended so that West Vincent Township, by execution of this Amendment, (a) appoints Upper Uwchlan Township as the party to whom Toll Brothers, Inc. and any subsequent developers shall deed, dedicate or ease, as necessary, the Facilities within the West Vincent Sewer Service Area, (b) acknowledges and agrees that Upper Uwchlan Township has by a separate Operations and Management Agreement of October 20, 2016, as amended (the “O & M Agreement”), appointed the Authority as the sole agency with the power and obligation to inspect, operate, maintain and repair the System including the Facilities, and (c) subject to the terms of the O & M Agreement, recognizes the Authority as having the sole power and obligation to establish user rates, collect and enforce the same and set tapping, connection and similar fees for users in the West Vincent Sewer Service Area.
4. All references in the Intermunicipal Agreement to West Vincent Township owning real property which is part of the Facilities are deleted and, subject to a possible future defeasance

event as provided in paragraph 5 below, West Vincent Township shall not own any portion of the Facilities. In furtherance of this provision, and without limiting the scope of the same wherever reference is found in the Intermunicipal Agreement to West Vincent Township owning real property which is part of the Facilities, paragraph 2.(e) of the Intermunicipal Agreement is deleted from the Agreement.

5. The parties agree that all real property used as disposal areas within the West Vincent Sewer Service Area (including lagoons) shall be owned by Upper Uwchlan Township and, subject to the terms of the O & M Agreement, operated, inspected, maintained and repaired by the Authority; ***provided, however,*** if at any time in the future any portion of the disposal areas within the West Vincent Sewer Service Area is actively used for a purpose other than the operation of the System or the maintenance of the vacant land for possible future sewage disposal needs, then in such event Upper Uwchlan Township shall deed such real property to West Vincent Township upon receipt of West Vincent Township's written demand for same. Furthermore, all deeds of dedication to Upper Uwchlan Township of West Vincent Sewer Service Area disposal areas shall be under and subject to all recorded easements existing as of the date of dedication. Notwithstanding anything herein or elsewhere to the contrary, neither Upper Uwchlan Township nor the Authority shall have any responsibility for the maintenance, repair or replacement of any walking trail or equestrian trail (or the natural areas adjacent to both) in the West Vincent Sewer Service Area.

6. Paragraph 3(c) of the Agreement is hereby amended so that the maximum disposal capacity of treated effluent permitted from residences in West Vincent Township shall be 76,650 gallons per day.

7. Paragraph 8 of the Agreement is hereby amended so that, subject to the terms of the O & M Agreement, the Authority, and not Upper Uwchlan Township, shall be the sole party responsible for carrying out the duties associated with capital expenditures, setting and collecting tapping and connection fees and establishing and collecting user rates, all in a manner consistent with governing laws and regulations.

8. Paragraph 11 of the Agreement is hereby amended to provide that the Grant of Easement provided by West Vincent Township shall be in favor of both Upper Uwchlan Township and the Authority.

9. The parties reiterate their agreement that the West Vincent Sewer Service Area shall not be expanded nor shall any property in West Vincent Township be connected to the System except as agreed to by Upper Uwchlan Township and the Authority and as permitted by law.

10. Paragraph 12 of the Agreement is hereby amended so that Notices shall be addressed as follows:

West Vincent Township
Attn: Erica Batdorf, Township Manager
729 St. Matthews Road
Chester Springs, PA 19425

Upper Uwchlan Township
Attn: Cary B. Vargo, Township Manager
140 Pottstown Pike
Chester Springs, PA 19425

Upper Uwchlan Township Municipal Authority
Attn: G. Matthew Brown, Authority Administrator
140 Pottstown Pike
Chester Springs, PA 19425

11. Except as specifically set forth herein, all other terms and conditions of the Intermunicipal Agreement shall remain in full force and effect and neither the Intermunicipal Agreement nor this Amendment shall be modified except in a written instrument signed by authorized representatives of all the parties hereto.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their respective duly authorized officers as of the date first above written.

Attest:

WEST VINCENT TOWNSHIP

, Secretary

, Chairperson

, Member

, Member

EXECUTION CONTINUED ON FOLLOWING PAGE

Attest:

UPPER UWCHLAN TOWNSHIP

, Secretary

, Chairperson

, Member

, Member

Attest:

UPPER UWCHLAN TOWNSHIP MUNICIPAL AUTHORITY

, Secretary

, Chairperson

FIRST AMENDMENT TO OPERATION AND MANAGEMENT AGREEMENT

THIS FIRST AMENDMENT TO OPERATION AND MANAGEMENT AGREEMENT (the “Amendment”) is entered into the ____ day of _____, 2018, by and between **UPPER UWCHLAN TOWNSHIP**, a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania (the “Township”) and **UPPER UWCHLAN TOWNSHIP MUNICIPAL AUTHORITY**, a municipal authority organized and existing under the laws of the Commonwealth of Pennsylvania (the “Authority”).

BACKGROUND

A. The Township owns certain sewage collection, treatment, and disposal facilities, consisting of both real property and personal property, which provide public sewer service to various residential and commercial properties located in the Township (collectively, the “Sewer System”); and,

B. The Sewer System is about to be expanded by the Township’s acceptance of dedication of collection, conveyancing and disposal facilities located in West Vincent Township, Chester County, Pennsylvania, which will serve a limited number of West Vincent Township residential properties (the “West Vincent Sewer Area”) pursuant to an October 2003 Intermunicipal Sewer Service Agreement; and,

C. The Authority has operated, managed, maintained, repaired and improved the Sewer System for many years and currently does so under the terms of the October 20, 2016 Operation and Management Agreement between the Authority and the Township (the “O & M Agreement”); and,

D. The Township and Authority wish to modify the O & M Agreement to better provide for the operation and maintenance of the Sewer System including the portion of the Sewer System to be located in the West Vincent Sewer Area.

NOW, THEREFORE, in consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree as follows:

1. Ownership and Operation of the Sewer System. The Township owns all portions of the Sewer System including, without limitation, those portions of the Sewer System which will be located in West Vincent Township following the Township’s acceptance of dedication of the same. Notwithstanding its ownership of the Sewer System, the Township does not operate or maintain the Sewer System but, rather, all responsibility for the operation and

maintenance of the Sewer System rests with the Authority and that responsibility shall extend to the West Vincent Sewer Area following dedication of same to the Township.

2. Lease of Sewer System. In furtherance of the parties rights and obligations under the O & M Agreement, and to better provide for the operation and maintenance of the Sewer System, the Township hereby leases to Authority and the Authority hereby leases from the Township, the Sewer System including, without limitation, all real property, personal property, rights, and easements comprising or ancillary to the Sewer System as well as all additions to the Sewer System made after the effective date of this Amendment (the “Leased Premises”). The within Lease shall be upon the following additional terms:

- (a) The Authority shall use the Leased Premises solely for providing public sewer service.
- (b) The Term of the Lease shall be for that period set forth in Section 5 of the O & M Agreement as the same may be amended or renewed from time to time.
- (c) The rent to be paid by the Authority, as tenant, to the Township, as landlord, shall be those amounts required to be paid to or for the benefit of the Township under the O & M Agreement.
- (d) The Authority shall hold the Leased Premises on the terms of the O & M Agreement, all of which are incorporated herein by reference.
- (e) A breach of the O & M Agreement shall be a breach of this Lease and upon any breach the Township may exercise one or more of the remedies available under the O & M Agreement including, without limitation, the remedy of terminating the Lease upon 60 days written notice and re-taking possession of the Leased Premises.

3. Section 5 of the O & M Agreement is hereby amended by deleting the last sentence thereof regarding termination by the Township and in its place inserting the following: Township shall have the right to terminate this Agreement upon adoption of a formal resolution of termination by the Township Board of Supervisors; provided, however, that termination shall not be effective until (a) the 60th day following the Authority’s receipt of written notice of termination accompanied by a copy of the Township resolution, and (b) in the event that at the time of termination the Sewer System serves properties in West Vincent Township or any municipality

other than Upper Uwchlan Township, the Township shall have received any permissions required to provide sewer service outside its territorial limits.

4. Section 8.A. of the O & M Agreement is hereby amended by deleting “Township” as the second word of said section and substituting in its place the word “Authority”.

5. Except as specifically set forth herein, all other terms and conditions of the Operation and Management Agreement shall remain in full force and effect and neither the Operation and Management Agreement nor this First Amendment to Operation and Management Agreement shall be modified except in a written instrument signed by authorized representatives of both parties.

IN WITNESS WHEREOF, the parties have caused this First Amendment to Operation and Management Agreement to be executed by their duly authorized officers as of the date and year first above written.

Attest:

UPPER UWCHLAN TOWNSHIP

, Secretary

, Chairperson

, Member

, Member

Attest:

UPPER UWCHLAN TOWNSHIP MUNICIPAL AUTHORITY

, Secretary

, Chairperson

UPPER UWCHLAN TOWNSHIP
CHESTER COUNTY
COMMONWEALTH OF PENNSYLVANIA

2019 Budget



Budget Workshops – October 9 &
November 13, 2018

Advertised – November 14, 2018

Approved – Monday, December 17, 2018

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Upper Uwchlan Township
Pennsylvania**

For the Fiscal Year Beginning

January 1, 2018

Christopher P. Morill

Executive Director

ABOUT UPPER UWCHLAN TOWNSHIP.....



**Location of Chester County
shown in red on map of Pennsylvania**

Upper Uwchlan Township is one of 73 municipalities that comprise Chester County, Pennsylvania, located in the northern part of the county. Chester County was one of the three original Pennsylvania counties created by William Penn in 1682. (*Philadelphia and Bucks Counties are the other two*). Chester County is the highest-income county in Pennsylvania and ranks as the 24th highest in the United States as measured by median household income in the 2010 census.

Historically, the location of Chester County, lying between Philadelphia and the Susquehanna River, attributed to its growth. The first road towards the “west” (meaning Lancaster County) passed through the central part of Chester County. This road became known as Lincoln Highway and later, US Route 30. It is still known today as Lancaster Avenue in most of the Chester County towns it runs through. The first railroad (which became the Pennsylvania Railroad) followed a similar route and the Reading railroad followed the Schuylkill River to Reading. Industry was concentrated along the rail lines. The availability of transportation allowed workers to commute to urban jobs and suburbs sprang up in rural areas.

Chester County has fertile soil; rich loam as deep as twenty-four inches thick together with a temperate climate have made it a major agricultural area. Although development in Chester County has increased, agriculture is still a major part of the county’s economy. The number of horse farms is increasing and mushroom farming is a specialty in the southern portion of the county. Chester County is home to the famous Devon Horse Show and Radnor Hunt.

Upper Uwchlan Township was incorporated as a municipality in 1858. The Township contains 12.12 square miles. The main population center of the Township has grown surrounding the historic Eagle Tavern at the intersection of Route 100 and Little Conestoga Road. This area is known as the “Village of Eagle” and remains unincorporated. It is sometimes referred to as “Uwchland, which is the address of the closest Post Office. The name “Uwchland” was the result of a spelling error made by the Postal Service in the 1970’s when it established the 19480 zip code. Much of the area uses a Chester Springs address which has a zip code of 19425.

Route 100 is the only main state route going through Upper Uwchlan Township; it traverses north to south. Route 401 skims the northeastern edge of the township and meets Route 100 in West Vincent Township. There is easy access to Philadelphia and King of Prussia with the Pennsylvania Turnpike/Interstate 76 which cuts through the township, crossing over Route 100 in the far southern section of the township. The Turnpike interchange is located in Uwchlan Township and is only a few minutes from the Village of Eagle. There is no public transportation within the Township.

ABOUT UPPER UWCHLAN TOWNSHIP.....continued

The 2010 census shows that there are 11,227 residents of the Township vs. 6,850 in the census of 2000. The Township experienced significant development during the first decade of this century. There are 3,618 residential dwellings in the Township with a median value of \$420,100. This compares to a median value in Chester County of \$329,700 and \$164,900 in the Commonwealth of Pennsylvania.

The median family income in Upper Uwchlan Township in 2012 was \$163,415 compared to \$104,431 and \$65,980 for Chester County and the Commonwealth of Pennsylvania, respectively. Township residents are well educated. The majority (62.4%) of Township residents are employed in professional occupations, and 22.3% are employed in sales and other office positions.

The ten largest employers in Upper Uwchlan provide approximately 1,300 jobs. Most businesses within the Township are small retail or professional offices.

Marsh Creek State Park is located in Upper Uwchlan and Wallace Townships. It is the location of the 535 acre man-made Marsh Creek Lake which was created when Marsh Creek was dammed in the early 1970's. It has an average depth of 40 feet (73 feet at its deepest); it is stocked with fish and is a stop for migrating waterfowl. Fishing and non-powered or electric powered boats are permitted. A portion of the Park is open to hunting. There are about 12 miles of trails available for equestrian use, hiking and mountain biking around the lake.

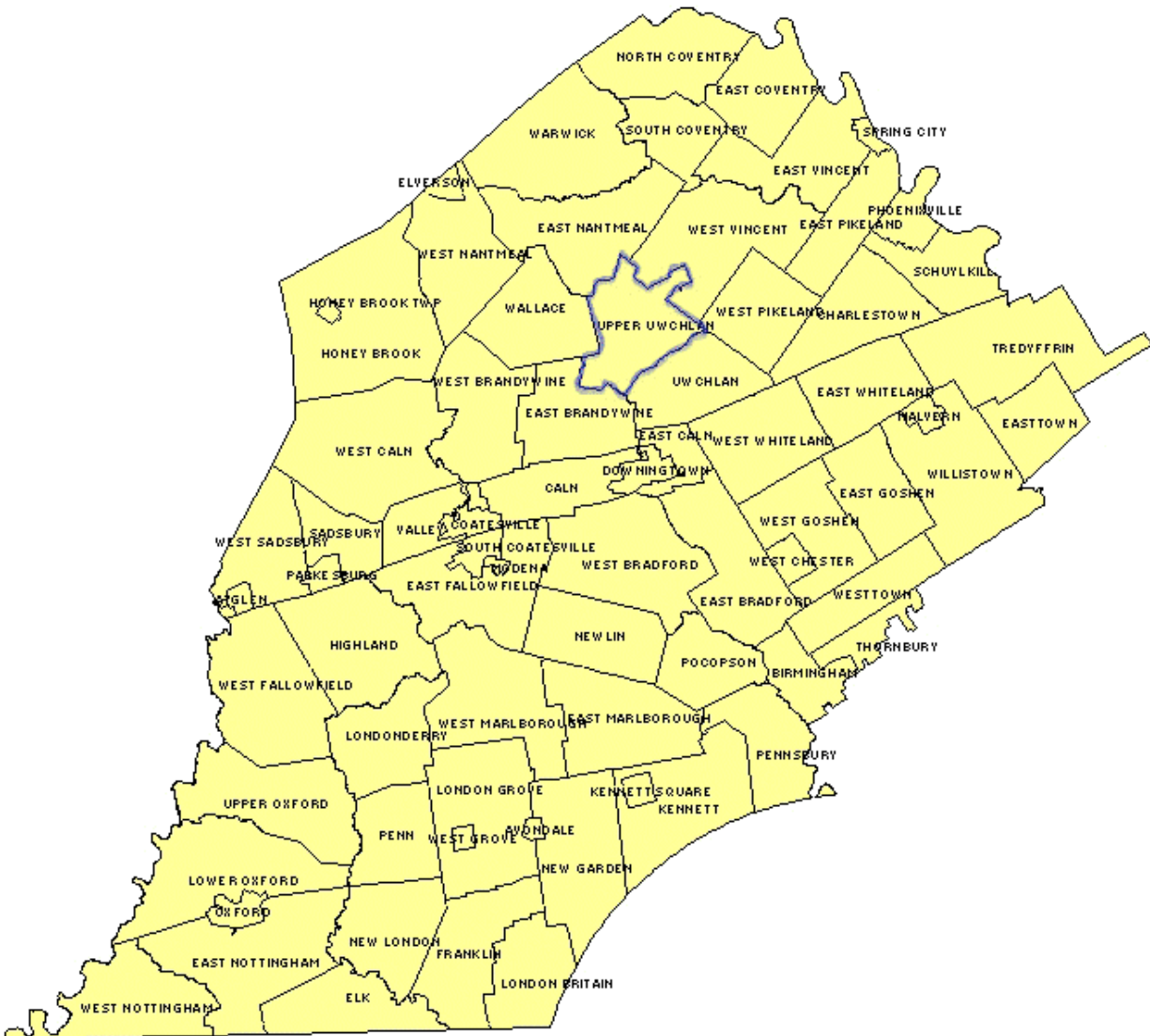
The Township owns over 90 acres of passive and active recreational land in four parks – Upland Farms (56 acres), Hickory Park (32 acres), Fellowship Fields (17 acres) and Larkins Field (7.2 acres). *Refer to the section on "Township Parks" for more information.*

Upper Uwchlan Township has its own police force and is served by four fire companies from surrounding Townships and three EMT organizations.

Each year, on the Saturday before Father's Day, the Township holds a "Block Party" during which a portion of Route 100 is closed to hold the event. Local vendors participate in this street fair and there are many activities for families with young children. Fireworks cap off the evening.

Please refer to the map of Chester County on the next page for the location of Upper Uwchlan Township in the northern central part of the county.

MAP OF CHESTER COUNTY MUNICIPALITIES



BOARD OF SUPERVISORS FIVE-YEAR GOALS FOR 2019 – 2023

Health and Safety

- Provide customer based, proactive, responsive law enforcement by an accredited law enforcement agency
- Maintain and support a high quality emergency response system
- Continued investment in social and recreational opportunities for our residents
- Maintain the quality of life and the health, safety, and welfare through the administration of all applicable codes, regulations and standards to include, but not limited to: Township codes, building codes, the property management code, and the International Fire Code

Thriving Local Economy

- Invest in, maintain, and manage vehicular and pedestrian networks
- Encourage economic vitality through appropriate zoning, land development, and infrastructure improvement

Protect Natural Resources and Systems – Marsh Creek and Pickering Creek Watersheds

- Continue the public sanitary sewer expansion, as outlined in the Township's approved ACT 537 plan.
- Protect the local watershed by appropriately managing storm water infrastructure via the development and management of a Water Resource Protection program
- Continued collaboration on projects such as the Brandywine Creek Greenway

Inclusive Government

- Significantly increase citizen understanding, access to and participation in Upper Uwchlan Township local government
- Participation and dissemination of information via various social media outlets

Effective and Efficient Township Services

- Define levels of service for township services: benchmark services against comparable municipalities and scrutinize the current processes to maximize efficiency
- Become a vision and goal-driven organization that is accountable to the residents of the Township
- Protect and preserve investment in public facilities
- Continue to identify and employ technological advances to promote access, maximize efficiencies and increase productivity of employees

Upper Uwchlan Township
Budget - 2019

Projected Changes in Fund Balances

	General Fund	Solid Waste Fund	Capital Fund	Act 209 Fund	Liquid Fuels Fund	Water Resource Protection Fund	Sewer Fund	Total
Fund Balance, December 31, 2017	\$ 3,930,260	\$ 585,376	\$ 1,242,935	\$ 449,040	\$ 417,764	\$ 57,957	\$ 17,666,970	\$ 24,350,302
Net income through Sept. 30, 2018 (excludes transfers in/out)	1,203,189	401,241	39,359	81,114	33,190	(52,548)	(43,468)	1,662,076
<u>Transfers through Sept. 30, 2018:</u>								
To Capital Fund	(600,000)	(375,000)	975,000	-	-	-	-	-
To Act 209	-	-	-	-	-	-	-	-
To Water Resource Protection Fund	(100,000)	-	-	-	-	100,000	-	-
To Municipal Authority	-	-	-	-	-	-	-	-
<u>Planned transfers through Dec. 31, 2018</u>								
To Capital Fund	-	-	-	-	-	-	-	-
To Capital Fund - debt reduction	-	-	-	-	-	-	-	-
To Water Resource Protection Fund	-	-	-	-	-	-	-	-
To Municipal Authority	-	-	-	-	-	-	-	-
Projected net income (loss) - 4Q 2018	(200,000)	(150,000)	(200,000)	2,000	(15,000)	-	(330,000)	(893,000)
Projected Fund Balance, December 31, 2018	\$ 4,233,449	\$ 461,617	\$ 2,057,294	\$ 532,154	\$ 435,954	\$ 105,409	\$ 17,293,502	\$ 25,119,378
Fund balance retention - per policy at 35%	\$ 1,481,707							
Fund Balance, December 31, 2018	4,233,449	461,617	2,057,294	532,154	435,954	105,409	17,293,502	25,119,378
Budgeted net income	486,550	104,846	(109,956)	7,000	63,552	2,152	196,914	751,058
<u>Transfers budgeted:</u>								
To Capital Fund	(150,000)	-	150,000	-	-	-	-	-
To Capital Fund - debt reduction	-	-	-	-	-	-	-	-
To Water Resource Protection Fund	(330,000)	-	-	-	-	330,000	-	-
To Municipal Authority - construction	-	-	-	-	-	-	-	-
Municipal Authority - transfer of new construction	-	-	-	-	-	-	-	-
To Act 209 Fund	-	-	-	-	-	-	-	-
Projected Fund Balance, December 31, 2019	\$ 4,239,998	\$ 566,463	\$ 2,097,338	\$ 539,154	\$ 499,506	\$ 437,561	\$ 17,490,416	\$ 25,870,436

DESCRIPTION OF THE TOWNSHIP'S FUND STRUCTURE

Upper Uwchlan Township uses several Funds to account for its fiscal transactions. Each Fund is a separate accounting and reporting entity. As such, its assets will equal the total of its liabilities and fund balance (also known as net assets or equity). In governmental accounting, funds are classified as **governmental funds, proprietary funds or fiduciary funds.**

Governmental funds account for the activities of the Township that are not considered proprietary (business-type) or fiduciary. There are two types of proprietary funds – enterprise funds and internal service funds. The Township's proprietary funds are **enterprise funds** - they operate in a manner similar to a private business. Their intent is to recover the costs of providing services to the general public on a continuing basis through user fees. Fiduciary funds account for "other people's money" that the Township is responsible for. The Township does not have any internal service funds at this time.

The budgetary funds and their descriptions are as follows:

GOVERNMENTAL FUNDS

General Fund – The *General Fund* is the Township's main operating fund. The *General Fund* is used to account for and report all financial resources not accounted for and reported in another fund, either by law or Generally Accepted Accounting Principles (GAAP). All of the Township's real estate property taxes and earned income tax revenues are receipted into the *General Fund*. The majority of Township expenditures are made from the General Fund, including salaries and all employment benefits for Township employees.

Solid Waste Fund – The *Solid Waste Fund* is a special revenue fund which is used to account for all revenues and expenses related to the collection of trash and recycling in the Township. This Fund was created as of January 1, 2012 and was separated from the General Fund at that time. The main source of revenue consists of solid waste payments made by residents. The primary expenditures are payments to A. J. Blosenski for trash collection, as well as payments made to the Chester County Solid Waste Authority for tipping fees for disposal of solid waste at its location.

Capital Projects Fund – The *Capital Projects Fund* is a governmental fund that is used to account and report on financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The *Capital Projects Fund* receives its revenue from inter-fund transfers from the General Fund and/or Solid Waste Fund or from grants. Payments on the Township's debt are made from the *Capital Projects Fund*.

NON-MAJOR GOVERNMENTAL FUNDS

Liquid Fuels Fund – The *Liquid Fuels Fund* is a special revenue fund which is used to account for all revenues and expenses related to Liquid Fuels receipts from the Commonwealth of Pennsylvania. The *Liquid Fuels Fund* is restricted by statute; it can only be used for specific expenses related to the maintenance of roads within the Township. All revenues, except for interest, are received from the Commonwealth from a formula based on the mileage of Township roads and the population of the Township.

Water Resource Protection Fund – originally named *The Storm Water Management Fund*, this Fund was established in 2014 to account for expenses associated with managing, improving and repairing storm water infrastructure throughout the Township.

Act 209 Fund – The *Act 209 Fund* is a special revenue fund which is used to account for all revenues and expenses relating to traffic flow improvement within the Township. All revenues are received from Act 209 Traffic Impact fees for land development projects and from the Commonwealth of Pennsylvania through applicable grants. Expenditures are made for road and bridge improvements as part of the Traffic Impact Project. This fund is legally restricted.

PROPRIETARY FUNDS

Sewer Fund – The *Sewer Fund* was established in 2014 and reports the resources necessary for the operations of the Upper Uwchlan Township Municipal Authority (“Municipal Authority”). The capital assets used by the Municipal Authority in its business (sewer treatment plants, land, pump stations, etc.) are owned by the Township and are leased to the Sewer Authority. In 2014, Upper Uwchlan Township issued General Obligation bonds to finance the construction of Phase II of the Route 100 Wastewater Treatment Plant. The proceeds of the bond offering and all related liabilities and payments to bond holders are recorded in the Sewer Fund.

Sewer Authority – The *Sewer Authority* accounts for the activities of the Upper Uwchlan Township Municipal Authority which operates the Township’s sewer system. As stated above, the capital assets used to operate the sewer system are owned by Upper Uwchlan Township and are leased to the Municipal Authority. The Municipal Authority has a separate five member Board; members are appointed by the Upper Uwchlan Township Board of Supervisors. The budget for the Municipal Authority is not included in this document as it is a separate, stand-alone organization which issues its own set of annual audited financial statements.

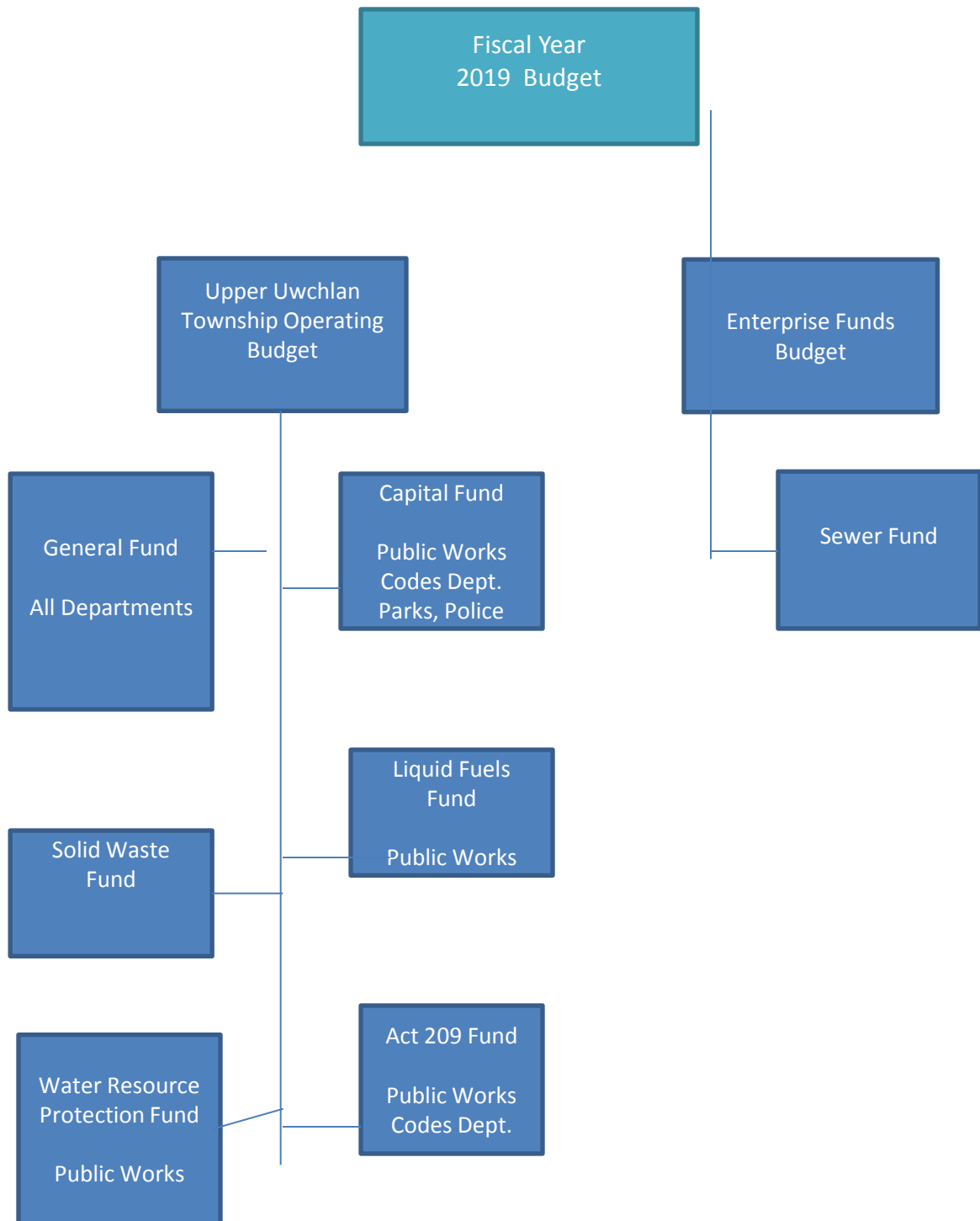
FIDUCIARY FUNDS

Developer's Escrow Fund – For large projects, the Township requires developer's to deposit cash with the Township to pay for costs the Township will incur during the process of approving plans for the development. These costs normally consist of consulting fees for engineers or other experts and attorney fees. At the conclusion of the project, any unused funds on deposit are returned to the developer. The *Developer's Escrow Fund* is not included in this budget document. It is included in the annual audited Upper Uwchlan Township Basic Financial Statements.

The Township also has two fiduciary funds – the **Police Pension Plan** and the **Non-Uniform Pension Plan**. ("the plans"). Both plans are managed by an outside administrator and are in the custody of a bank; both were chosen by the Pension Committee (see note below) and approved by the Board of Supervisors. The plans are audited annually and separate audited financial statements are issued. They are not included in this budget document, but are included in the Upper Uwchlan Township Basic Financial Statements.

Note – The Pension Committee members include: one member of the Board of Supervisors, the Township Manager, Township Treasurer, Chief of Police and two members of the Police Department.

UPPER UWCHLAN TOWNSHIP RELATIONSHIP BETWEEN FUNDS AND DEPARTMENTS



This chart shows the departments that primarily provide services to each of the Township Funds. The General Government and Executive departments are involved with all of them.

BASIS OF ACCOUNTING AND BUDGETING

Basis of Budgeting

All of the funds are budgeted using the modified accrual method of accounting. Modified accrual accounting recognizes revenues when they become measurable and available. **Measurable** means that the dollar amount of the transaction is known. **Available** means that it is collectible within the current period, or soon enough after the end of the current period to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are collected within 30 days of the reporting period. Expenditures are generally recorded when a liability is incurred. An exception to this applies to debt service payments and compensated absences which are recorded only when a payment is due.

Accounting Basis

The basis of accounting refers to when revenues and expenditures or expenses are recorded in the accounting records and reported in the financial statements. The Township's basis of accounting is the same as that used for budgeting. Exceptions are as follows:

- Depreciation and amortization, which are considered expenses on the modified accrual basis of accounting are ignored under the budget basis because these items do not require an expenditure of funds. They are not included in the Township's General Fund and all other budgets except the Sewer Fund budget.
- Compensated absences are not budgeted, but will be reflected in the annual financial statements as an expense and liability.
- Principal debt payments are budgeted as an expense in the Capital Fund and are adjusted at year-end against the liability.

BUDGET SCHEDULE

Activity	Recommended Date	Date Required by Statute
Department heads review 2018 actuals in preparation for 2019 budget meetings	August 24, 2018	
Department heads notify Treasurer and Township Manager of any large increases they are submitting in the 2018 Budget (ie – personnel, capital)	August 31, 2018	
Treasurer prepares initial budget worksheet: <ul style="list-style-type: none"> Estimates revenue based on current year actuals and prior year trends Estimates salary and benefits based on current staffing levels 	August 31, 2018	
Department heads submit data for 2019/2018 actual performance measures	September 7, 2018	
Department heads meet with Township Manager and Treasurer to review goals for 2019	September 21, 2018	
Treasurer incorporates requests from department heads into budget and updates minor expense line items	September 28, 2018	
Capital budget items are reviewed	October 3, 2018	
Treasurer prepares and delivers the initial 2019 Budget package to the Board of Supervisors for their review	October 5, 2018	
Initial presentation of the 2018 Budget to the Board of Supervisors for the following departments: <i>Police</i> <i>Codes</i> <i>Solid Waste Fund</i> <i>Liquid Fuels Fund</i> <i>Water Resource Protection Fund</i> <i>Act 209 Fund</i>	October 9, 2018 (Regular Workshop)	

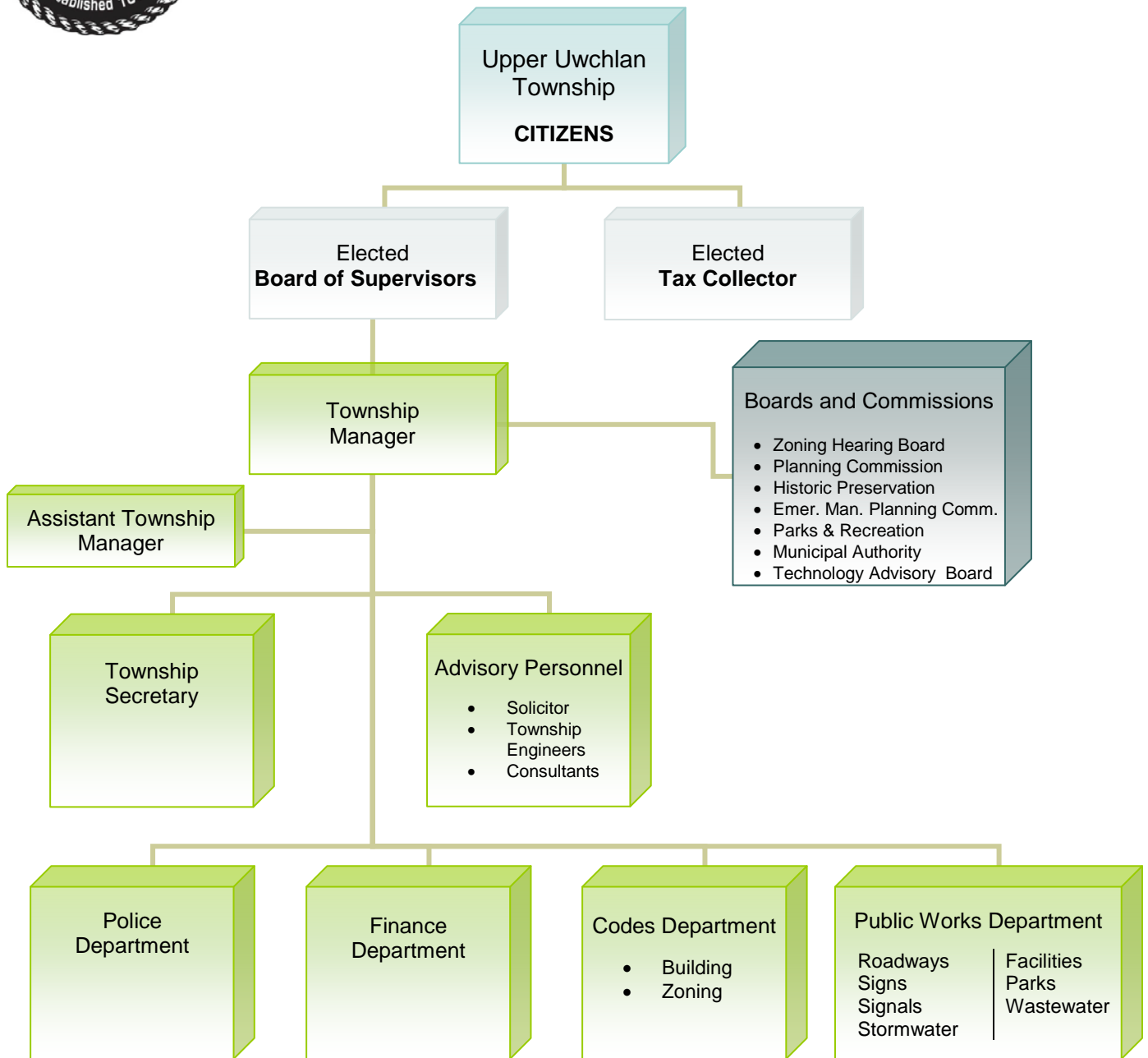
Activity	Recommended Date	Date Required by Statute
The following departments present their budgets to the Board of Supervisors: <i>General Government</i> <i>Executive</i> <i>Audit & Tax</i> <i>Legal and Computer Engineering</i> <i>Township Properties</i> <i>Planning and Zoning</i> <i>Commissions</i> <i>Other Services</i> <i>Long Term Debt</i> <i>Capital Fund</i> <i>Sewer Fund</i>	November 13, 2018	
Township Manager requests Supervisors to authorize advertising the budget	November 13, 2018 (Tuesday workshop)	
Budget is advertised in the Daily Local News as required by Pa. Statute (20 business days prior)	November 16, 2018	November 19, 2018
Supervisors discuss budget, request any final changes	December 11, 2018	
Township Manager presents the final budget to the Supervisors and recommends voting to accept it	December 17, 2018	December 31, 2018

Process for Budget Amendments

The Second Class Township Code of Pennsylvania permits an Adopted Budget to be re-opened and revised during the month of January following the election of any new member of the Board of Supervisors. The amended Budget must be advertised to provide the public with ten (10) days to inspect and review the new Budget prior to its legal adoption. Any amended budget must be adopted by the Board of Supervisors on or before the fifteenth (15th) day of February.



UPPER UWCHLAN TOWNSHIP ORGANIZATIONAL CHART



EMS and Fire services are provided by the following agencies: Uwchlan Ambulance (Station 87), Lionville Fire Department (Station 47), Ludwig's Corner Fire Department (Station 73), East Brandywine Fire Department (Station 49), and the Glenmoore Fire Department (Station 48)

SUMMARY OF STAFF POSITIONS

	2019	2018	2017
Full Time:			
Executive	6	6	6
Codes Department	3	3	3
Police Department	12	12	11
Public Works Department	6	6	6
Public Works – Facilities	3	3	3
Total	30	30	29
Part Time/Seasonal:			
Executive	0	0	0
Codes Department	0	0	0
Police Department	1	1	2
Public Works Department	1	1	1
Public Works – Facilities *	0	0	0
Total	2	2	3

Statistics are as of the end of each year presented. The Public Works Department hires three to four seasonal workers during the summer months – usually May through September - to maintain the grass in the Township parks and near roadways. They are not included in the numbers presented above because they are not employed on December 31.

More detailed information on staffing is provided in each of the above departmental summaries.

**UPPER UWCHLAN TOWNSHIP
2019 BUDGET SUMMARY**

	Actual 2016	Actual 2017	Budget 2017	Actual YTD 9/30/18	Budget 2018	Budget 2019	\$ Inc/(Dec) 18 Budget	% Inc/(Dec)	Budget 2020	Budget 2021	Budget 2022	Budget 2023
INCOME												
Total 301 PROPERTY TAXES	946,131	1,001,411	975,000	944,203	988,600	989,100	500	0%	989,100	1,001,100	1,014,600	1,024,600
Total 301.7 HYDRANT TAX	68,130	69,734	65,000	56,571	65,000	65,000	-	0%	67,000	68,000	69,000	70,000
Total 310 EARNED INC & TRANSFER TAX	3,867,323	4,092,162	4,002,091	3,225,242	4,208,846	4,200,096	(8,750)	0%	4,273,798	4,418,974	4,521,903	4,538,866
Total 320 PERMITS	264,751	457,861	164,100	353,911	504,600	299,100	(205,500)	-41%	395,100	431,100	347,100	287,100
Total 321 CABLE FRANCHISE FEES	254,069	250,189	250,000	178,390	250,000	250,000	-	0%	255,000	257,000	259,000	261,000
Total 331 FINES/394 POLICE ACTIVITY	54,668	56,498	63,500	40,811	53,500	55,500	2,000	4%	55,500	55,500	55,500	55,500
Total 341 INTEREST EARNNGS	14,222	22,957	15,000	32,940	18,000	30,000	12,000	67%	30,000	30,000	30,000	30,000
Total 342 RENTS & ROYALTIES	24,000	24,000	24,000	18,000	24,000	24,000	-	0%	24,000	24,000	24,000	24,000
Total 354 GRANTS	75,183	-	1,808	-	148,448	16,808	(131,640)	-89%	1,808	1,808	1,808	1,808
Total 355/356 INTERGOVERNMENTAL REVENUES	266,244	274,919	258,400	279,862	257,400	257,600	200	0%	257,600	257,600	257,600	257,600
Total 361 CHARGES FOR SERVICE/FEES	189,987	139,609	117,850	51,251	187,850	138,350	(49,500)	-26%	138,350	138,350	138,350	138,350
Total 367 CULTURE & RECREATION	126,750	135,180	86,200	94,653	90,200	90,700	500	1%	90,700	90,700	#DIV/0!	90,700
Total 380 MISC INCOME	21,723	24,013	8,000	45,811	8,000	8,000	-	0%	8,000	8,000	8,000	8,000
Total 392 INTERFUND TRANSFER	180,357	212,464	216,667	172,949	234,219	265,446	31,227	13%	265,446	265,446	265,446	265,446
Total Income	6,353,538	6,760,997	6,247,616	5,494,594	7,038,663	6,689,700	(348,963)	-5%	6,851,401	7,047,577	#DIV/0!	7,052,970
EXPENSES												
Total 400 GENERAL GOVERNMENT	51,801	65,160	64,069	80,054	63,975	73,341	9,366	15%	73,341	73,341	73,341	73,341
Total 401 EXECUTIVE	575,111	697,398	740,449	506,616	730,485	722,631	(7,854)	-1%	738,382	758,102	781,674	804,806
Total 402 AUDIT	24,200	26,350	24,950	25,800	27,100	27,300	200	1%	28,500	29,700	30,900	31,800
Total 403 TAX COLLECTION	29,007	26,995	26,554	20,000	26,554	14,034	(12,519)	-47%	14,034	14,274	14,452	14,585
Total 404 LEGAL	51,574	35,926	45,000	23,269	45,000	45,000	-	0%	39,500	39,500	39,500	39,500
Total 407 COMPUTER	85,388	144,995	70,000	82,540	92,970	92,070	(900)	-1%	88,570	88,570	88,570	88,570
Total 408 ENGINEERING	283,946	152,327	153,500	117,538	159,500	169,500	10,000	6%	194,500	194,500	194,500	194,500
Total 409 TOWNSHIP PROPERTIES	103,115	141,730	130,430	90,561	135,084	218,623	83,539	62%	159,856	141,523	141,523	141,523
Total 410 POLICE EXPENSES	1,977,099	1,964,317	1,995,268	1,548,202	2,118,661	2,227,140	108,479	5%	2,272,799	2,327,087	2,382,672	2,439,796
Total 411-412 FIRE & AMBULANCE	380,520	390,255	402,437	348,604	402,437	395,137	(7,300)	-2%	396,138	397,446	398,813	400,245
Total 413 CODES ADMINISTRATION	369,412	385,711	427,455	293,552	435,074	417,847	(17,227)	-4%	428,142	438,872	431,896	443,223
Total 414 PLANNING & ZONING	32,384	2,628	29,300	1,564	22,300	49,300	27,000	121%	27,300	27,300	27,300	27,300
Total 415/422/456 EMERGENCY OPERATIONS/OTHER	22,655	26,102	32,250	20,201	35,081	40,164	5,083	14%	39,795	39,930	40,069	40,212
Total 433 SIGNS	4,853	6,815	6,000	2,353	6,000	6,000	-	0%	6,000	6,000	6,000	6,000
Total 434 SIGNALS	8,759	19,405	12,700	28,569	183,300	26,632	(156,668)	-85%	12,700	12,700	12,700	12,700
Total 438 PUBLIC WORKS	1,012,258	999,906	1,060,502	851,446	1,103,206	1,230,886	127,680	12%	1,257,768	1,286,897	1,315,594	1,345,833
Total 454 PARK & RECREATION	239,368	352,239	330,434	249,276	366,815	445,045	78,230	21%	441,045	441,045	441,045	441,045
Total 459 HISTORICAL COMMISSIONS	-	148	2,500	1,260	2,500	2,500	-	0%	2,500	2,500	2,500	2,500
Total Expenses before Operating Transfers	5,290,050	5,438,407	5,553,798	4,291,405	5,956,041	6,203,150	247,109	4%	6,220,871	6,319,286	6,423,049	6,547,479
Net Income before Operating Transfers	1,063,488	1,322,590	693,819	1,203,189	1,082,622	486,550	(596,073)	-55%	630,530	728,291	#DIV/0!	505,491
Total Operating Transfers	(400,000)	(950,000)	(1,200,000)	(700,000)	(850,000)	(480,000)	370,000	-44%	(425,000)	(290,000)	(285,000)	(290,000)
Total Expenditures	5,690,050	6,388,407	6,753,798	4,991,405	6,806,041	6,683,150	(122,891)	-2%	6,645,871	6,609,286	6,708,049	6,837,479
Net Income - General Fund	663,488	372,590	(506,181)	503,189	232,622	6,550	(226,073)	-97%	205,530	438,291	#DIV/0!	215,491
<u>Solid Waste Fund</u>												
Revenues	1,132,572	1,055,567	1,187,000	1,012,133	1,077,130	1,061,124	(16,006)	-1%	1,127,886	1,159,980	1,177,899	1,189,911
Expenses	(807,294)	(835,438)	(834,679)	(985,892)	(871,590)	(956,278)	(84,688)	10%	(1,001,206)	(1,038,720)	(1,076,794)	(1,116,099)
Operating transfers	(100,000)	(350,000)	(350,000)	(375,000)	(375,000)	-	375,000	-100%	(100,000)	(50,000)	(50,000)	(80,000)
Net Income - Solid Waste Fund	225,278	(129,871)	2,321	(348,759)	(169,460)	104,846	274,306	-162%	26,680	71,260	51,105	(6,187)
COMBINED NET INCOME	888,766	242,719	(503,860)	154,430	63,162	111,395	48,233	76%	232,210	509,551	#DIV/0!	209,304

SUMMARY OF FINANCIAL POLICIES

The Township has an existing Accounting Policies and Procedures Manual that is in the process of being updated. As a result, the following financial policies have been reviewed and adopted by the Board of Supervisors of Upper Uwchlan Township as part of the revised manual.

Fund Balance Policy *(adopted June 16, 2014)*

The Fund Balance policy establishes the minimum unassigned fund balance to be maintained in the General Fund as 35% of all general operating expenses (before any transfers to any other funds) in the preceding fiscal year measured on a GAAP basis.

The purpose of this policy is to insure that the Township maintains adequate levels of unreserved fund balance to provide the capacity for sufficient cash flows for daily financial needs; offset significant economic downturns or revenue shortfalls; secure and protect the bond rating of the Township; and to provide funds for unforeseen expenditures related to emergencies.

Investment Policy *(adopted November 16, 2015)*

The Investment Policy documents the objectives of the Township's investment policy and establishes the guidelines to be used in investing Township funds.

Any investments must be made in accordance with the Commonwealth of Pennsylvania's Second Class Township Code, section 3204. Investments permitted under the Second Class Township Code are very low risk – United States Treasury Bills, other short term obligations of the United States, savings deposits insured by the Federal Deposit Insurance Guaranty Corporation (FDIC), political subdivisions of the Commonwealth of Pennsylvania and Certificates of Deposit from institutions having their principal place of business in the Commonwealth which are insured and collateralized.

This policy is not applicable to the Township's defined benefit pension plans; they have existing investment policies.

Cash Collections Policy and Utility Billing Collections Policy *(adopted May 16, 2016)*

These two policies document the Township's policies regarding the receipt and processing of revenues or other payments received by the Township through various sources – at the Township office, through the mail and electronically.

The policy outlines the importance of segregation of duties surrounding cash receipts and proper safekeeping of liquid Township assets.

The Utility Billing Cash Receipts and Collections Policy documents the process used in billing township residents for solid waste and recycling and sewer services. It also documents the policy for assessing penalties for late payment and interest charges. The process for dealing with delinquent accounts – including filing a lien on the subject property, and proceeding to Sheriff's Sale – is also documented.

Contribution Policy *(in draft form pending approval)*

The Contribution Policy provides general guidelines for the Board of Supervisor's approval to use public funds to assist outside agencies in carrying out their mission. Currently, the Township provides assistance to the Brandywine Valley SPCA, the Henrietta Hankins Library and DARC for the services they provide to Township residents.

**Upper Uwchlan Township
Annual Budget
For the Calendar Year 2019**

SUMMARY OF TOWNSHIP REVENUES

Real Estate Property Taxes

The real estate taxes that a property owner will pay consists of the school tax, county tax and township tax. The Township assesses a modest property tax which totals 1.034 mills. The total millage is multiplied by each property's assessment to determine the amount of tax that is levied. Upper Uwchlan Township has an elected tax collector who mails the tax bills, collects the taxes and reports delinquencies to the County. County and Township taxes are assessed on a calendar year basis and are due by December 31 of each year. School taxes are based on the fiscal year of the school district and are assessed using a fiscal year of July 1 to June 30 annually. A property owner in Upper Uwchlan Township will pay the following in real estate tax millage:*

School taxes – Downingtown Area School District (DASD)	27.182
County taxes – Chester County*	4.369
Township taxes – Upper Uwchlan Township	<u>1.034</u>
Total	32.585

The only real estate taxes that are paid to the Township are the Township taxes at a millage rate of 1.034. **There will be no change in the Township tax rate for 2019.** The 2019 budget includes anticipated revenue in the amount of **\$989,100** for both current and delinquent taxes.

*Rates are for 2018. The *preliminary* budget for Chester County does not include a tax increase for 2019. The County Commissioners will vote to approve the budget on Tuesday, December 11, 2018.

Hydrant taxes are assessed to properties that are within 750 feet of a fire hydrant. The rate is .087 mills and **\$65,000** has been budgeted as revenue for 2019. Actual revenues through September 30, 2018 were nearly \$57,000.

Real Estate Transfer Tax

A real estate transfer tax is collected on the transfer of real estate at the time of sale. The tax that is collected is 1% - which is shared equally by the Township and the School District, so that Upper Uwchlan receives revenue in the amount of one-half of one percent (0.50%) on the sale of real estate within the Township. Revenue will fluctuate with the number and sales prices of properties in the Township. For 2019, budgeted revenue of **\$515,000** was based on revenue received in prior years and includes expected new construction in 2019.

Earned Income Taxes

The earned income tax rate is 1% for Upper Uwchlan Township residents and those who work in the Township. This tax is also shared equally between the Township and the Downingtown Area School District, so that the Township receives one-half of one percent (0.50%). The tax is paid on all earned income such as wages, salaries and commissions. The amount budgeted for 2019 is **\$3,685,095** (net of commissions to Keystone) – no change from 2018.

Retired citizens and people who are unemployed due to illness or other factors will typically have no tax liability to the Township. People who live in Townships that have adopted an earned income tax and who work in Upper Uwchlan will have the taxes withheld by their employer transferred to their township of residence.

Keystone Collections Group (“Keystone”) was engaged by Chester County to collect all earned income taxes within the County (pursuant to Pennsylvania Act 32). Keystone is compensated at the rate of 1.36% of collections. The budget for commissions to Keystone is **\$50,808** for 2019.

Cable Television Franchise Fees

The Township receives cable television franchise fees from the local cable companies – Comcast and Verizon. The amount received by the Township is dependent on the amount of sales generated annually by the cable television companies. Payment is received from the cable companies on a quarterly basis. We budgeted **\$250,000** for 2019 revenue based on prior years’ experience.

Permits

The Township charges a fee for building permits, use and occupancy permits, contractors’ permits and certifications for refinancing. The total amount budgeted for 2019 is **\$282,000**.

Police Fines

The District Justice collects fines for citations issued by the State Police. The Township also receives disbursements from the State of Pennsylvania for the issuance of traffic citations within the Township limits. The Township anticipates receiving revenue in 2019 in the amount of **\$50,000** from these fines.

Interest

The Township invests its funds in interest bearing accounts and instruments. Earnings rates will fluctuate depending upon the interest rates received. The General Fund checking account currently earns interest at a rate of ninety percent of one percent (0.90%) and the certificate of deposit is earning 1% through July, 2019. Interest income is estimated to be **\$30,000** in 2019.

Rents and Royalties

Beginning in June, 2015, the Township entered into a lease agreement with Chester County to allow the County to locate a cell tower on Township owned property. The terms of the lease calls for the County to pay \$2,000 in rent each month to the Township.

Grants

The Township does not have any grants pending for the General Fund in 2019. It has applied for grants for work to be done in the Water Resource Protection Fund.

Intergovernmental Revenues

The Commonwealth of Pennsylvania makes payments to the Township for various purposes. We receive annual Public Utility Realty Tax ("PURTA") payments of approximately **\$5,000**. These payments are meant to compensate the Township for foregone tax revenues due to the tax-exempt status of public utility land within the Township. The utilities are exempt from paying real property taxes.

The Township also receives payments from the Commonwealth of Pennsylvania that are restricted in their use. The Foreign Fire Insurance Premium Tax (budgeted at **\$112,000**) is a pass-through to the Firemen's Relief Association and must be paid to the local fire departments by the Township within 60 days of receipt. The State also provides State Pension Aid (budgeted at **\$140,000**) which must be deposited into the defined benefit police and non-uniform pension plans. Both of these revenues have offsetting expenses in the same amount; there is no effect on the budget of these pass-through items.

Charges for Services

Various departments provide services that can be charged to the user. The largest component consists of fees received from engineering and legal services which are budgeted at **\$138,350**. We also charge the resident an administrative fee for processing bills and payments in an amount that does not exceed \$100 per billing. Zoning and land development fees are budgeted at **\$6,000** in 2019.

Culture and Recreation

The Township charges various sports groups for the use of the playing fields at our parks for sporting events and practices. These fees are used for the ongoing maintenance and improvement of the facilities. Turf field fees are segregated in a separate bank account and will be used for replacement of the turf field at the end of its useful life. We budgeted **\$45,000** for the use of the turf field at Fellowship Fields and also **\$30,000** for use of our other fields at Hickory Park. The Upland Farms Barn was opened for public use (seasonal – it is not heated yet) in October, 2017. The 2019 Budget includes **\$5,000** as an estimate for rental fees. We expect to receive **\$10,000** in donations towards the annual community Block Party that is held in June. Total revenues budgeted for 2019 are **\$90,700**.

Inter-Fund Transfers

The Township provides various services to the Upper Uwchlan Township Municipal Authority and is reimbursed for those services by the Authority. Those services include the services of Township administrative and financial personnel, and the use of the Public Works department to maintain the grounds and lawns of property surrounding the waste water treatment facilities. The Township processes the quarterly billing of all sewer accounts which has substantially increased the time spent by Township personnel on Authority business. The estimated reimbursement for 2019 is estimated to be **\$265,446.**

**Upper Uwchlan Township
2019 Budget**

				Actual -									
		Actual	Actual	Budget	9/30/18	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
		2016	2017	2017	2018	2018	2019	'18 Budget	Inc/(Dec)	2020	2021	2022	2023
REVENUES													
300 - REVENUE													
301 PROPERTY TAXES													
01-301-000-010	Current Real Estate Taxes	951,637	1,008,942	970,000	955,905	983,600	984,100	500	0%	984,100	996,100	1,009,600	1,019,600
01-301-000-013	Real Estate Tax Refunds	(28,301)	(28,552)	(25,000)	(25,592)	(25,000)	(25,000)	-	0%	(25,000)	(25,000)	(25,000)	(25,000)
01-301-000-030	Delinquent Real Estate Taxes	22,795	21,021	30,000	13,890	30,000	30,000	-	0%	30,000	30,000	30,000	30,000
Total 301 PROPERTY TAXES		946,131	1,001,411	975,000	944,203	988,600	989,100	500	0%	989,100	1,001,100	1,014,600	1,024,600
301.7 HYDRANT TAX													
01-301-000-071	Hydrant Tax	68,130	69,734	65,000	56,571	65,000	65,000	-	0%	67,000	68,000	69,000	70,000
Total 301.7 HYDRANT TAX		68,130	69,734	65,000	56,571	65,000	65,000	-	0%	67,000	68,000	69,000	70,000
310 EARNED INCOME & TRANSFER TAX													
01-310-000-010	Real Estate Transfer Tax	513,032	467,101	375,000	423,495	523,750	515,000	(8,750)	-2%	515,000	585,000	611,250	550,000
01-310-000-020	Earned Income Tax, current	3,399,680	3,674,498	3,677,100	2,838,429	3,735,904	3,735,904	-	0%	3,810,622	3,886,835	3,964,571	4,043,863
01-310-000-021	EIT Commissions Paid	(45,389)	(49,437)	(50,009)	(36,682)	(50,808)	(50,808)	-	0%	(51,824)	(52,861)	(53,918)	(54,996)
Total 310 EARNED INC & TRANSFER TAX		3,867,323	4,092,162	4,002,091	3,225,242	4,208,846	4,200,096	(8,750)	0%	4,273,798	4,418,974	4,521,903	4,538,866
320 PERMITS													
01-320-000-010	Building Permits	243,781	433,561	150,000	335,616	490,000	282,000	(208,000)	-42%	378,000	414,000	330,000	270,000
01-320-000-020	Use & Occupancy Permits	13,310	18,295	8,000	13,990	8,000	12,000	4,000	50%	12,000	12,000	12,000	12,000
01-320-000-030	Sign Permits	-	-	100	-	100	100	-	0%	100	100	100	100
01-320-000-040	Contractors Permits	3,010	2,450	2,000	1,875	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-320-000-050	Refinance Certification Fees	4,650	3,555	4,000	2,430	4,500	3,000	(1,500)	-33%	3,000	3,000	3,000	3,000
Total 320 PERMITS		264,751	457,861	164,100	353,911	504,600	299,100	(205,500)	-41%	395,100	431,100	347,100	287,100
321 CABLE FRANCHISE FEES													
01-321-000-080	Cable TV Franchise Fees	254,069	250,189	250,000	178,390	250,000	250,000	-	0%	255,000	257,000	259,000	261,000
Total 321 CABLE FRANCHISE FEES		254,069	250,189	250,000	178,390	250,000	250,000	-	0%	255,000	257,000	259,000	261,000
331 POLICE FINES													
01-331-000-010	Vehicles Code Violations	49,160	51,133	60,000	29,226	50,000	50,000	-	0%	50,000	50,000	50,000	50,000
01-331-000-011	Reports/Fingerprints	1,712	1,725	2,000	1,612	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-331-000-012	Solicitation Permits	25	200	500	520	500	500	-	0%	500	500	500	500
01-331-000-050	Reimbursed Police Wages	3,771	3,440	1,000	9,453	1,000	3,000	2,000	200%	3,000	3,000	3,000	3,000
Total 331 POLICE FINES		54,668	56,498	63,500	40,811	53,500	55,500	2,000	4%	55,500	55,500	55,500	55,500
341 Interest Earnings													
01-341-000-001	Interest Income	14,222	22,957	15,000	32,940	18,000	30,000	12,000	67%	30,000	30,000	30,000	30,000
Total 341 Interest Earnings		14,222	22,957	15,000	32,940	18,000	30,000	12,000	67%	30,000	30,000	30,000	30,000
342 RENTS & ROYALTIES													
01-342-000-001	Rental Property Income	24,000	24,000	24,000	18,000	24,000	24,000	-	0%	24,000	24,000	24,000	24,000
Total 342 RENTS & ROYALTIES		24,000	24,000	24,000	18,000	24,000	24,000	-	0%	24,000	24,000	24,000	24,000
354 GRANTS													
01-351-000-003	Federal Grants	73,375	-	-	-	-	-	-	0%	0%	0%	0%	0%
01-354-000-010	County Grants	-	-	-	-	-	15,000	15,000	#DIV/0!	-	-	-	-
01-354-000-020	State Grants	1,808	-	1,808	-	148,448	1,808	(146,640)	-99%	1,808	1,808	1,808	1,808
01-354-000-030	Police Grants	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
Total 354 GRANTS		75,183	-	1,808	-	148,448	16,808	(131,640)	-89%	1,808	1,808	1,808	1,808

**Upper Uwchlan Township
2019 Budget**

	Actual	Actual	Budget	Actual -	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
	2016	2017	2017	9/30/18	2018	2019	'18 Budget	Inc/(Dec)	2020	2021	2022	2023
355/356 INTERGOVERNMENTAL REVENUES												
01-355-000-001 PURTA	5,173	4,963	6,000	5,207	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
01-355-000-004 Alcohol Beverage Tax	-	600	400	600	400	600	200	50%	600	600	600	600
01-355-000-005 State Aid, Police Pension	96,242	100,942	85,000	103,057	85,000	85,000	-	0%	85,000	85,000	85,000	85,000
01-355-000-006 State Aid, Non-Uniform Pension	61,245	73,412	55,000	84,319	55,000	55,000	-	0%	55,000	55,000	55,000	55,000
01-355-000-007 Foreign Fire Insurance Tax	103,584	95,002	112,000	86,679	112,000	112,000	-	0%	112,000	112,000	112,000	112,000
Total 355/356 MISCELLANEOUS TAXES	266,244	274,919	258,400	279,862	257,400	257,600	200	0%	257,600	257,600	257,600	257,600
361 CHARGES FOR SERVICE/FEES												
01-360-000-010 Vehicle Storage Fees	-	-	1,000	-	1,000	1,000	-	0%	1,000	1,000	1,000	1,000
01-361-000-030 Zoning/Sub Div/Land Develop	9,505	7,829	4,000	8,750	4,000	6,000	2,000	50%	6,000	6,000	6,000	6,000
01-361-000-032 Fees from Engineering	146,990	94,559	100,000	20,460	150,000	100,000	(50,000)	-33%	100,000	100,000	100,000	100,000
01-361-000-033 Admin Fees from Engineering	3,601	2,304	8,000	603	8,000	4,000	(4,000)	-50%	4,000	4,000	4,000	4,000
01-361-000-035 Admin Fees from Legal	625	535	1,500	235	1,500	1,000	(500)	-33%	1,000	1,000	1,000	1,000
01-361-000-036 Legal Services Fees	7,957	10,694	3,000	7,368	3,000	6,000	3,000	100%	6,000	6,000	6,000	6,000
01-361-000-038 Sale of Maps & Books	388	170	250	124	250	250	-	0%	250	250	250	250
01-361-000-039 Fire Inspection Fees	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-361-000-040 Fees from Engineering - CU	20,876	23,464	-	6,309	20,000	20,000	-	0%	20,000	20,000	20,000	20,000
01-361-000-042 Copies	45	54	100	236	100	100	-	0%	100	100	100	100
01-361-000-043 Fees - Traffic Signals	-	-	-	6,877	-	-	-	#DIV/0!	-	-	-	-
01-361-000-044 Fees from Advertising Reimbursements	-	-	-	289	-	500	500	#DIV/0!	500	500	500	500
Total 361 CHARGES FOR SERVICE/FEES	189,987	139,609	117,850	51,251	187,850	138,350	(49,500)	#DIV/0!	138,350	138,350	138,350	138,350
367 CULTURE & RECREATION												
01-367-000-010 Recreation Donations	-	-	1,000	-	-	-	-	#DIV/0!	-	-	-	-
01-367-000-014 Pavilion Rental	-	-	-	235	-	500	500	#DIV/0!	500	500	#DIV/0!	500
01-367-000-021 Field Programs	57,230	62,058	30,000	49,590	30,000	30,000	-	0%	30,000	30,000	30,000	30,000
01-367-000-025 Turf Field Fees	58,940	59,097	45,000	31,868	45,000	45,000	-	0%	45,000	45,000	45,000	45,000
01-367-000-030 Community Events Donations	10,580	13,725	10,000	12,285	10,000	10,000	-	0%	10,000	10,000	10,000	10,000
01-367-000-040 History Book Revenue	-	-	200	-	200	200	-	0%	200	200	200	200
01-367-000-045 Upland Farms Barn Rental Fees	-	300	-	675	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
01-367-000-089 Donations - Park Equipment	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
Total 367 CULTURE & RECREATION	126,750	135,180	86,200	94,653	90,200	90,700	500	1%	90,700	90,700	#DIV/0!	90,700
380 MISC INCOME												
01-380-000-001 Misc. Revenue	13,080	23,005	5,000	6,768	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
01-380-000-010 Insurance Reimbursement	8,643	1,008	3,000	39,043	3,000	3,000	-	0%	3,000	3,000	3,000	3,000
Total 380 MISC REVENUE	21,723	24,013	8,000	45,811	8,000	8,000	-	0%	8,000	8,000	8,000	8,000
392 INTERFUND TRANSFER												
01-392-000-008 Municipal Authority Reimbursement	180,357	212,464	216,667	172,454	234,219	265,446	31,227	13%	265,446	265,446	265,446	265,446
01-392-000-020 Transfer from Capital Fund	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-392-000-030 Transfer from Solid Waste Fund	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-395-000-000 Refund of Prior Year Expenses	-	-	-	495	-	-	-	#DIV/0!	-	-	-	-
Total 392 INTERFUND TRANSFER	180,357	212,464	216,667	172,949	234,219	265,446	31,227	13%	265,446	265,446	265,446	265,446
Total 300 - REVENUE	6,353,538	6,760,997	6,247,616	5,494,594	7,038,663	6,689,700	(348,963)	-5%	6,851,401	7,047,577	#DIV/0!	7,052,970
Total Revenue	6,353,538	6,760,997	6,247,616	5,494,594	7,038,662	6,689,700	(348,963)	-5%	6,851,401	7,047,577	#DIV/0!	7,052,970

**Upper Uwchlan Township
2019 Budget**

		Actual	Actual	Budget	Actual - 9/30/18	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
		2016	2017	2017	2018	2018	2019	'18 Budget	Inc/(Dec)	2020	2021	2022	2023
400 EXPENDITURES													
400 - General Government													
01-400-000-113	Supervisor's Wages	2,500	1,875	2,500	3,125	5,000	2,500	(2,500)	-50%	2,500	2,500	2,500	2,500
01-400-000-150	Payroll Tax Expense	191	143	191	239	383	191	(191)	-50%	191	191	191	191
01-400-000-320	Telephone	1,552	2,304	2,000	1,172	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-400-000-340	Public Relations	4,027	312	6,500	342	6,500	6,500	-	0%	6,500	6,500	6,500	6,500
01-400-000-341	Advertising	4,334	2,610	7,500	2,414	7,500	7,500	-	0%	7,500	7,500	7,500	7,500
01-400-000-342	Printing	4,574	6,196	1,000	3,453	1,000	5,000	4,000	400%	5,000	5,000	5,000	5,000
01-400-000-344	Community Notice	-	-	2,000	-	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-400-000-350	Insurance - Bonding	2,881	2,881	4,500	2,636	4,255	4,200	(55)	-1%	4,200	4,200	4,200	4,200
01-400-000-352	Insurance - Liability	21,401	26,475	24,378	12,870	15,569	18,650	3,081	20%	18,650	18,650	18,650	18,650
01-400-000-420	Dues/Subscriptions/Memberships	1,608	2,769	5,000	3,949	2,769	4,000	1,231	44%	4,000	4,000	4,000	4,000
01-400-000-460	Meetings & Conferences	2,105	3,964	6,000	4,755	6,000	6,000	-	0%	6,000	6,000	6,000	6,000
01-400-000-461	Bank Fees	93	9,904	500	7,932	9,000	9,000	-	0%	9,000	9,000	9,000	9,000
01-400-000-463	Misc. Expenses	6,535	5,727	2,000	4,704	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-400-000-464	Wallace Twp. Tax Agreement	-	-	-	32,463	-	3,800	3,800	#DIV/0!	3,800	3,800	3,800	3,800
Total 400 - General Government		51,801	65,160	64,069	80,054	63,975	73,341	9,366	15%	73,341	73,341	73,341	73,341
401 EXECUTIVE													
01-401-000-100	Administration Wages	363,948	459,789	463,336	331,449	461,785	475,639	13,854	3%	489,908	504,605	519,743	535,335
01-401-000-150	Payroll Tax Expense	28,268	35,587	35,445	24,479	35,327	36,386	1,060	3%	37,478	38,602	41,555	44,734
01-401-000-151	PSATS Unemployment	1,140	1,170	1,170	551	567	504	(63)	-11%	528	528	532	536
01-401-000-156	Employee Benefit Expense	91,046	99,118	152,289	68,200	127,351	99,031	(28,321)	-22%	101,011	103,032	105,092	107,194
01-401-000-157	ACA Fees	154	172	340	-	243	225	(18)	-7%	276	298	319	340
01-401-000-160	Non-Uniform Pension	28,583	32,608	35,774	41,106	41,078	40,677	(401)	-1%	41,898	43,155	44,449	45,783
01-401-000-174	Tuition Reimbursement	-	-	4,000	-	4,000	6,300	2,300	58%	6,300	6,300	6,300	6,300
01-401-000-181	Longevity Pay	5,100	4,950	5,100	2,100	5,700	6,150	450	8%	6,750	7,350	9,450	10,350
01-401-000-183	Overtime Wages	7,075	5,095	5,000	4,688	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
01-401-000-200	Supplies	18,594	19,982	10,000	8,479	15,000	15,000	-	0%	15,000	15,000	15,000	15,000
01-401-000-205	Meals and Meal Allowances	145	-	-	-	200	200	-	0%	-	-	-	-
01-401-000-215	Postage	2,531	6,296	3,500	4,033	4,500	4,500	-	0%	3,500	3,500	3,500	3,500
01-401-000-230	Gasoline & Oil	1,234	1,559	2,200	1,329	2,200	2,200	-	0%	2,200	2,200	2,200	2,200
01-401-000-235	Vehicle Maintenance	754	755	500	403	500	1,000	500	100%	500	500	500	500
01-401-000-252	Repair & Maintenance	-	-	2,000	-	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-401-000-316	Training & Seminars	7,601	7,788	7,000	3,811	10,000	10,000	-	0%	10,000	10,000	10,000	10,000
01-401-000-317	Parking & Travel	1,652	1,692	1,200	733	1,200	1,200	-	0%	200	200	200	200
01-401-000-322	Ipad Expense	608	616	600	369	600	600	-	0%	600	600	600	600
01-401-000-352	Insurance - Liability	317	-	-	-	-	424	424	#DIV/0!	424	424	424	424
01-401-000-353	Insurance - Vehicle	214	150	154	136	186	349	163	88%	300	300	300	300
01-401-000-354	Insurance - Workers Comp.	1,608	1,755	1,655	1,304	1,736	1,736	-	0%	1,000	1,000	1,000	1,000
01-401-000-420	Dues/Subscriptions/Memberships	6,772	4,173	2,500	6,051	3,901	6,100	2,199	56%	6,100	6,100	6,100	6,100
01-401-000-450	Contracted Services	7,767	14,143	6,685	7,395	7,410	7,410	-	0%	7,410	7,410	7,410	7,410
Total 401 EXECUTIVE		575,111	697,398	740,449	506,616	730,485	722,631	(7,854)	-1%	738,382	758,102	781,674	804,806
402 AUDIT													
01-402-000-450	Contracted Services	24,200	26,350	24,950	25,800	27,100	27,300	200	1%	28,500	29,700	30,900	31,800
Total 402 AUDIT		24,200	26,350	24,950	25,800	27,100	27,300	200	1%	28,500	29,700	30,900	31,800

**Upper Uwchlan Township
2019 Budget**

		Actual	Actual	Budget	Actual - 9/30/18	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
		2016	2017	2017	2018	2018	2019	'18 Budget	Inc/(Dec)	2020	2021	2022	2023
403 TAX COLLECTION													
01-403-000-100	Tax Collector Wages	21,081	19,154	19,000	13,885	19,000	7,371	(11,629)	-61%	7,371	7,593	7,758	7,882
01-403-000-150	Payroll Tax Expense	1,613	1,460	1,454	1,006	1,454	564	(890)	-61%	564	581	594	603
01-403-000-200	Supplies	793	171	500	123	500	500	-	0%	500	500	500	500
01-403-000-215	Postage	1,640	1,694	2,000	1,591	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-403-000-350	Insurance - Bonding	525	525	600	525	600	600	-	0%	600	600	600	600
01-403-000-450	Contracted Services	3,355	3,991	3,000	2,870	3,000	3,000	-	0%	3,000	3,000	3,000	3,000
Total 403 TAX COLLECTION		29,007	26,995	26,554	20,000	26,554	14,034	(12,519)	-47%	14,034	14,274	14,452	14,585
404 LEGAL													
01-404-000-305	Legal Fees CU - Reimbursable	204	-	-	-	500	500	-	0%	-	-	-	-
01-404-000-310	Legal Fees - Reimbursable	15,781	19,631	10,000	7,205	9,500	9,500	-	0%	9,500	9,500	9,500	9,500
01-404-000-311	Legal Fees - Non-Reimbursable	26,878	16,295	30,000	16,064	30,000	30,000	-	0%	30,000	30,000	30,000	30,000
01-404-000-450	Contracted Services	8,711	-	5,000	-	5,000	5,000	-	0%	-	-	-	-
Total 404 LEGAL		51,574	35,926	45,000	23,269	45,000	45,000	-	0%	39,500	39,500	39,500	39,500
407 COMPUTER													
01-407-000-200	Supplies	32	248	2,000	21	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-407-000-220	Software	7,983	3,967	4,000	14,823	4,000	8,000	4,000	100%	8,000	8,000	8,000	8,000
01-407-000-222	Hardware	12,766	1,432	7,000	5,913	7,000	7,000	-	0%	3,500	3,500	3,500	3,500
01-407-000-240	Web Page	5	69,345	5,000	7,281	6,900	7,300	400	6%	7,300	7,300	7,300	7,300
01-407-000-450	Contracted Services	64,602	70,003	52,000	54,502	73,070	67,770	(5,300)	-7%	67,770	67,770	67,770	67,770
Total 407 COMPUTER		85,388	144,995	70,000	82,540	92,970	92,070	(900)	-1%	88,570	88,570	88,570	88,570
408 ENGINEERING													
01-408-000-305	Reimbursable Conditional Use	28,544	10,202	25,000	7,604	25,000	25,000	-	0%	25,000	25,000	25,000	25,000
01-408-000-310	Engineering - Reimbursable	194,658	82,159	75,000	25,750	75,000	75,000	-	0%	100,000	100,000	100,000	100,000
01-408-000-311	Traffic Engineering	16,581	31,050	25,000	21,873	25,000	25,000	-	0%	25,000	25,000	25,000	25,000
01-408-000-313	Engineering - Non-Reimbursable	18,077	10,843	20,000	46,012	20,000	30,000	10,000	50%	30,000	30,000	30,000	30,000
01-408-000-364	Water Resource Protection Fee	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-408-000-366	Ordinance Update	-	-	4,500	-	4,500	4,500	-	0%	4,500	4,500	4,500	4,500
01-408-000-367	General Planning	26,086	18,073	4,000	13,321	10,000	10,000	-	0%	10,000	10,000	10,000	10,000
01-408-000-368	MS-4 Expenses	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-408-000-369	Reimbursable Traffic Signals	-	-	-	2,690	-	-	-	#DIV/0!	-	-	-	-
01-408-000-370	Reimbursable Advertising	-	-	-	288	-	-	-	#DIV/0!	-	-	-	-
Total 408 ENGINEERING		283,946	152,327	153,500	117,538	159,500	169,500	10,000	6%	194,500	194,500	194,500	194,500
409 TOWNSHIP PROPERTIES													
PUBLIC WORKS BUILDING													
01-409-001-200	Supplies	513	765	1,000	205	1,000	1,000	-	0%	1,000	1,000	1,000	1,000
01-409-001-231	Propane & Heating	7,483	14,802	13,000	15,893	13,000	15,000	2,000	15%	15,000	15,000	15,000	15,000
01-409-001-250	Maintenance & Repairs	10,461	8,366	16,150	9,398	16,150	12,950	(3,200)	-20%	12,950	12,950	12,950	12,950
01-409-001-320	Telephone	1,600	4,564	1,700	3,569	1,700	4,000	2,300	135%	4,000	4,000	4,000	4,000
01-409-001-351	Insurance - Property	4,041	4,015	4,118	5,019	6,893	9,460	2,567	37%	9,460	9,460	9,460	9,460
01-409-001-360	Utilities	6,441	6,874	12,000	4,593	12,000	8,000	(4,000)	-33%	8,000	8,000	8,000	8,000
01-409-001-450	Contracted Services	3,546	9,861	5,820	4,845	4,370	5,000	630	14%	5,000	5,000	5,000	5,000
Total 409-001 PUBLIC WORKS BUILDING		34,085	49,247	53,788	43,522	55,113	55,410	297	1%	55,410	55,410	55,410	55,410
TOWNSHIP BUILDING													
01-409-003-101	Employee Cost Allocation	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-409-003-200	Supplies	1,984	1,649	2,000	701	2,000	2,000	-	0%	1,000	1,000	1,000	1,000
01-409-003-231	Propane & Heating Oil	-	-	5,000	201	5,000	5,000	-	0%	5,000	5,000	5,000	5,000

**Upper Uwchlan Township
2019 Budget**

				Actual -		Budget 2019	\$ Inc/(Dec) '18 Budget	% Inc/(Dec)			Budget 2020	Budget 2021	Budget 2022	Budget 2023
		Actual	Actual	Budget	Budget									
		2016	2017	2017	9/30/18 2018									
01-409-003-250	Maintenance & Repairs	5,822	22,134	8,000	3,091	8,000	8,000	-	0%	8,000	8,000	8,000	8,000	8,000
01-409-003-320	Telephone	9,934	11,066	7,000	6,739	7,000	7,000	-	0%	7,000	7,000	7,000	7,000	7,000
01-409-003-351	Insurance - Property	4,041	4,015	4,118	5,019	6,893	11,036	4,144	60%	11,036	11,036	11,036	11,036	11,036
01-409-003-360	Utilities	17,048	22,174	15,000	14,203	15,000	15,000	-	0%	15,000	15,000	15,000	15,000	15,000
01-409-003-380	Rent	-	-	-	-	-	55,000	55,000	#DIV/0!	18,333	-	-	-	-
01-409-003-450	Contracted Services	26,840	24,892	25,000	12,688	25,000	25,000	-	0%	25,000	25,000	25,000	25,000	25,000
Total 409-003 TOWNSHIP BUILDING		65,669	85,930	66,118	42,642	68,893	128,036	59,144	86%	90,370	72,036	72,036	72,036	72,036
MILFORD ROAD BUILDING														
01-409-004-200	Supplies	-	-	500	-	500	500	-	0%	500	500	500	500	500
01-409-004-231	Propane & Heating Oil	-	1,104	1,500	691	1,500	2,000	500	33%	2,000	2,000	2,000	2,000	2,000
01-409-004-250	Maintenance & Repairs	-	448	3,000	-	3,000	3,000	-	0%	3,000	3,000	3,000	3,000	3,000
01-409-004-320	Telephone	2,023	2,873	1,600	1,941	1,600	3,000	1,400	88%	3,000	3,000	3,000	3,000	3,000
01-409-004-351	Insurance - Property	101	803	824	1,004	1,379	1,577	198	14%	1,577	1,577	1,577	1,577	1,577
01-409-004-360	Utilities	914	1,097	2,000	533	2,000	4,000	2,000	100%	4,000	4,000	4,000	4,000	4,000
01-409-004-450	Contracted Services	323	228	1,100	228	1,100	21,100	20,000	1818%	1,100	1,100	1,100	1,100	1,100
Total 409-004 MILFORD ROAD		3,361	6,553	10,524	4,397	11,079	35,177	24,098	218%	14,077	14,077	14,077	14,077	14,077
Total 409 TOWNSHIP PROPERTIES TOTAL		103,115	141,730	130,430	90,561	135,084	218,623	83,539	62%	159,856	141,523	141,523	141,523	141,523
410 POLICE EXPENSES														
01-410-000-100	Police Wages	1,085,551	1,125,462	1,101,367	855,717	1,169,409	1,236,990	67,581	6%	1,274,100	1,312,323	1,351,693	1,392,244	1,392,244
01-410-000-110	Police Wages - WC reimbursement	-	-	-	-	-	-	-	0%	-	-	-	-	-
01-410-000-150	Payroll Tax Expense	87,973	91,178	84,255	66,911	89,460	93,953	4,493	5%	97,469	100,393	103,404	106,507	106,507
01-410-000-151	Unemployment Compensation	2,455	2,625	2,535	1,193	1,170	1,040	(130)	-11%	1,040	1,040	1,040	1,040	1,040
01-410-000-156	Employee Benefit Expense	358,272	321,191	345,027	240,172	319,082	329,527	10,445	3%	336,118	342,840	349,697	356,691	356,691
01-410-000-158	Medical Expense Reimbursement	8,390	7,781	7,500	5,917	9,000	9,000	-	0%	9,000	9,000	9,000	9,000	9,000
01-410-000-160	Pension Expense	153,959	150,060	150,060	177,707	218,009	228,232	10,223	5%	232,797	237,453	242,202	247,046	247,046
01-410-000-174	Tuition Reimbursement	31,043	3,645	15,000	-	12,000	12,000	-	0%	12,000	12,000	12,000	12,000	12,000
01-410-000-181	Longevity Pay	16,800	18,200	18,200	15,400	19,400	19,800	400	2%	21,200	21,800	22,200	22,600	22,600
01-410-000-182	Education Incentive	3,000	3,500	3,500	3,000	3,500	3,000	(500)	-14%	3,000	3,000	3,000	3,000	3,000
01-410-000-183	Overtime Wages	39,045	39,851	42,000	28,624	42,000	46,000	4,000	10%	46,000	46,000	46,000	46,000	46,000
01-410-000-187	Court Time Wages	8,852	11,402	12,000	16,972	12,000	12,000	-	0%	12,000	12,000	12,000	12,000	12,000
01-410-000-191	Uniform & Boot Allowances	10,700	10,150	10,700	11,550	11,250	11,950	700	6%	12,300	12,300	12,300	12,300	12,300
01-410-000-200	Supplies	6,004	8,805	12,000	6,169	12,000	14,000	2,000	17%	14,000	14,000	14,000	14,000	14,000
01-410-000-215	Postage	750	750	750	750	750	750	-	0%	750	750	750	750	750
01-410-000-230	Gasoline & Oil	19,763	26,143	25,000	19,892	25,000	30,000	5,000	20%	30,000	30,000	30,000	30,000	30,000
01-410-000-235	Vehicle Maintenance	27,449	25,000	30,000	17,648	30,000	30,000	-	0%	30,000	30,000	30,000	30,000	30,000
01-410-000-238	Clothing/Uniforms	4,913	4,547	5,000	2,061	5,000	5,000	-	0%	5,500	5,500	5,500	5,500	5,500
01-410-000-250	Maintenance & Repairs	1,949	1,905	1,500	2,021	2,500	2,500	-	0%	6,500	6,500	6,500	6,500	6,500
01-410-000-260	Small Tools & Equipment	5,203	3,690	7,000	3,821	7,000	9,000	2,000	29%	9,000	9,000	9,000	9,000	9,000
01-410-000-311	Non-Reimbursable Legal	-	-	3,000	-	3,000	3,000	-	0%	3,000	3,000	3,000	3,000	3,000
01-410-000-316	Training & Seminars	14,960	10,533	14,500	9,880	14,500	16,000	1,500	10%	16,000	16,000	16,000	16,000	16,000
01-410-000-317	Parking & Travel	(14)	461	400	6	500	500	-	0%	500	500	500	500	500
01-410-000-320	Telephone	3,511	6,635	8,000	1,896	8,000	8,000	-	0%	8,000	8,000	8,000	8,000	8,000
01-410-000-322	Ipad Expense	719	486	600	299	600	600	-	0%	600	600	600	600	600
01-410-000-327	Radio Equipment M & R	-	-	1,000	-	1,000	1,000	-	0%	1,000	1,000	1,000	1,000	1,000
01-410-000-340	Public Relations	5,037	6,625	7,000	6,254	10,000	12,000	2,000	20%	12,000	12,000	12,000	12,000	12,000
01-410-000-342	Police Accreditation	14,632	5,809	13,500	2,030	13,500	13,500	-	0%	3,000	3,000	3,000	3,000	3,000
01-410-000-352	Insurance - Liability	14,991	12,604	12,930	10,864	14,921	14,550	(371)	-2%	14,550	14,550	14,550	14,550	14,550
01-410-000-353	Insurance - Vehicles	893	4,710	4,832	3,307	4,541	2,429	(2,112)	-47%	2,429	2,429	2,429	2,429	2,429
01-410-000-354	Insurance - Workers Comp.	29,337	38,026	35,864	28,213	37,619	37,619	-	0%	38,747	39,910	41,107	42,340	42,340
01-410-000-420	Dues/Subscriptions/Memberships	735	475	750	116	750	1,000	250	33%	1,000	1,000	1,000	1,000	1,000

**Upper Uwchlan Township
2019 Budget**

		Actual	Actual	Budget	Actual - 9/30/18	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
		2016	2017	2017	2018	2018	2019	'18 Budget	Inc/(Dec)	2020	2021	2022	2023
01-410-000-450	Contracted Services	11,484	18,589	15,500	8,080	17,200	17,200	-	0%	17,200	17,200	17,200	17,200
01-410-000-740	Computer/Furniture	8,743	3,479	4,000	1,735	4,000	5,000	1,000	25%	2,000	2,000	2,000	2,000
Total 410 POLICE EXPENSES		1,977,099	1,964,317	1,995,268	1,548,202	2,118,661	2,227,140	108,479	5%	2,272,799	2,327,087	2,382,672	2,439,796
411 - FIRE													
01-411-000-316	Training & Seminars	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-411-000-354	Insurance - Workers Comp.	19,302	21,713	28,000	15,062	28,000	23,000	(5,000)	-18%	24,150	25,358	26,625	27,957
01-411-000-420	Dues/Subscriptions/Memberships	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-411-000-450	Contracted Services	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-411-000-451	Hydrant Expenses - Aqua	57,354	70,695	60,000	46,926	60,000	60,000	-	0%	60,000	60,000	60,000	60,000
01-411-001-001	Contributions - Ludwig's	74,160	74,160	74,160	74,160	74,160	74,160	-	0%	74,160	74,160	74,160	74,160
01-411-001-002	Contributions - Lionville	74,282	76,630	74,282	74,282	74,282	74,282	-	0%	74,282	74,282	74,282	74,282
01-411-001-003	Contributions - Lionville Capital	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-411-001-004	Contributions - Glenmoore	8,549	8,549	8,549	8,549	8,549	8,549	-	0%	8,500	8,500	8,500	8,500
01-411-001-005	Contributions - E. Brandywine	13,905	15,908	15,908	15,908	15,908	13,608	(2,300)	-14%	13,608	13,608	13,608	13,608
01-411-001-006	Reimbursement - Uwchlan Twp.	2,346	-	2,300	-	2,300	2,300	-	0%	2,400	2,500	2,600	2,700
01-411-001-007	Reimbursement - E. Brandywine Twp.	-	560	200	-	200	200	-	0%	-	-	-	-
01-411-002-530	Contributions - Fire Relief Funds	103,584	95,002	112,000	86,679	112,000	112,000	-	0%	112,000	112,000	112,000	112,000
Total 411 FIRE		353,482	363,217	375,399	321,566	375,399	368,099	(7,300)	-2%	369,100	370,408	371,775	373,207
412 AMBULANCE													
01-412-000-540	Uwchlan Ambulance	27,038	27,038	27,038	27,038	27,038	27,038	-	0%	27,038	27,038	27,038	27,038
01-412-000-544	Minquas Ambulance	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
Total 412 AMBULANCE		27,038	27,038	27,038	27,038	27,038	27,038	-	0%	27,038	27,038	27,038	27,038
Total 411-412 FIRE and AMBULANCE		380,520	390,255	402,437	348,604	402,437	395,137	(7,300)	-2%	396,138	397,446	398,813	400,245
413 CODES ADMINISTRATION													
01-413-000-100	Code Administrator Wages	226,960	234,759	229,144	176,368	236,017	243,098	7,080	3%	250,390	257,902	265,639	273,608
01-413-000-150	Payroll Tax Expense	17,754	18,374	17,530	13,105	18,055	18,597	542	3%	19,155	19,730	20,321	20,931
01-413-000-151	Unemployment Compensation	570	585	585	270	270	240	(30)	-11%	240	252	264	276
01-413-000-156	Employee Benefit Expense	78,435	73,637	79,781	55,057	73,618	73,835	218	0%	75,312	76,818	78,355	79,922
01-413-000-160	Pension Expense	19,648	20,188	17,692	24,445	24,445	23,468	(977)	-4%	24,172	24,897	25,644	26,414
01-413-000-181	Longevity Pay	6,300	6,600	6,600	4,950	6,900	7,200	300	4%	7,500	7,800	8,100	8,400
01-413-000-200	Supplies	2,719	5,240	1,000	1,607	1,000	2,000	1,000	100%	2,000	2,000	2,000	2,000
01-413-000-230	Gasoline & Oil	2,676	2,458	3,800	1,848	3,800	3,800	-	0%	3,800	3,800	3,800	3,800
01-413-000-235	Vehicle Maintenance	2,972	133	1,500	609	1,500	1,500	-	0%	1,500	1,500	1,500	1,500
01-413-000-316	Training & Seminars	903	1,429	3,000	1,559	3,000	3,000	-	0%	3,000	3,000	3,000	3,000
01-413-000-317	Parking & Travel	373	676	1,000	-	1,000	1,000	-	0%	1,000	1,000	1,000	1,000
01-413-000-320	Telephone	2,225	1,702	2,000	1,020	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-413-000-322	Ipad Expense	449	486	600	299	600	600	-	0%	600	600	600	600
01-413-000-352	Insurance - Liability	317	-	-	-	-	424	424	100%	424	424	424	424
01-413-000-353	Insurance - Vehicles	244	300	308	271	373	349	(23)	-6%	349	349	349	349
01-413-000-354	Insurance - Workers Comp.	1,608	1,755	1,655	1,302	1,736	1,736	-	0%	1,700	1,800	1,900	2,000
01-413-000-420	Dues/Subscriptions/Memberships	4,740	1,440	7,500	2,072	7,000	5,000	(2,000)	-29%	5,000	5,000	5,000	5,000
01-413-000-450	Contracted Services	-	15,949	53,760	8,771	53,760	30,000	(23,760)	-44%	30,000	30,000	12,000	12,000
01-413-000-460	Meetings & Conferences	519	-	-	-	-	-	-	-	-	-	-	-
Total 413 CODES ADMINISTRATION		369,412	385,711	427,455	293,552	435,074	417,847	(17,227)	-4%	428,142	438,872	431,896	443,223

**Upper Uwchlan Township
2019 Budget**

	Actual	Actual	Budget	Actual - 9/30/18	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
	2016	2017	2017	2018	2018	2019	'18 Budget	Inc/(Dec)	2020	2021	2022	2023
414 PLANNING & ZONING												
<u>General Planning</u>												
01-414-001-116 Compensation	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-414-001-200 Supplies	-	-	500	-	500	500	-	0%	500	500	500	500
01-414-001-301 Court Reporter	1,209	536	1,500	205	1,500	1,500	-	0%	1,500	1,500	1,500	1,500
01-414-001-315 Legal Fees	3,039	180	3,000		3,000	3,000	-	0%	3,000	3,000	3,000	3,000
01-414-001-365 Comp Plan Update	-	-	-	-	-	-	-	#DIV/0!	5,000	5,000	5,000	5,000
01-414-001-366 Ordinance Update	884	-	3,000		3,000	30,000	27,000	900%	3,000	3,000	3,000	3,000
01-414-001-367 General Planning	1,095	376	3,000		3,000	3,000	-	0%	3,000	3,000	3,000	3,000
01-414-001-368 Advertising	3,581	650	500		500	500	-	0%	500	500	500	500
01-414-001-451 Act 209	20,011	-	-	-	-	-	-	#DIV/0!	1,000	1,000	1,000	1,000
Total 414-001 Planning	29,819	1,742	11,500	922	11,500	38,500	27,000	235%	17,500	17,500	17,500	17,500
<u>Village Concept</u>												
01-414-002-367 General Planning	-	180	8,000		1,000	1,000	-	0%	4,000	4,000	4,000	4,000
Total 414-002 Village Concept	-	180	8,000	-	1,000	1,000	-	0%	4,000	4,000	4,000	4,000
<u>Zoning</u>												
01-414-003-100 Zoning Board Compensation	-	-	800	-	800	800	-	0%	800	800	800	800
01-414-003-301 Court Reporter	1,890	183	2,000	296	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-414-003-315 Legal Fees	675	158	6,000	346	6,000	6,000	-	0%	2,000	2,000	2,000	2,000
01-414-003-450 Contracted Services	-	365	1,000		1,000	1,000	-	0%	1,000	1,000	1,000	1,000
Total 414-003 Zoning	2,565	706	9,800	642	9,800	9,800	-	0%	5,800	5,800	5,800	5,800
Total 414 PLANNING & ZONING	32,384	2,628	29,300	1,564	22,300	49,300	27,000	121%	27,300	27,300	27,300	27,300
415 EMERGENCY OPERATIONS												
01-415-000-200 Supplies	355	1,804	2,000	110	2,000	2,000	-	0%	500	500	500	500
01-415-000-260 Small Tools & Equipment	-	-	1,000	-	1,000	1,000	-	0%	500	500	500	500
01-415-000-316 Training & Seminars	128	442	1,200	261	1,200	1,200	-	0%	3,000	3,000	3,000	3,000
01-415-000-317 Parking & Travel	-	-	400	-	400	400	-	0%	100	100	100	100
01-415-000-320 Telephone	1,682	1,838	1,200	1,339	1,200	1,200	-	0%	1,200	1,200	1,200	1,200
01-415-000-330 Other Services/Charges	120	120	500	240	500	500	-	0%	500	500	500	500
01-415-000-420 Dues/Subscriptions/Memberships	30	-	50	-	50	50	-	0%	50	50	50	50
01-415-000-450 Contracted Services	-	-	500	-	500	500	-	0%	500	500	500	500
01-415-000-740 Computer/Furniture	-	-	1,000	-	1,000	1,000	-	0%	1,000	1,000	1,000	1,000
Total 415 EMERGENCY OPERATIONS	2,315	4,204	7,850	1,950	7,850	7,850	-	0%	7,350	7,350	7,350	7,350
422 - 456 OTHER SERVICES												
01-422-000-530 SPCA Contract	2,700	2,258	4,120	2,264	4,244	4,371	127	3%	4,502	4,637	4,776	4,919
01-422-000-601 DARC	12,640	14,640	15,280	15,987	15,987	20,943	4,956	31%	20,943	20,943	20,943	20,943
Downingtown Senior Center	-	-	-	-	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-456-000-530 Contributions - Library	5,000	5,000	5,000	-	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
	20,340	21,898	24,400	18,251	27,231	32,314	5,083	19%	32,445	32,580	32,719	32,862
Total EMERGENCY & OTHER	22,655	26,102	32,250	20,201	35,081	40,164	5,083	14%	39,795	39,930	40,069	40,212
433 SIGNS												
01-433-000-200 Supplies	4,853	6,815	5,000	2,143	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
01-433-000-450 Contracted Services	-	-	1,000	210	1,000	1,000	-	0%	1,000	1,000	1,000	1,000
	4,853	6,815	6,000	2,353	6,000	6,000	-	0%	6,000	6,000	6,000	6,000

**Upper Uwchlan Township
2019 Budget**

		Actual -											
		Actual	Actual	Budget	9/30/18	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
		2016	2017	2017	2018	2018	2019	'18 Budget	Inc/(Dec)	2020	2021	2022	2023
434 SIGNALS													
01-434-000-450	Contracted Services	8,759	19,405	12,700	28,569	183,300	26,632	(156,668)	-85%	12,700	12,700	12,700	12,700
		8,759	19,405	12,700	28,569	183,300	26,632	(156,668)	-85%	12,700	12,700	12,700	12,700
438 PUBLIC WORKS													
01-438-000-100	Public Works Wages	334,013	334,167	327,423	237,892	337,247	393,594	56,348	17%	405,402	417,564	430,091	442,994
01-438-000-150	Payroll Tax Expense	30,102	26,807	25,048	18,289	25,799	30,110	4,311	17%	31,013	31,944	32,902	33,889
01-438-000-151	Unemployment Compensation	2,355	1,377	1,360	620	646	560	(86)	-13%	588	616	644	672
01-438-000-156	Employee Benefit Expense	141,095	145,206	134,109	106,623	133,912	150,554	16,642	12%	153,566	156,637	159,770	162,965
01-438-000-160	Pension Expense	24,688	26,216	19,439	29,504	30,424	33,556	3,132	10%	34,563	35,600	36,668	37,768
01-438-000-181	Longevity	5,100	5,700	5,700	2,850	7,050	6,150	(900)	-13%	6,750	8,100	8,850	9,600
01-438-000-183	Overtime Wages	19,140	13,742	19,100	11,137	19,100	24,000	4,900	26%	24,000	24,000	24,000	24,000
01-438-000-200	Supplies	22,811	38,496	46,700	40,022	49,600	49,600	-	0%	49,600	49,600	49,600	49,600
01-438-000-205	Meals and Meal Allowances	420	-	500	-	500	500	-	0%	500	500	500	500
01-438-000-230	Gasoline & Oil	29,686	41,516	28,600	32,015	29,100	29,200	100	0%	29,200	29,200	29,200	29,200
01-438-000-235	Vehicle Maintenance	8,395	16,622	13,400	3,374	13,400	14,050	650	5%	14,050	14,050	14,050	14,050
01-438-000-238	Uniforms	2,966	2,702	3,050	3,020	3,050	3,050	-	0%	3,050	3,050	3,050	3,050
01-438-000-245	Highway Supplies	5,988	6,563	10,200	2,873	10,200	9,900	(300)	-3%	9,900	9,900	9,900	9,900
01-438-000-260	Small Tools & Equipment	10,822	9,426	12,820	6,800	12,750	12,400	(350)	-3%	12,400	12,400	12,400	12,400
01-438-000-316	Training & Seminars	2,526	2,919	4,600	4,254	4,575	6,075	1,500	33%	6,075	6,075	6,075	6,075
01-438-000-317	Parking and Travel	1,933	134	600	478	600	600	-	0%	600	600	600	600
01-438-000-320	Telephone	2,838	2,669	3,000	1,596	3,000	3,000	-	0%	3,000	3,000	3,000	3,000
01-438-000-322	Ipad Expense	969	616	1,200	412	1,200	1,200	-	0%	1,200	1,200	1,200	1,200
01-438-000-341	Advertising	3,463	887	-	3,328	-	-	-	#DIV/0!	-	-	-	-
01-438-000-342	Accreditation	-	-	5,000	-	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
01-438-000-352	Insurance - Liability	1,904	-	-	-	-	1,764	1,764	#DIV/0!	1,764	1,764	1,764	1,764
01-438-000-353	Insurance - Vehicles	857	5,520	5,663	3,817	5,242	1,397	(3,845)	-73%	1,397	1,397	1,397	1,397
01-438-000-354	Insurance - Workers Comp.	18,559	9,360	8,601	6,945	8,958	8,884	(74)	-1%	9,328	9,795	10,285	10,799
01-438-000-360	Electric & Heating Oil	-	-	3,000	-	-	-	-	#DIV/0!	-	-	-	-
01-438-000-420	Dues/Subscriptions/Memberships	718	165	400	665	400	400	-	0%	400	400	400	400
01-438-000-450	Contracted Services	61,182	35,488	74,840	26,549	54,880	52,730	(2,150)	-4%	52,730	52,730	52,730	52,730
01-438-000-463	Miscellaneous	-	3,149	-	-	-	-	-	#DIV/0!	-	-	-	-
01-438-000-720	Road Resurfacing	206,067	190,359	206,067	244,222	244,222	244,222	-	0%	244,222	244,222	244,222	244,222
		938,597	919,806	960,420	787,283	1,000,855	1,082,498	81,642	8%	1,100,299	1,119,344	1,138,298	1,157,775

**Upper Uwchlan Township
2019 Budget**

		Actual	Actual	Budget	Actual - 9/30/18	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
		2016	2017	2017	2018	2018	2019	'18 Budget	Inc/(Dec)	2020	2021	2022	2023
<u>Public Works - Facilities Division</u>													
01-438-001-100	Public Works Wages-Facilities Div.	105,638	152,357	176,654	116,162	185,694	221,770	36,076	19%	228,423	235,276	242,334	249,604
01-438-001-101	PW Facilities Costs Allocated	(93,356)	(156,184)	(170,063)	(133,235)	(183,815)	(207,991)	(24,176)	13%	(207,991)	(207,991)	(207,991)	(207,991)
01-438-001-150	Payroll Tax Expense	5,470	12,197	13,514	8,955	14,206	16,965	2,760	19%	17,474	17,999	18,539	19,095
01-438-001-151	Unemployment Compensation	441	1,151	1,360	454	630	560	(70)	-11%	588	616	644	672
01-438-001-156	Employee Benefit Expense	44,612	47,969	50,831	44,526	50,721	70,955	20,234	40%	72,375	73,822	75,299	76,804
01-438-001-160	Pension Expense	6,244	7,118	7,308	9,540	8,646	10,711	2,065	24%	11,032	11,363	11,704	12,055
01-438-001-181	Longevity	1,350	1,500	1,500	1,650	1,650	1,800	150	9%	1,950	2,850	3,150	4,200
01-438-001-183	Overtime Wages	1,041	3,687	8,000	4,896	8,000	8,000	-	0%	8,000	8,000	8,000	8,000
01-438-001-230	Gasoline & Oil	792	1,987	-	6,244	1,000	8,000	7,000	700%	8,000	8,000	8,000	8,000
01-438-001-235	Vehicle Maintenance	620	-	-	-	4,500	6,500	2,000	44%	6,500	6,500	6,500	6,500
01-438-001-238	Uniforms	80	74	900	-	900	950	50	6%	950	950	950	950
01-438-001-316	Training & Seminars	-	1,777	3,600	271	3,600	2,000	(1,600)	-44%	2,000	2,000	2,000	2,000
01-438-001-352	Insurance - Liability	-	-	-	-	-	1,764	1,764	#DIV/0!	1,764	1,764	1,764	1,764
01-438-001-353	Insurance - Vehicles	-	1,790	1,836	1,227	1,685	1,397	(288)	-17%	1,397	1,397	1,397	1,397
01-438-001-354	Insurance - Workers Comp.	669	4,677	4,641	3,472	4,932	5,006	74	1%	5,006	5,006	5,006	5,006
01-438-001-450	Contracted Services	60	-	-	-	-	-	-	#DIV/0!	-	-	-	-
		73,661	80,100	100,082	64,163	102,351	148,389	46,038	45%	157,469	167,553	177,296	188,057
Total 438 PUBLIC WORKS		1,012,258	999,906	1,060,502	851,446	1,103,206	1,230,886	127,680	12%	1,257,768	1,286,897	1,315,594	1,345,833
439 ROAD CONSTRUCTION													
01-439-000-752	East West Link	38,600	-	-	-	-	-	-	#DIV/0!	-	-	-	-
		38,600	-	-	-	-	-	-	#DIV/0!	-	-	-	-
454 PARK & RECREATION													
<u>Parks - General</u>													
01-454-000-150	Scholarships for Youth Groups	-	-	-	2,000	-	6,000	6,000	#DIV/0!	6,000	6,000	6,000	6,000
01-454-001-101	Park Wage Allocation	93,356	156,184	170,063	133,235	183,815	207,991	24,176	13%	207,991	207,991	207,991	207,991
01-454-001-200	Supplies	4,183	6,426	2,500	10,639	8,000	10,000	2,000	25%	10,000	10,000	10,000	10,000
01-454-001-201	Park & Rec Special Events	5,709	4,964	5,000	1,922	5,000	6,000	1,000	20%	6,000	6,000	6,000	6,000
01-454-001-202	Block Party	20,973	23,362	21,000	28,032	26,000	28,000	2,000	8%	28,000	28,000	28,000	28,000
01-454-001-230	Gasoline & Oil	356	-	-	388	-	-	-	#DIV/0!	-	-	-	-
01-454-001-235	Vehicle Maintenance	6,932	8,360	2,500	2,992	2,500	6,000	3,500	140%	6,000	6,000	6,000	6,000
01-454-001-250	Maintenance & Repairs	1,730	3,742	500	332	500	500	-	0%	500	500	500	500
01-454-001-260	Small Tools & Equipment	567	1,053	2,700	115	2,700	2,700	-	0%	2,700	2,700	2,700	2,700
01-454-001-316	Training & Seminars	-	160	5,000	-	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
01-454-001-320	Telephone	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-454-001-340	Public Relations	-	160	-	-	-	-	-	#DIV/0!	-	-	-	-
01-454-001-354	Insurance - Workers Comp.	2,007	2,925	2,759	2,170	2,894	2,894	-	0%	2,894	2,894	2,894	2,894
01-454-001-420	Dues/Subscriptions/Memberships	10	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-454-001-450	Contracted Services	659	291	500	376	500	500	-	0%	500	500	500	500
		136,482	207,627	212,522	182,201	236,908	275,585	38,676	16%	275,585	275,585	275,585	275,585
<u>Hickory Park</u>													
01-454-002-200	Supplies - Hickory Park	4,516	2,409	1,500	2,601	2,500	3,000	500	20%	3,000	3,000	3,000	3,000
01-454-002-231	Propane	-	1,120	2,000	-	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-454-002-250	Maintenance & Repairs	7,858	8,877	7,000	2,594	7,000	7,000	-	0%	7,000	7,000	7,000	7,000
01-454-002-351	Insurance - Property	808	1,606	1,647	2,007	2,757	3,153	396	14%	3,153	3,153	3,153	3,153
01-454-002-360	Utilities	3,143	3,490	5,000	2,152	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
01-454-002-450	Contracted Services	25,885	29,314	20,000	11,279	20,000	20,000	-	0%	20,000	20,000	20,000	20,000
		42,210	46,816	37,147	20,633	39,257	40,153	896	2%	40,153	40,153	40,153	40,153

**Upper Uwchlan Township
2019 Budget**

		Actual	Actual	Budget	Actual - 9/30/18	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
		2016	2017	2017	2018	2018	2019	'18 Budget	Inc/(Dec)	2020	2021	2022	2023
<u>Fellowship Fields</u>													
01-454-003-200	Supplies	1,984	964	1,000	4,869	1,000	3,000	2,000	200%	3,000	3,000	3,000	3,000
01-454-003-250	Maintenance & Repairs	3,545	14,468	10,000	6,082	10,000	10,000	-	0%	10,000	10,000	10,000	10,000
01-454-003-312	Engineering Fees	552	-	2,000	-	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
01-454-003-320	Telephone	1,787	1,582	2,500	1,125	2,500	2,500	-	0%	2,500	2,500	2,500	2,500
01-454-003-351	Insurance - Property	808	3,212	3,295	4,015	5,514	3,153	(2,361)	-43%	3,153	3,153	3,153	3,153
01-454-003-360	Utilities	11,915	16,586	9,000	8,335	12,000	12,000	-	0%	12,000	12,000	12,000	12,000
01-454-003-450	Contracted Services	21,441	22,689	13,000	6,590	16,000	16,000	-	0%	16,000	16,000	16,000	16,000
		42,032	59,501	40,795	31,016	49,014	48,653	(361)	-1%	48,653	48,653	48,653	48,653
<u>Larkins Field</u>													
01-454-004-200	Supplies	-	-	1,000	344	1,000	1,000	-	0%	1,000	1,000	1,000	1,000
01-454-004-250	Maintenance & Repairs	257	-	5,000	322	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
01-454-004-312	Engineering Fees	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
01-454-004-450	Contracted Services	4,443	3,570	3,000	1,480	3,000	3,000	-	0%	3,000	3,000	3,000	3,000
		4,700	3,570	9,000	2,146	9,000	9,000	-	0%	9,000	9,000	9,000	9,000
<u>Upland Farms</u>													
01-454-005-200	Supplies	1,789	11,977	5,000	2,564	5,000	5,000	-	0%	1,000	1,000	1,000	1,000
01-454-005-231	Propane & Heating Oil	-	529	4,500	90	4,500	4,500	-	0%	4,500	4,500	4,500	4,500
01-454-005-250	Maintenance & Repairs	4,423	5,783	10,000	4,114	10,000	50,000	40,000	400%	50,000	50,000	50,000	50,000
01-454-005-351	Insurance - Property	303	2,409	2,471	3,011	4,136	3,153	(982)	-24%	3,153	3,153	3,153	3,153
01-454-005-360	Utilities	1,472	7,664	4,000	1,116	4,000	4,000	-	0%	4,000	4,000	4,000	4,000
01-454-005-450	Contracted Services	2,885	6,363	5,000	2,385	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
01-454-005-513	Engineering Fees	3,072	-	-	-	-	-	-	#DIV/0!	-	-	-	-
		13,944	34,725	30,971	13,280	32,636	71,653	39,018	120%	67,653	67,653	67,653	67,653
Total Individual Parks		102,886	144,612	117,913	67,075	129,907	169,460	39,553	30%	165,460	165,460	165,460	165,460
Total 454 PARK & RECREATION		239,368	352,239	330,434	249,276	366,815	445,045	78,230	21%	441,045	441,045	441,045	441,045
459 HISTORICAL COMMISSIONS													
01-459-000-200	Supplies	-	148	1,000	1,040	1,000	1,000	-	0%	1,000	1,000	1,000	1,000
01-459-000-320	Telephone	-	-	1,000	-	1,000	1,000	-	0%	1,000	1,000	1,000	1,000
01-459-000-450	Contracted Services	-	-	500	220	500	500	-	0%	500	500	500	500
		-	148	2,500	1,260	2,500	2,500	-	0%	2,500	2,500	2,500	2,500
TOTAL EXPENSES BEFORE OPERATING TRANSFERS		5,290,050	5,438,407	5,553,798	4,291,405	5,956,041	6,203,150	247,109	4%	6,220,871	6,319,286	6,423,049	6,547,479
NET INCOME BEFORE TRANSFERS		1,063,488	1,322,590	693,819	1,203,189	1,082,622	486,550	(596,072)	-55%	630,530	728,291	#DIV/0!	505,491

**Upper Uwchlan Township
2019 Budget**

		Actual	Actual	Budget	Actual - 9/30/18	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
		2016	2017	2017	2018	2018	2019	'18 Budget	Inc/(Dec)	2020	2021	2022	2023
492 OPERATING TRANSFERS													
01-492-000-030	Transfer to Capital Acquisition Fund:												
	For Retirement of Debt	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	-	200,000	-100%	-	-	-	-
	Other	(200,000)	(750,000)	(750,000)	(400,000)	(400,000)	(150,000)	250,000	-63%	(200,000)	(200,000)	(200,000)	(200,000)
01-492-000-036	Transfer to Water Resource Protection Fu	-	-	(250,000)	(100,000)	(250,000)	(330,000)	(80,000)	32%	(225,000)	(90,000)	(85,000)	(90,000)
01-492-000-050	Transfer to Solid Waste Fund	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
	Transfer to Developer's Escrow Fund	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
	Transfer to Act 209 Fund	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
		(400,000)	(950,000)	(1,200,000)	(700,000)	(850,000)	(480,000)	370,000	-44%	(425,000)	(290,000)	(285,000)	(290,000)
Total Expenditures		5,690,050	6,388,407	6,753,798	4,991,405	6,806,041	6,683,150	(122,891)	-2%	6,645,871	6,609,286	6,708,049	6,837,479
Net Ordinary Income		663,488	372,590	(506,181)	503,189	232,622	6,550	(226,072)	-97%	205,530	438,291	#DIV/0!	215,491
<u>Solid Waste Fund</u>													
	Revenue	1,132,572	1,055,567	1,187,000	1,012,133	1,077,130	1,061,124	(16,006)	-1%	1,127,886	1,159,980	1,177,899	1,189,911
	Expenses	(807,294)	(835,438)	(834,679)	(985,892)	(871,590)	(956,278)	(84,688)	10%	(1,001,206)	(1,038,720)	(1,076,794)	(1,116,099)
	Operating transfers	(100,000)	(350,000)	(350,000)	(375,000)	(375,000)	-	375,000	-100%	(100,000)	(50,000)	(50,000)	(80,000)
	NET INCOME	225,278	(129,871)	2,321	(348,759)	(169,460)	104,846	274,306	-162%	26,680	71,260	51,105	(6,187)
Net Ordinary Income (Loss)		888,766	242,719	(503,860)	154,430	63,162	111,395	48,234	76%	232,210	509,551	#DIV/0!	209,304

GENERAL FUND**GENERAL GOVERNMENT DEPARTMENT****MISSION**

The mission of the Board of Supervisors of Upper Uwchlan Township is to provide effective, efficient and responsive local government to its residents through the establishment of policies that reflect the communities' needs and goals. The Board of Supervisors places the health, safety and welfare of the residents above all other priorities.

The Board has appointed a Township Manager who is responsible for the day to day operation of the Township's administrative affairs.

DESCRIPTION OF SERVICES PROVIDED

The Township has a three member Board of Supervisors. One member is elected during the local election, every other year, for a term of six years. The Board of Supervisors is responsible for the appointment of the Township Manager and various boards and commissions. The Supervisors establish municipal policy (in accordance with state law), determine the level of services provided in the Township, adopt an annual budget and set the municipal tax rate for the Township.

The current Board members are as follows:

		<u>Term Expires</u>
Chairperson	Jamie W. Goncharoff	12/31/22
Vice-Chairman	Guy A. Donatelli	12/31/19
Member	Sandra M. D'Amico	12/31/23

The Board meets twice each month; the workshop is held on the second Tuesday afternoon at 4:00 PM and the business meeting of the Board is held on the third Monday evening of each month at 7:00 PM.

Public meetings and the semi-annual newsletter are an important part of the communication between the Board of Supervisors and the public. The Township's web site is also an efficient means of communicating events and policies to the residents of the Township. The Supervisors are very supportive of the Township's annual "Block Party" that is held the day before Father's Day every June on Route 100 in front of the Township building.

This department includes the salaries and related expenses for the Board of Supervisors as well as "general" government expenses that are not attributable to any specific department. Under the Second Class Township Code, the maximum annual salary for a supervisor is \$2,500.

Members of the Upper Uwchlan Board of Supervisors also lend their experience and expertise to Chester County and enhance the Township's influence by their involvement and membership on various Boards:

- Chester County Association of Township Officials (CCATO)
- Pennsylvania State Association of Township Supervisors (PSATS)
- YMCA

ACCOMPLISHMENTS IN 2018

- No tax increase (since 2006)
- Reviewed and Adopted the following ordinances and/or amendments:
 - Senior Living Facility as a Permitted Use in the PRD
 - Flood Hazard District – Definitions
 - Park and Recreation Board - Roles & Responsibilities
 - Roadways – Speed Limits, Stop Signs, No Parking
 - Group Homes
 - Fireworks
 - Conditional Use / Special Exception Approval extension
 - Subdivision/Land Development Plan Submission and Distribution
- Reviewed nine (9) and approved seven (7) sub-division/land development plans
 - Struble Trail Trailhead Improvements and Northern Extension
 - 122 Oscar Way
 - Eagle Village Parking
 - Byers Station Parcel 5C Commercial Lot
 - Jankowski Tract
 - Downingtown School District / Township Land Transfer
 - Eagleview Corporate Center Lot 1B
 - Eagleview Corporate Center Lot 1C
 - Byers Station Parcel 6C Vantage Point Retirement Living
- Reviewed two (2) conditional use applications
- Approved seven (7) land development escrow release requests
- Approved the 2019 Minimum Municipal Pension Obligation (MMO) for the Police and Non-Uniformed Pension Plans
- Approved the submission of five (5) Sewage Facilities Planning Modules to the PADEP
- Awarded the construction contract for the Eagle Village Park
- Approved the following specific to the Park Road Reconstruction and Trail Project
 - Utility Relocation Agreement
 - Congestion Mitigation and Air Quality (CMAQ) Reimbursement Agreement
 - Awarded a contract for construction management/inspection services
- Authorized the acceptance of approximately 0.9 acres of land from the Downingtown Area School District (DASD) to facilitate the Township Building Expansion/Renovation project
- Awarded a professional services contract for architectural services
- Awarded a professional services contract for construction administration/project management for the Township building expansion/renovation project

- Authorized the following contracts:
 - 2018 Milling and Paving
 - 2018 Roadway Materials
 - 2018 Pavement Marking
 - 2018/2019 Snow Removal
- Approved a Resolution in favor of Fair Re-Districting
- Authorized and funded the Access to Youth Sports Scholarship Program
- Authorized a one (1) year extension of the Solid Waste & Recycling Collection Contract
- Authorized the Processing & Marketing Contract for recyclable materials through the Chester County Solid Waste Authority
- Authorized the sale of Township equipment as a result of replacement
- Approved an amendment to a forbearance agreement with the Hankin Group re: transportation impact fees and entered into a public/private partnership to improve Pennsylvania Drive with center roadway islands, landscaping, and an asphalt overlay

GOALS FOR 2019

- Provide leadership and direction to the Township staff and the community
- Maintain Upper Uwchlan Township's quality of life and provide excellent services in a proactive, cost efficient manner
- No tax increase
- Continue to link the trail system to surrounding municipalities and within Upper Uwchlan Township
- Continue to enhance communication between residents and all levels of Township staff
- Provide opportunities for commercial expansion within Upper Uwchlan Township via the review and updating of Township ordinances

Staffing Statistics – as of the end of the year presented

	2019	2018	2017
Chairman	1	1	1
Vice-Chairman	1	1	1
Member	1	1	1
Total	3	3	3

2019 Budget Summary – General Government

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
Personnel and related expenses	\$2,691	\$3,364	\$5,383	\$(2,691)	-50.0%
Liability and Public Officials Bond	23,199	15,642	20,010	3,189	15.9%
All other	47,451	61,048	38,583	8,868	23.0%
Total	\$73,341	\$80,054	\$63,975	\$9,366	14.6%

Explanation of Major Changes**Personnel and related expenses**

Personnel costs decreased by 50% from the 2018 Budget – at the time the 2018 Budget was finalized it was not known whether the newly elected Supervisor would elect to receive the \$2,500 annual salary to which she was entitled. She waived the salary in 2018 and will do the same in 2019.

All other

During 2018, the Township reimbursed Wallace Township for real estate and earned income taxes that were received in prior years from Upper Uwchlan residents whose properties are surrounded by Wallace Township. Wallace Township provides municipal services to those homes in lieu of Upper Uwchlan. Upper Uwchlan has agreed to continue to pay taxes received from those residents to Wallace Township and \$3,800 has been included in the 2019 Budget.

STATISTICS

	2019	2018*	2017
Township meetings attended	75	44	69
Members attending PSATS	3	3	3
Ordinances passed	2	9	4
Resolutions passed	10	10	22
Land development hearings	3	3	4
Conditional Use hearings (separate from regular mtgs)	1	3	-
Conditional Use approvals	2	2	5

*As of 9/30/18

GENERAL FUND

EXECUTIVE DEPARTMENT

MISSION

The mission of the Executive department is to carry out the policies established by the Board of Supervisors to insure that the Township runs smoothly and efficiently.

DESCRIPTION OF SERVICES PROVIDED

The Executive department includes the Township Manager, Assistant Township Manager, Township Secretary, and also the Finance Department. The Finance Department consists of the Treasurer, an Accounting Associate and an Accounts Payable/Utility Billing Associate. The six staff members of the department work at the Township Building in Chester Springs, Pa. The following services are provided:

Township Manager

- Responsible for the proper and efficient administration of all township affairs
- Acts as the liaison between the residents of the township and the duly elected members of the Board of Supervisors

Assistant Township Manager

- Responsible for Township communications – website, social media, newsletters
- Responsible for the Township's information technology environment
- Responsible for developing, testing, and maintaining the Township's Continuity of Operations Plan
- Assist in the continued development and administration of the Township's Water Resource Protection Program.
- Parks and Recreation – field scheduling and liaison to the Parks and Recreation Commission
- Grant writing and administration
- Performs the duties of the Township Manager in the absence of the Manager unless otherwise directed by the Board of Supervisors
- All other activities as required

Township Secretary

- Maintains the minutes of Board of Supervisor's meetings, Planning Commission meetings, Municipal Authority meetings, Village Concept Committee meetings, and all Township records
- Prepares the monthly meeting agendas and supporting document packets for the Board of Supervisors, Planning Commission, Municipal Authority, and Village Concept Committee
- Assists with all bid letting activities
- Assists with processes related to the adoption of Township Ordinances and Resolutions and maintenance of the Code of Upper Uwchlan Township
- Assists with Township website content
- Provides Public Notary services
- Open Records Officer, except for Police-related Requests

Treasurer/Finance Department

- Performs the Treasury function for the Township
 - Invests available cash at the instruction of the Board of Supervisors and Municipal Authority Board
 - Prepares monthly bank reconciliations
 - Issues real estate tax refunds to residents who have over-paid their taxes
- Handles all aspects of township utility billing for solid waste/recycling and sewer (for the Municipal Authority)
- Maintains the accounting records for the Township and Municipal Authority
- Receives vendor invoices, reviews for accuracy and prepares checks for signature
- Prepares invoices for field use and developers
- Prepares monthly financial statements for the Board of Supervisors and Authority Board
- Prepares the annual budget for the Township and Municipal Authority
- Prepares year-end financial statements, MD&A and statistical sections of the CAFR
- Functions as the Human Resource department for Township employees
- Maintains relationships with outside auditors and handles all other audits, including Liquid Fuels, pension, and workers compensation

ACCOMPLISHMENTS IN 2018

- Continued coordination with several pipeline re-purposing/expansion projects
 - Sunoco Mariner II and III
- Continued coordination with the Pennsylvania Turnpike on their future widening project
- Project management – continued improvements, maintenance, and repair to the Upland Farms Barn
- Finalized and closed design, engineering, and permitting requirements for the Park Road Reconstruction and Trail Installation project
- Assisted with the drafting, review and adoption of the following ordinance amendments:
 - Senior Living Facility as a Permitted Use in the PRD
 - Flood Hazard District – Definitions
 - Park and Recreation Board - Roles & Responsibilities
 - Roadways – Speed Limits & Stop Signs
 - Group Homes
 - Fireworks
- Coordinated the following specific to the Park Road Reconstruction and Trail Project
 - Utility Relocation Agreement
 - Congestion Mitigation and Air Quality (CMAQ) Reimbursement Agreement
 - Construction management/inspection services
- Coordinated the transfer of approximately 0.9 acres of land from the Downingtown Area School District (DASD) to facilitate the Township Building Expansion/Renovation project
- Coordinated architectural design and engineering of the planned Township building expansion and renovation project

- Coordinated and presented the following contracts to the BOS for consideration:
 - 2018 Milling and Paving
 - 2018 Roadway Materials
 - 2018 Pavement Marking
 - 2018/2019 Snow Removal
- Implemented the Access to Youth Sports Scholarship Program
- Researched, coordinated, and implemented a Processing & Marketing Contract through the Chester County Solid Waste Authority
- Transitioned the Township's asset/parcel management system from MuniLogic to the Traisr system
- In cooperation with the Township's Tax Collector, completed an audit of the tax collector's records and procedures (fifth year)
- Received our fifth consecutive GFOA Distinguished Budget Presentation Award for the 2018 Budget
- Prepared our third Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2017
- Received our third consecutive GFOA Certificate of Achievement for Excellence in Financial Reporting for the Township's CAFR for the year ended December 31, 2017. *(expected in Dec.)*

GOALS FOR 2019

Administration

- Actively participate and coordinate with the project team responsible for the Township Building Expansion/Renovation Project
- Actively participate and coordinate with the project team responsible for the Park Road Reconstruction and Trail Installation Project
- Coordinate with Pennsylvania Turnpike personnel on the Milford Road Bridge replacement project (2019-2020)
- Project Management responsibilities for continued capital improvements at the Upland Farms Barn (bathrooms serving the barn and the park)
- Evaluate the continued development of the Water Resource Protection Program

Finance

- Continue to decrease the amount of time between utility payment receipt and deposit/recording in the accounting records
- Continue to obtain additional training as warranted
- Revise the Non-Uniformed Employee Personnel manual
- Continue to prepare a Comprehensive Annual Financial Report (CAFR) each year
- Receive the GFOA Certificate of Achievement for Excellence in Financial Reporting for the December 31, 2018 CAFR
- Receive the GFOA Distinguished Budget Award for the 2019 Budget
- Review and improve the Accounting Policies and Procedure Manual

Staffing Statistics – as of the end of each year presented

	2019	2018	2017
Full time:			
Township Manager	1	1	1
Assistant Twp. Manager	1	1	1
Township Secretary	1	1	1
Treasurer	1	1	1
A/R and HR Associate	1	1	1
A/P Associate	1	1	1
Part time:			
Finance/Admin	-	-	-
Total	6.0	6.0	6.0

2019 Budget Summary – Executive

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
Personnel and related expenses	\$669,138	\$473,877	\$682,788	\$(13,649)	-2.0%
All other	50,339	32,739	47,697	2,641	5.5%
Total	\$719,477	\$506,616	\$730,485	\$(11,008)	-1.5%

Explanation of Major Changes**Personnel and related expenses**

All non-uniformed personnel are budgeted for a 3% salary increase in 2019. The decrease in overall costs is due to lower health insurance costs due to several staff members with a change in family status for insurance purposes.

All other

All other consists mainly of training, and various dues and subscriptions. The Township joined a few new trade groups that increased the cost for membership dues.

STATISTICS

	2019	2018*	2017
Township meetings attended	90	55	88
Meeting packages prepared	45	39	54
Conditional Use Applications processed	5	4	5
Subdivision and land development applications processed	2	9	7
Ordinance amendments:			
Discussed	4	9	5
Adopted	4	9	4
Right to Know Requests	50	71	87
Bid packages prepared	7	11	4
Certifications issued for settlements (re-sale and refinancing)	300	221	240
Number of utility bills mailed – solid waste (includes reminders)	4,000	3,957	3,949
Number of solid waste bills paid through the on-line WIPP	400	361	377
Number of liens collected – solid waste	10	10	14
Number of utility bills mailed - sewer	11,000	10,832	10,411
Number of sewer bills paid through the on-line WIPP	1,500	1,455	1,634
Number of liens collected - sewer	22	20	17
Utility payment processing - date of receipt to date processed			
<i>Peak time</i>	1-2 days	2 days	2 days
Utility payment processing – date of receipt to date processed			
<i>Off peak</i>	1 day	1 day	1 day
Notary services provided	60	64	64

*As of 9/30/18

PERFORMANCE MEASURES*Township Goals Supported:*

- Inclusive Government
 - Significantly increase citizen understanding, access to and participation in, Upper Uwchlan Township local government
- Effective and Efficient Township Services
 - Define levels of service for township services
 - Become a vision and goal-driven organization that is accountable to the residents of the Township

Finance Department*GFOA Distinguished Budget Presentation Award*

The GFOA issues this award to municipalities whose budgets meet the highest principles of governmental budgeting. The Township submitted its 2014 Budget to GFOA and received the award that year and each subsequent year.

	2019	2018	2017
Number of consecutive years receiving the GFOA Budget Presentation Award	6	5	4

Containment of Audit Costs

This measures the cost of all Township audits (Township, Municipal Authority, two pension plans and the Tax Collector audit) and the ability of the Finance department to contain those costs by preparing the financial statements and performing other tasks to assist the auditors. (Note that the only costs reflected in the General Fund Budget are for the Township and Tax Collector audits)

	2019	2018	2017
<i>Audit year end:</i>	<i>12/31/18</i>	<i>12/31/17</i>	<i>12/31/16</i>
Number of audits performed	5	5	5
Total cost	\$40,650	\$38,700	\$39,700
% change from prior year	5.0%	-2.5%	5.3%

Annual Audited Financial Statements

The Township set a goal of improving its annual financial statements by moving from the state-mandated DCED format to full GAAP statements and finally to the highest level of financial reporting, a CAFR. The Township files the DCED report with the Commonwealth of Pennsylvania and beginning with the year ended December 31, 2016, it also prepares a Comprehensive Annual Financial Report (CAFR).

	2019	2018	2017
<i>Audit year end:</i>	<i>12/31/18</i>	<i>12/31/17</i>	<i>12/31/16</i>
DCED report	1	1	1
CAFR	1	1	1
Receive GFOA award for CAFR	3rd year	2 nd year	YES – 1 st year

GENERAL FUND**AUDIT****DESCRIPTION OF SERVICES PROVIDED**

The Township has several elected auditors who, at their option, may review the Township's annual financial statements. The Board of Supervisors annually appoints a firm of certified public accountants to perform an audit of the Township's financial statements. The firm of Barbacane, Thornton & Company LLP has provided audit services to the Township (and the Upper Uwchlan Township Municipal Authority) since 2009.

ACCOMPLISHMENTS IN 2018

- Audited the Township's financial statements for the year ended December 31, 2017 and assisted the Township in preparing and filing its Comprehensive Annual Financial Report ("CAFR") resulting in the Township receiving their third consecutive "Certificate for Excellence in Reporting" award from the GFOA
- Audited the Township's Police and Non-Uniform Pension Plans for the year ended December 31, 2017
- Performed an audit of the Tax Collector's records and procedures for the year ended December 31, 2017

GOALS FOR 2019

- Continue to provide audit services to the Township, Municipal Authority and the Township's two pension plans
- Continue to audit the Tax Collector's accounts and records

2019 Budget Summary - Audit

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
Audits	\$27,300	\$25,800	\$27,100	\$200	0.7%
Total	\$27,300	\$25,800	\$27,100	\$200	0.7%

Note: The audit fees for the two pension plans are paid by the respective plan so they are not included in the General Fund budget. The amounts shown are for the Township audit/CAFR and the audit of the Tax Collector.

Explanation of Major Changes

None

GENERAL FUND**TAX COLLECTION****DESCRIPTION OF SERVICES PROVIDED**

The Township has an elected Tax Collector who collects the township property taxes for Upper Uwchlan Township. The Tax Collector is responsible for mailing the tax bills, collecting the receipts, maintaining records of each property owner's payment status, remitting tax payments to the Township and filing monthly reports of his collections with the Township Treasurer. The tax collector provides the Township with a monthly list of refunds due to property owners due to overpayments. The Township remits refunds to property owners.

ACCOMPLISHMENTS IN 2018

- Provided information to the residents of the Township via the Township newsletter concerning tax collections and frequently asked questions
- At the request of the Tax Collector, the tax accounts, records and process were reviewed by the Township's auditors resulting in process improvements which will improve efficiency, compliance and timeliness of collections

GOALS FOR 2019

- Maintain professionalism in his duties as Tax Collector
- Continue to provide communication to the residents of the Township on all property tax issues
- Take courses required to maintain certification as a Tax Collector in Pennsylvania

Staffing Statistics – as of the end of each year presented

	2019	2018	2017
Tax collector	1	1	1
Total	1	1	1

*The tax collector is not an employee of the Township and does not receive any medical or other benefits.

2019 Budget Summary – Tax Collector

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
Personnel related expenses	\$7,934	\$14,891	\$20,454	(\$12,519)	(61.2%)
Bonding	600	525	600	-	0%
All other	5,500	4,584	5,500	-	0%
Total	\$14,034	\$20,000	\$26,554	(\$12,519)	(47.1%)

Explanation of Major Changes**Personnel related expenses**

The large decrease in Personnel expenses is due to a change in the method of Tax Collector compensation. The Township received several quotes to perform the services of the Tax Collector from firms that are in the business of collecting taxes for other municipalities, as well as the Chester County Treasurer's Office. All of the quotes resulted in a lower cost to the Township than the current method of 2% of collections.

After discussing our various options with the Tax Collector, he indicated that he would be willing to accept a reduction in his compensation effective January 1, 2019. He was re-elected for a four year term in November of 2017.

STATISTICS

	2019	2018*	2017
Tax bills mailed	4,050	4,007	3,919
Tax bills processed	4,000	3,917	3,767
Certifications issued	250	222	262
Liens filed at year end	25	75	20

*As of 9/30/18

GENERAL FUND**LEGAL****DESCRIPTION OF SERVICES PROVIDED**

The Township has several outside law firms that provide legal services to the Township as needed. Some legal expenses incurred by the Township are reimbursed by the developer or resident that is requesting approval on land development projects.

ACCOMPLISHMENTS IN 2018

- Not applicable

GOALS FOR 2019

- Not applicable

Staffing Statistics – as of the end of each year presented

	2019	2018	2017
None			
Total			

2019 Budget Summary – Legal

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
Legal - reimbursable	\$10,000	\$7,205	\$10,000	\$0	0.0%
Legal – non reimbursable	30,000	16,064	30,000	0	0.0%
Contracted services	5,000	-	5,000	0	0.0%
Total	\$45,000	\$23,269	\$45,000	\$0	0.0%

Explanation of Major Changes

Contracted services consists of legal services other than that provided by the Township's solicitor.

GENERAL FUND**COMPUTER****DESCRIPTION OF SERVICES PROVIDED**

This department includes the services of outside consultants who provide technical assistance to the Township as well as the firms who host our website and other programs. It also includes purchases to upgrade computers for various departments in the Township. Computers and related equipment are generally expensed since the cost is under the capitalization threshold.

ACCOMPLISHMENTS IN 2018

- Continued technology replacement program
- Ongoing improvements and maintenance to mission critical systems such as the traffic signal server and redundant infrastructure

GOALS FOR 2019

- Draft, implement and test a formal Continuity of Operations Plan for all IT and phone systems

2019 Budget Summary – Computer

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
Software & supplies	\$10,000	\$14,844	\$6,000	\$4,000	66.7%
Hardware	7,000	5,913	7,000	-	0.0%
Website	7,300	7,281	6,900	400	5.8%
Contracted services	97,770	54,502	73,070	(5,300)	(7.3%)
Total	\$92,070	\$82,540	\$92,970	\$ (900)	(1.0%)

Explanation of Major Changes**Software and supplies**

The budget was increased in 2019 to better match actual expenses for various software programs.

GENERAL FUND**ENGINEERING****DESCRIPTION OF SERVICES PROVIDED**

This department includes the services of outside consultants who provide technical assistance to the Township for engineering and traffic engineering services.

ACCOMPLISHMENTS IN 2018

- Continued coordination with the Pennsylvania Turnpike, PennDOT, and the Chester County Planning Commission (CCPC) on the planned widening of the Turnpike and its potential impacts on the Township's roadway and pedestrian networks
- Finalized design, engineering, and permitting of Phase IV of the Park Road Reconstruction and Pedestrian Trail Installation project (Hickory Park to the Marsh Creek State Park)
- Designed and engineered the plan for the Eagle Village Pocket Park, located at Pottstown Pike (S.R. 0100) and Station Boulevard.
- Ongoing construction inspections in various sub-divisions (Byers Station - Ewing, Townes 270-290 Park Road, Reserve at Chester Springs)
- Pre-dedication inspections (wastewater infrastructure) completed at Byers Station – Ewing
- Reviewed nine (9) sub-division and/or land development plans
- Reviewed two (2) conditional use applications
- Ongoing assistance regarding the Sunoco Mariner II/III gas pipeline expansion and/or upgrade projects
- Updated Townships GIS data
- Coordinated MS4 Stormwater Permit renewal

GOALS FOR 2019

- Monitor and assist with ongoing gas pipeline expansion or repair projects
 - Sunoco Mariner II and III
- Construction management and inspection activities for the Park Road Reconstruction and Trail Installation Project
- Ongoing construction inspections at new residential construction sites

Staffing Statistics – as of the end of each year presented

	2019	2018	2017
None			
Total			

None – outside consultants provide engineering services to the Township

2019 Budget Summary – Engineering

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
Engineering - reimbursable	\$75,000	\$25,750	\$75,000	-	0.0%
Reimbursable Conditional Use	25,000	7,604	25,000	-	0.0%
Engineering – non reimbursable	30,000	46,012	20,000	\$10,000	50.0%
Traffic engineering	25,000	21,873	25,000	-	0.0%
All other	14,500	13,321	14,500	-	0.0%
Total	\$169,500	\$117,538	\$159,500	\$10,000	6.3%

Explanation of Major Changes**Non-reimbursable engineering**

This expense has been increased to better match actual expenses.

GENERAL FUND**TOWNSHIP PROPERTIES****DESCRIPTION OF SERVICES PROVIDED**

This department includes the costs of operating and maintaining the three Township owned buildings – the Township building located at 140 Pottstown Pike; the Public Works building located at 132 Oscar Way and the Milford Road building, all located in Chester Springs, Pa.

ACCOMPLISHMENTS IN 2018

- Continued repairs and maintenance activity at the Upland Farms Barn allowing the facility to open to the public
- Parking lot lights installed at Upland Farms
- Developed and issued a request for professional architectural services for the Township building expansion/renovation project
- Developed, designed and engineered building and site plans for the Township building/renovation project
- Awarded a construction administration/project management contract: pre-construction, construction and post construction activities
- Action plan developed for the relocation of uniformed and non-uniformed personnel during construction and renovation of the Township building

GOALS FOR 2019

- Receive bids and award contracts for the Township building expansion/renovation project
- Manage construction and renovation activities with minimal change orders
- Maintain all operational activities and service delivery to the community during construction/renovation of the Township building
- Continued capital improvement at the Upland Farms Barn to include the construction of bathroom facilities

Staffing Statistics – as of the end of each year presented

	2019	2018	2017
None			
Total			

The Public Works Department – Facilities Division provides maintenance for buildings and grounds as needed for all Township properties

2019 Budget Summary – Township Properties

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
Public Works building	\$55,410	\$43,522	\$55,113	\$297	0.5%
Township building	128,036	42,642	68,893	59,144	85.8%
Milford Road building	35,177	4,397	11,079	24,098	217.5 %
Total	\$218,623	\$90,561	\$135,084	\$83,539	61.8%

Explanation of Major Changes**Township Building**

As noted more fully in the Capital section, the Township Building will be undergoing a major expansion and renovation during 2019 – 2020. It will be necessary for Township staff to relocate to an office building for approximately a year. The 2019 Budget includes \$55,000 for estimated rent at this location.

Milford Road Building

This property will be used by the Police Department during the renovation project at the Township building in 2019. Expenses for utilities were increased and \$20,000 was included for rentals of trailers.

GENERAL FUND**PLANNING AND ZONING****DESCRIPTION OF SERVICES PROVIDED**

This department includes the costs of updating the Township's Comprehensive Plan and ordinances, zoning hearing costs (including legal fees and court reporter fees), Act 209 planning costs, and Village Concept expenses.

ACCOMPLISHMENTS IN 2018

- Amended the Subdivision/Land Development ordinance regarding the methods, quantity and procedures for submission of plans
- The following ordinances or ordinance amendments were reviewed and adopted:
 - Senior Living Facility as a Permitted Use in the PRD
 - Flood Hazard District – Definitions
 - Group Homes
 - Conditional Use / Special Exception Approval extension
 - Subdivision/Land Development Plan Submission and Distribution
- Three (3) Zoning hearings conducted

GOALS FOR 2019

- Seek Chester County Vision Partnership Program (VPP) grant funding to facilitate a review of Zoning and SALDO with the following goals:
 - Ensure retail, commercial and adjoining residential uses are synchronous
 - Encourage retail and commercial uses within Upper Uwchlan Township as appropriate
 - Evaluate permitted uses in all Zoning Districts against up to date technologies used in various retail, commercial, and industrial sectors

Statistics – as of the end of each year presented

	2019	2018	2017
None			
Total			

2019 Budget Summary – Planning and Zoning

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
General Planning	\$38,500	\$922	\$11,500	\$27,000	234.8%
Village Concept	1,000	-	1,000	-	0.0%
Zoning	9,800	642	9,800	-	0.0%
Total	\$49,300	\$1,564	\$22,300	\$27,000	121.1%

GENERAL FUND

TOWNSHIP PARKS and TRAILS



DESCRIPTION OF SERVICES PROVIDED

Upper Uwchlan Township currently operates and maintains three active recreational parks: Hickory Park, Fellowship Fields, and Larkins Field with a total of ten 10 active recreational fields. Upland Farms, a 56-acre park just north of the Village of Eagle, provides space for passive recreation and both paved and natural trails. In 2018, the Barn at Upland Farm was utilized for community events and opened to the public for rent. The Township also maintains paved trails throughout that Township that connect many residential areas to Eagle Village and to recreational facilities. 2018 also saw the opening of the newest park in Upper Uwchlan Township. A trailhead and so-called “pocket park,” the plaza just north of the Township building serves as a connection between trails and a spot for peaceful recreation.

In 2016, the Township established a Facilities Division within the Public Works Department. The Facilities Division is staffed with three full time employees and supplemented by seasonal employees. The Assistant Township Manager, assisted by administrative staff, is responsible for the scheduling of the sports facilities and associated systems, such as the lighting at Fellowship Fields.

2018 HIGHLIGHTS

Establishment of a New Online Reservation System

In 2018, Upper Uwchlan Township began utilizing an online reservation system through the company MyRec. The new system is designed specifically for facility reservations and improves the experience for the user. Credit card processing, easier invoicing, and user security are some of the many benefits this new system offers. The Township will continue using the system in 2019.

Sports Scholarship

The Access to Youth Sports Scholarship Program was established in the summer of 2018. The program is designed to provide funds to our local not-for-profit youth groups to aid regional families who may not otherwise be able to participate in youth athletics such as baseball, soccer, or rugby. The Township plans to continue this program in 2019.

Pocket Park in Eagle Village

The newest addition to the roster of parks in Upper Uwchlan Township, the “pocket park” in Eagle was constructed in 2018. The vision for the park, as developed by the Upper Uwchlan Township Village Concept Committee, is that of a community gathering space and public plaza. Keeping with the quaint aesthetic of the Village of Eagle, the park features shade trees and other landscaping, along with

benches and chess tables for peaceful recreation. The park will also serve as a connecting space between the trail systems within the Township.

Playground Renovation

Demolition of the playground at Hickory Park commenced in October, 2018 making way for brand new equipment. The new equipment replaces pieces that, after over a decade since their installation, were nearing the end of their safe and useful life. The new design features equipment from the Kompan Playground Company's Robinia organic hardwood line, and includes a climbing wall, spinners, new swings, a double tower, as well as springers and boats for the youngest playground users. The Park and Recreation Board selected Kompan from among designs presented by three manufacturers. A grand opening celebration for the new playground is slated for spring 2019.



The design for the new playground at Hickory Park includes boats, lily pad stepping stones, and fish springers, a water theme inspired by nearby Marsh Creek Lake.

Park and Recreation Board Accomplishments

The Park and Recreation Board added a spring event to their schedule of community activities in 2018: an Easter Egg Hunt! The event attracted more than 400 attendees. Youngsters enjoyed a hunt for candy filled eggs, a visit with the Easter Bunny, and holiday themed crafts. In addition, the event served as a food drive for the Chester County Food Bank with 362 pounds of food collected.

In May, the Park and Recreation Board sponsored refreshments at a Flag Retirement Ceremony at Upland Farms. The Patriotic Order of Sons of America, the scouts and leadership of BSA Troop 83 – Lionville, and Upper Uwchlan Township Board Chair Jamie Goncharoff organized the ceremony.

The Board is currently planning the Township's Second Annual Tree Lighting, scheduled for November 24, 2018. Building upon the success of the 2017 event, which drew a crowd of over 600, the Board plans to provide residents with an exciting community event featuring music and refreshments, and culminating with the lighting of an evergreen tree at Upland Farms Park and a visit from Santa Claus.



A new logo was commissioned by the Park and Recreation Board in 2018.

At the request of the Park and Recreation Board, staff commissioned an update to the Trails on the Ground map. The updated map, which is posted on the Township website, now includes the trails within Upland Farms Park and the trails within the Village of Eagle which were added in 2017. The Park and Recreation Board displayed laminated maps of both the trails on the ground and the master plan for trails at the 2018 Block Party, allowing residents to see the vision for trails throughout the Township and the progress toward that goal.

Eager to best serve the needs and wants of Township residents, the Park and Recreation Board distributed an online survey, soliciting input from residents about their recreation habits and needs. Results of the survey will be considered during 2019 event and program planning.



Park and Recreation Board Chair Cathy Tomlinson and young residents enjoy Easter Egg Hunt at Upland Farms.

ACCOMPLISHMENTS IN 2018

(Performed by Public Works – Facilities Division)

- Continued Turf Management Program at the three (3) active recreational parks – Ten (10) fields
- Conducted 48 safety inspections at all Township parks
- Conducted improvements at Upland Farms Barn in preparation for rentals:
 - Lighting installation
 - Rebuilt the ramp
 - Dug footers for new steps
- Replaced the 6x6" posts and sheet metal on the lean-to at Upland Farms.
- Cleaned up debris, dug out burnt asphalt and repaved area damaged by trash fire at Upland Farms.
- Completed erosion repair on Hickory Park trail and bridges.
- Installed AED cabinet in the Fellowship Field House.
- Built dog shaped deterrents to keep geese off of Fellowship Fields.
- Built benches for Upland Farms.
- New fence and padding installed at Fellowship Fields.
- New backstop fence installed at Hickory Park.
- Installed a landing with stairs and railing at Upland Farms Barn
- Designed and built wood cut outs for Easter egg hunt at Upland Farms.
- Installed heat pipe and insulated pipes in Hickory Park restroom.
- Replaced broken fence rails and posts at Upland Farms.
- Dug out area for stone in preparation for Eagle Scout picnic grove project at Upland Farms.
- Sanded and stained the benches at Hickory Park.
- Installed a new sign at Fellowship Fields.
- Installed 2 new windows in Upland Farms Barn.
- Removed old play structures and mulch from Hickory Park in preparation of new structures.
- Installed new drainage system at Hickory Park playground.
- Rerouted and updated all electrical services at Hickory Park.
- Filled in and repaired ruts at Fellowship Fields using approximately 11 yards of topsoil.

GOALS FOR 2019

- Continue the online scheduling of park facilities by local leagues and private residents.
- Continue turf management on the Township's ten (10) fields.
- Ongoing maintenance at all park facilities.
- Plant new shrubs and perennials at Hickory Park.
- Clean up the walking trails and make any necessary repairs to the bridges at Hickory Park.
- Install new bleachers at both Fellowship Fields and Hickory Park.
- Install security cameras at Larkins Field and Hickory Park.
- Repair or replace the stone wall at Fellowship Fields.
- Install railings along the stone steps at Fellowship Fields.
- Pave the upper parking lot at Fellowship Fields.
- Install court lighting at the basketball and tennis courts at Hickory Park.
- Install fencing along the parking lot side of the new playground.

Facilities Division Staffing Statistics – as of the end of each year presented

	2019	2018	2017
Full time	2	2	2
Part-time	3	3	3
Total	2.7	2.7	2.7

Personnel are included and budgeted in the Public Works – Facilities department. An allocation of costs for lawn maintenance is transferred from Public Works – Facilities Division to Parks in the budget and the financial statements.

2019 Budget Summary - Parks

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
General Park expenses	\$275,585	\$182,201	\$236,908	\$38,676	16.3%
Hickory Park	40,153	20,633	39,257	896	2.3%
Fellowship Fields	48,653	31,016	49,014	(361)	(0.7%)
Larkins Field	9,000	2,146	9,000	-	0.0%
Upland Farms	71,653	13,280	32,636	39,018	119.6%
Total	\$445,045	\$249,276	\$366,815	\$78,230	21.3%

Explanation of Major Changes

General park expenses include allocations of personnel related costs for the time spent maintaining the grass and other routine maintenance performed by the Public Works Department. It includes four seasonal employees for six months. The increased cost in 2019 reflects increases to salaries to Public Works department employees effective late October, 2018 to bring the department's wages in line with similar departments in Chester County.

Annual Block Party

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
Donations	\$10,000	\$12,285	\$10,000	-	0.0%
Expenses	28,000	28,032	26,000	\$ 2,000	7.7%
Net cost to the Township	\$18,000	\$15,747	\$16,000	\$2,000	12.5%

The donations received towards the Block Party are recorded as revenue under the title, "Community Events Donations." The expenses are recorded under "Parks – General".



At the 2018 Block Party, residents had the chance to explore the new pocket park in Eagle for the first time.

FACILITY USE STATISTICS

	2019	2018	2017
Number of organizations using the parks on a regular basis	17	17	17
Annual hours that the Township fields are scheduled	6,000	5,294*	6,080

*Actual through 10/8/18; Projected through year's end.

	Fellowship Fields	Hickory Park	Larkins Field	Upland Farms
Reserved Hours in 2018*	2,691.6	2,369.8	209.0	24

*Actual through 10/8/18; Projected through year's end.

GENERAL FUND

FIRE AND AMBULANCE DEPARTMENTS

MISSION

The Township seeks to provide quality fire and ambulance services to its residents and others who visit or work in the Township.

DESCRIPTION OF SERVICES PROVIDED

There are no fire companies or ambulance companies located within the Township. Upper Uwchlan Township has contracted with several organizations that serve Upper Uwchlan Township:

- Lionville Fire Company – Station 47
- Glenmoore Fire Company – Station 48
- Ludwig's Corner Fire Company – Station 73
- East Brandywine Fire Company – Station 49
- Uwchlan Ambulance Corps. – Station 87

The Township supports the Fire companies and the ambulance corps. by making semi-annual contributions towards their operations. The amount of contributions made to each company is based on a number of quantitative factors. They include: the number of fire and QRS calls made, the percentage of Upper Uwchlan population within their fire district and the assessment of property values that are located in their fire district.

The Township also receives Fire Insurance Premium Taxes from the Commonwealth of Pennsylvania that is restricted such that every dollar received must be paid to local fire companies within 60 days of receipt. The offsetting expense associated with that revenue is reflected in this department.

Upper Uwchlan is also required by state law to contribute its pro-rata portion of workers compensation premiums paid by each of its supporting fire companies. Those fire companies submit an invoice to the Township annually for payment of its share of the premiums.

ACCOMPLISHMENTS IN 2018

- Continued to provide professional fire and ambulance services to the Township and its residents.

GOALS FOR 2019

- Continue to provide professional fire and ambulance services to the Township and its residents.

2019 Budget Summary – Fire and Ambulance

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
Township contributions to Fire & Ambulance Co.	\$197,637	\$199,937	\$199,937	(\$2,300)	(1.2%)
State Aid received and paid to fire companies	112,000	86,679	112,000	-	0.0%
Reimbursements to other municipalities	2,500	-	2,500	-	0.0%
Hydrant expenses	60,000	46,926	60,000	-	0.0%
Workers compensation insurance	25,000	15,062	28,000	(5,000)	(17.9%)
Total	\$395,137	\$348,604	\$402,437	(\$7,300)	(1.8%)

Explanation of Major Changes

None

STATISTICS*

	2019	2018**	2017 **
Total calls:			
Ludwig's Corner	130	135	128
Lionville	75	78	71
Glenmoore	15	7	16
East Brandywine	18	15	21
Uwchlan Ambulance	290	311	290

*The measurement period runs October to September

** For the one year period ended September 30

GENERAL FUND

OTHER SERVICES

MISSION

The Township seeks to provide financial assistance to local charitable organizations that benefit the residents of Upper Uwchlan Township. We are also committed to providing proactive emergency services so that our officials, staff and first responders are prepared in the event of an emergency or disaster. This section also includes the Township's Historical Commission and its activities.

DESCRIPTION OF SERVICES PROVIDED

This department reflects contributions made to various local charitable organizations that provide services to residents of the Township. It includes the Brandywine Valley SPCA (*formerly the Chester County SPCA*), Downingtown Area Recreational Consortium (DARC), and the Henrietta Hankin Library.

The Brandywine Valley SPCA contracts with the municipalities within the County to provide care to stray animals that are found in, or brought to the SPCA, from Upper Uwchlan Township. Without a contract, the SPCA will not accept animals coming from our Township. The contract is for a five year term, from January 1, 2019 to December 31, 2023. The basic contract fee for the 2019 calendar year is **\$1,639**. Annual increases are capped at no more than 3%. Additional charges that will be billed monthly include an animal acquisition fee, unclaimed stray animal fee, an activity fee for trips to our Township that do not include acquisition of an animal and an emergency response fee. The total amount budgeted for 2019 is **\$4,371**.

Contributions are made to DARC based on their budget and requested contribution from the Township as long as it is deemed reasonable and appropriate. For 2019, that amount is **\$20,943** and it is based on the number of Upper Uwchlan Township residents who participated in their programs during the prior year. Usage statistics show that of the eight municipalities supported by DARC, Upper Uwchlan Township had the second highest percentage usage at 22.5% in 2018.

The Downingtown Area Senior Center has requested a donation of **\$2,000** from the Township in 2019. It has been included in the Budget pending approval by the Supervisor's in the final Budget.

The Township contributes **\$5,000** annually to the Henrietta Hankin Library which is an excellent local resource for Township residents. The library also offers public computer/Wi-Fi usage, public meeting rooms and various programs for youth and adults. Approximately 25% of Upper Uwchlan residents use the library on some basis.

The Emergency Services department (EMPC) has a total budget of **\$7,850** for 2019. The majority of the budget consists of training; it also includes dedicated phones for EMPC.

The Historical Commission of Upper Uwchlan Township seeks to maintain the historical attributes of the Township. Their budget for 2019 is **\$2,500**.

ACCOMPLISHMENTS IN 2018

- Residents participating in DARC programs – 22.5% of total participants. Participation among Upper Uwchlan residents increased by more than 100 people from the prior year.
- Residents using the Henrietta Hankin Library are the second highest percentage of any municipality in Chester County

GOALS FOR 2019

- Increased resident participation in DARC and the Henrietta Hankin library

2019 Budget Summary – Other Services

	2019 Budget	Actual 2018 (9/30/18)	2018 Budget	2019 Increase (Decrease)	Percentage Change
Emergency Services (EMPC)	\$7,850	\$1,950	\$7,850	\$0	0.0%
Brandywine Valley SPCA	4,371	2,264	4,244	127	3.0%
DARC	20,943	15,987	15,987	4,956	31.0%
DASC	2,000	-	2,000	-	0.0%
Henrietta Hankin Library	5,000	-	5,000	-	0.0%
Historical commission	2,500	1,260	2,500	-	0.0%
Total	\$42,664	\$21,461	\$37,581	\$5,083	13.5%

Explanation of Major Changes**DARC**

The annual contribution has increased due to the usage percentage by Upper Uwchlan Township residents compared to the other six member municipalities of DARC.

Downingtown Area Senior Center (“DASC”)

DASC first requested a contribution from the Township for 2018. The Supervisors plan to adopt a formal policy on contributions prior to making this contribution; thus although it was included in the 2018 Budget, no contributions have been made during 2018.

LONG TERM DEBT

As of December 31, 2018 the Township has the following debt outstanding, in order of issuance, which is more fully explained below:

General Obligation Bonds, Series of 2014	\$ 5,275,000
Fulton Bank loan – Street Sweeper	157,507
General Obligation Bonds, Series of 2018	10,850,000

Bank Loans

In July 2018 the Township re-paid the balance on its loan with BB&T which was due to mature June 1, 2026. The balance on January 1, 2018 was \$219,683; the Board of Supervisors authorized extinguishing this debt in the 2018 Budget.

During April of 2017, the Township purchased a street sweeper through a leasing arrangement with Fulton Bank. Under the agreement, ownership of the street sweeper will revert to the Township when all payments have been made. The loan is an 80% loan, with the Township paying 20% down at inception. The amount borrowed was \$262,623 and there are annual lease payments ranging from \$49,678 to \$53,954 until the loan is repaid in 2021. The interest rate is 2.60%. Below is a schedule showing projected payments and the balance on the Fulton Bank loan for the street sweeper.

	2018	2019	2020	2021
Balance, January 1	\$426,868	\$157,507	\$106,443	\$53,954
<i>Principal paid:</i>				
Board resolution	194,200	-	-	-
Regular principal	75,161	51,064	52,489	53,954
Total payments	269,361	51,064	52,489	53,954
Balance, Dec. 31	\$157,507	\$106,443	\$53,954	-
Scheduled interest	\$9,781	\$4,394	\$2,970	\$1,505

GENERAL OBLIGATION BONDS (subject to revision)

General Obligation Bonds – Series of 2014

In September, 2014, the Township issued \$5,955,000 of General Obligation Bonds; the amount outstanding as of December 1, 2018 is \$5,275,000. The bonds are general obligations of Upper Uwchlan Township; the proceeds were used to finance the purchase of sewer capacity in a newly constructed plant and for new sewer infrastructure to serve approximately 121 existing homes in three subdivisions of the Township. This project added an additional 300,000 gallons per day of treatment capacity at the existing plant on Route 100. The Township also purchased capacity from the constructing developers at a cost of approximately \$3 million. The sewer system is owned by the Township and operated by the Upper Uwchlan Township Municipal Authority under an operating agreement.

General Obligation Bonds – Series of 2018

As of December 31, 2018 the Township has authorized the issuance of \$10,850,000 of General Obligation Bonds Series of 2018 which are expected to be priced for sale on December 10, 2018. The expected issuance date is early January, 2019. Part of this issue qualifies as liquidating debt since it will be used for the construction of Phase III of the Route 100 Wastewater Treatment Plant, sewer extensions in two areas of the Township and to purchase land in the near future for treatment of sewage effluent. The amount of bond proceeds for the sewer improvements totals \$5,200,000. The remaining proceeds will be used towards Township improvements. In early 2019, the Township will be expanding and renovating the existing Township building to provide additional office space for current and future staff. The cost is projected to be approximately \$3,750,000. Also, the Township plans to renovate the Upland Farms Barn to be used as a community center. That is projected to cost approximately \$1,500,000. The township park known as “Hickory Park” will have new lighting installed from the proceeds at an estimated cost of \$400,000.

Please refer to the pages that follow for a detailed description of the principal and interest payments on the bonds and the bank loan.

Debt Limits

Article IX, Section 10 of the Constitution of the Commonwealth of Pennsylvania requires the General Assembly to prescribe the debt limits of units of local governments in the Commonwealth, including the Township, based on a percentage of total revenues of such units over a three-year period immediately preceding the borrowing. Self-liquidating debt and subsidized debt and all debt approved by referendum are excluded from such debt limits. The Debt Act implements Article IX, Section 10 of the Constitution.

Under the Debt Act, the Township may not incur any new non-electoral debt, if, following its issuance, the aggregate net principal amount of outstanding non-electoral debt of the Township will exceed 250 percent of its borrowing base. In addition, the Township may not incur any new lease rental debt or non-electoral debt if, following the issuance thereof, the aggregate net principal amount of outstanding non-electoral and lease rental debt of the Township will exceed 350 percent of its borrowing base. The borrowing base of the Township is defined in the Debt Act as the arithmetic average of the total revenues of the Township for the three full fiscal years of the Township immediately preceding the date on which new non-electoral debt or new lease rental debt is incurred. Total revenues include all revenues of the Township, other than certain non-recurring or dedicated revenues set forth in the Debt Act.

The borrowing base of the Township is calculated to be \$11,780,017. The gross borrowing capacity of the Township is \$23,785,042 and \$35,565,058, under the net non-electoral debt and net non-electoral and lease rental debt, respectively after the issuance of the Series of 2018 Bonds. The issuance of the General Obligation Bonds, Series of 2014 has not affected the Township's borrowing capacity since they qualify as self-liquidating debt. The General Obligation Bonds, Series of 2018 are partially self-liquidating.

Existing Debt Profile

Upper Uwchlan Township - General Obligation Debt Service				
(1)	(2)	(3)	(4)	
Series of 2014		Fulton Bank Loan		
Period Ending	(Go Bonds-Sewer)	Twp. Gen. Fund	Total	
12/31/2018	364,462	55,458	419,920	
12/31/2019	369,213	55,458	424,671	
12/31/2020	366,812	55,458	422,270	
12/31/2021	368,013	55,458	423,471	
12/31/2022	369,112		369,112	
12/31/2023	364,863		364,863	
12/31/2024	365,262		365,262	
12/31/2025	365,240		365,240	
12/31/2026	364,885		364,885	
12/31/2027	369,188		369,188	
12/31/2028	368,000		368,000	
12/31/2029	368,800		368,800	
12/31/2030	369,200		369,200	
12/31/2031	369,200		369,200	
12/31/2032	368,800		368,800	
12/31/2033	368,000		368,000	
12/31/2034	366,800		366,800	
12/31/2035	365,200		365,200	
12/31/2036	368,200		368,200	
12/31/2037	365,600		365,600	
12/31/2038	367,600		367,600	
12/31/2039	364,000		364,000	
	8,076,450	221,834	8,298,284	
Original Par Amount:	\$5,955,000	TBD		
Par Outstanding:	\$5,450,000	\$207,185		
Call Provision:	12/01/2019	TBD		
Maturity Date:	12/01/2039	2021		
Final Coupon:	4.000%	2.790%		
Purpose:	NM (Sewer)	Street Sweeper Lease Payments		
Self-Liquidating:	Yes	No		
Bank Qualified:	Yes	Yes		
Notes:				

NM=New Money; CR=Current Refunding; AR=Advance Refunding

Note: Yearly debt service amounts represent total debt service paid during the year.

Bond Issue - \$10.85M Project Fund Deposit, 30-Year Wrapped Debt Service, Non-Bank Qualified

Upper Uwchlan Township - General Obligation Debt Service							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Period Ending	Series of 2014 (GO Bonds-Sewer)	Fulton Bank Loan Twp. Gen. Fund	2018 Bonds-Sewer	2018 Bonds-Twp	(Columns 2 + 4) Total Sewer	(Columns 3 + 5) Total Twp.	(Columns 6 + 7) Combined Total
12/31/2018	364,462	55,458			364,462	55,458	419,920
12/31/2019	369,213	55,458	200,074	324,999	569,287	380,457	949,744
12/31/2020	366,812	55,458	248,675	369,675	615,487	425,133	1,040,620
12/31/2021	368,013	55,458	247,925	370,550	615,938	426,008	1,041,946
12/31/2022	369,112		247,025	425,450	616,137	425,450	1,041,587
12/31/2023	364,863		251,125	423,550	615,988	423,550	1,039,538
12/31/2024	365,262		250,075	426,500	615,337	426,500	1,041,837
12/31/2025	365,240		254,025	424,150	619,265	424,150	1,043,415
12/31/2026	364,885		252,825	421,650	617,710	421,650	1,039,360
12/31/2027	369,188		246,625	424,000	615,813	424,000	1,039,813
12/31/2028	368,000		250,225	423,400	618,225	423,400	1,041,625
12/31/2029	368,800		248,625	422,400	617,425	422,400	1,039,825
12/31/2030	369,200		247,025	426,000	616,225	426,000	1,042,225
12/31/2031	369,200		250,425	424,000	619,625	424,000	1,043,625
12/31/2032	368,800		248,625	421,600	617,425	421,600	1,039,025
12/31/2033	368,000		246,825	423,800	614,825	423,800	1,038,625
12/31/2034	366,800		250,025	425,400	616,825	425,400	1,042,225
12/31/2035	365,200		253,025	421,400	618,225	421,400	1,039,625
12/31/2036	368,200		250,825	422,000	619,025	422,000	1,041,025
12/31/2037	365,600		253,625	422,000	619,225	422,000	1,041,225
12/31/2038	367,600		251,225	426,400	618,825	426,400	1,045,225
12/31/2039	364,000		253,825		617,825		617,825
12/31/2040			616,225		616,225		616,225
12/31/2041			619,025		619,025		619,025
12/31/2042			616,025		616,025		616,025
12/31/2043			617,425		617,425		617,425
12/31/2044			618,025		618,025		618,025
12/31/2045			617,194		617,194		617,194
12/31/2046			615,538		615,538		615,538
12/31/2047			618,056		618,056		618,056
12/31/2048			619,544		619,544		619,544
	8,076,450	221,834	10,759,731	8,268,924	18,836,181	8,490,757	27,326,938
Original Par Amount:	\$5,955,000	TBD	\$5,450,000	\$5,665,000			
Par Outstanding:	\$5,450,000	\$207,185	\$5,450,000	\$5,665,000			
Call Provision:	12/01/2019	TBD	06/01/2026	06/01/2026			
Maturity Date:	12/01/2039	2021	12/01/2048	12/01/2038			
Final Coupon:	4.000%	2.790%	4.125%	4.000%			
Purpose:	NM (Sewer)	Street Sweeper Lease Payments	Sewer Projects	Twp. Bldng. Projects			
Self-Liquidating:	Yes	No	Yes	No	Yes	No	Partially
Bank Qualified:	Yes	Yes	No	No			

Notes:
 NMF=New Money; CR=Current Refunding; AR=Advance Refunding
 Note: Yearly debt service amounts represent total debt service paid during the year.

NOTE: Interest rates are based on estimated current market conditions and are subject to change.

Bond Issue - \$10.85M Project Fund Deposit, 30-Year Wrapped Debt Service, Non-Bank Qualified

Bond Details		
Pricing Date		12/11/2018
Settlement Date		01/10/2019
All-in True Interest Cost		4.18%
Average Annual Debt Service	\$	636,587
1st Interest Payment Date		06/01/2019
1st Principal Payment Date		12/01/2019
Call Date		06/01/2026

Sources and Uses of Funds

Sources:	
Par Amount	\$ 11,115,000
Original Issue Premium/(Discount)	(131,646)
Total Sources	\$ 10,983,354
Uses:	
Project Fund Deposit - Township	\$ 5,650,000
Project Fund Deposit - Sewer	\$ 5,200,000
Estimated Costs of Issuance (including UW fee)	126,240
Estimated Bond Insurance	-
Additional Proceeds	7,114
Total Uses	\$ 10,983,354

Interest Rate Sensitivity Analysis*

Total Debt Service: Current Rates +50 bps	\$ 20,092,597
Total Debt Service: Current Rates -50 bps	17,961,953

*Sensitivity assumes changes to both coupons and yields.

Debt Service Schedule	
Fiscal Year Ending	Annual Debt Service
12/31/2019	525,073
12/31/2020	618,350
12/31/2021	618,475
12/31/2022	672,475
12/31/2023	674,675
12/31/2024	676,575
12/31/2025	678,175
12/31/2026	674,475
12/31/2027	670,625
12/31/2028	673,625
12/31/2029	671,025
12/31/2030	673,025
12/31/2031	674,425
12/31/2032	670,225
12/31/2033	670,625
12/31/2034	675,425
12/31/2035	674,425
12/31/2036	672,825
12/31/2037	675,625
12/31/2038	677,625
12/31/2039	253,825
12/31/2040	616,225
12/31/2041	619,025
12/31/2042	616,025
12/31/2043	617,425
12/31/2044	618,025
12/31/2045	617,194
12/31/2046	615,538
12/31/2047	618,056
12/31/2048	619,544
Total	\$ 19,028,654

NOTE: Interest rates are based on estimated current market conditions and are subject to change.

**BOND DEBT SERVICE**

UPPER UWCHLAN TOWNSHIP
General Fund
Proposed GO Bonds, Series of 2018

Dated Date 01/10/2019
Delivery Date 01/10/2019

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2019			81,261.04	81,261.04	
12/01/2019	140,000	2.000%	103,737.50	243,737.50	324,998.54
06/01/2020			102,337.50	102,337.50	
12/01/2020	165,000	2.500%	102,337.50	267,337.50	369,675.00
06/01/2021			100,275.00	100,275.00	
12/01/2021	170,000	3.000%	100,275.00	270,275.00	370,550.00
06/01/2022			97,725.00	97,725.00	
12/01/2022	230,000	3.000%	97,725.00	327,725.00	425,450.00
06/01/2023			94,275.00	94,275.00	
12/01/2023	235,000	3.000%	94,275.00	329,275.00	423,550.00
06/01/2024			90,750.00	90,750.00	
12/01/2024	245,000	3.000%	90,750.00	335,750.00	426,500.00
06/01/2025			87,075.00	87,075.00	
12/01/2025	250,000	3.000%	87,075.00	337,075.00	424,150.00
06/01/2026			83,325.00	83,325.00	
12/01/2026	255,000	3.000%	83,325.00	338,325.00	421,650.00
06/01/2027			79,500.00	79,500.00	
12/01/2027	265,000	4.000%	79,500.00	344,500.00	424,000.00
06/01/2028			74,200.00	74,200.00	
12/01/2028	275,000	4.000%	74,200.00	349,200.00	423,400.00
06/01/2029			68,700.00	68,700.00	
12/01/2029	285,000	4.000%	68,700.00	353,700.00	422,400.00
06/01/2030			63,000.00	63,000.00	
12/01/2030	300,000	4.000%	63,000.00	363,000.00	426,000.00
06/01/2031			57,000.00	57,000.00	
12/01/2031	310,000	4.000%	57,000.00	367,000.00	424,000.00
06/01/2032			50,800.00	50,800.00	
12/01/2032	320,000	4.000%	50,800.00	370,800.00	421,600.00
06/01/2033			44,400.00	44,400.00	
12/01/2033	335,000	4.000%	44,400.00	379,400.00	423,800.00
06/01/2034			37,700.00	37,700.00	
12/01/2034	350,000	4.000%	37,700.00	387,700.00	425,400.00
06/01/2035			30,700.00	30,700.00	
12/01/2035	360,000	4.000%	30,700.00	390,700.00	421,400.00
06/01/2036			23,500.00	23,500.00	
12/01/2036	375,000	4.000%	23,500.00	398,500.00	422,000.00
06/01/2037			16,000.00	16,000.00	
12/01/2037	390,000	4.000%	16,000.00	406,000.00	422,000.00
06/01/2038			8,200.00	8,200.00	
12/01/2038	410,000	4.000%	8,200.00	418,200.00	426,400.00
	5,665,000		2,603,923.54	8,268,923.54	8,268,923.54



BOND DEBT SERVICE
UPPER UWCHLAN TOWNSHIP
Sewer
Proposed GO Bonds, Series of 2018

Dated Date 01/10/2019
Delivery Date 01/10/2019

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2019			85,686.88	85,686.88	
12/01/2019	5,000	2.000%	109,387.50	114,387.50	200,074.38
06/01/2020			109,337.50	109,337.50	
12/01/2020	30,000	2.500%	109,337.50	139,337.50	248,675.00
06/01/2021			108,962.50	108,962.50	
12/01/2021	30,000	3.000%	108,962.50	138,962.50	247,925.00
06/01/2022			108,512.50	108,512.50	
12/01/2022	30,000	3.000%	108,512.50	138,512.50	247,025.00
06/01/2023			108,062.50	108,062.50	
12/01/2023	35,000	3.000%	108,062.50	143,062.50	251,125.00
06/01/2024			107,537.50	107,537.50	
12/01/2024	35,000	3.000%	107,537.50	142,537.50	250,075.00
06/01/2025			107,012.50	107,012.50	
12/01/2025	40,000	3.000%	107,012.50	147,012.50	254,025.00
06/01/2026			106,412.50	106,412.50	
12/01/2026	40,000	3.000%	106,412.50	146,412.50	252,825.00
06/01/2027			105,812.50	105,812.50	
12/01/2027	35,000	4.000%	105,812.50	140,812.50	246,625.00
06/01/2028			105,112.50	105,112.50	
12/01/2028	40,000	4.000%	105,112.50	145,112.50	250,225.00
06/01/2029			104,312.50	104,312.50	
12/01/2029	40,000	4.000%	104,312.50	144,312.50	248,625.00
06/01/2030			103,512.50	103,512.50	
12/01/2030	40,000	4.000%	103,512.50	143,512.50	247,025.00
06/01/2031			102,712.50	102,712.50	
12/01/2031	45,000	4.000%	102,712.50	147,712.50	250,425.00
06/01/2032			101,812.50	101,812.50	
12/01/2032	45,000	4.000%	101,812.50	146,812.50	248,625.00
06/01/2033			100,912.50	100,912.50	
12/01/2033	45,000	4.000%	100,912.50	145,912.50	246,825.00
06/01/2034			100,012.50	100,012.50	
12/01/2034	50,000	4.000%	100,012.50	150,012.50	250,025.00
06/01/2035			99,012.50	99,012.50	
12/01/2035	55,000	4.000%	99,012.50	154,012.50	253,025.00
06/01/2036			97,912.50	97,912.50	
12/01/2036	55,000	4.000%	97,912.50	152,912.50	250,825.00
06/01/2037			96,812.50	96,812.50	
12/01/2037	60,000	4.000%	96,812.50	156,812.50	253,625.00
06/01/2038			95,612.50	95,612.50	
12/01/2038	60,000	4.000%	95,612.50	155,612.50	251,225.00
06/01/2039			94,412.50	94,412.50	
12/01/2039	65,000	4.000%	94,412.50	159,412.50	253,825.00
06/01/2040			93,112.50	93,112.50	
12/01/2040	430,000	4.000%	93,112.50	523,112.50	616,225.00
06/01/2041			84,512.50	84,512.50	
12/01/2041	450,000	4.000%	84,512.50	534,512.50	619,025.00
06/01/2042			75,512.50	75,512.50	
12/01/2042	465,000	4.000%	75,512.50	540,512.50	616,025.00
06/01/2043			66,212.50	66,212.50	
12/01/2043	485,000	4.000%	66,212.50	551,212.50	617,425.00
06/01/2044			56,512.50	56,512.50	
12/01/2044	505,000	4.125%	56,512.50	561,512.50	618,025.00
06/01/2045			46,096.88	46,096.88	
12/01/2045	525,000	4.125%	46,096.88	571,096.88	617,193.76
06/01/2046			35,268.75	35,268.75	
12/01/2046	545,000	4.125%	35,268.75	580,268.75	615,537.50
06/01/2047			24,028.13	24,028.13	
12/01/2047	570,000	4.125%	24,028.13	594,028.13	618,056.26
06/01/2048			12,271.88	12,271.88	
12/01/2048	595,000	4.125%	12,271.88	607,271.88	619,543.76
	5,450,000		5,309,730.66	10,759,730.66	10,759,730.66

CAPITAL FUND

The Capital Fund is used to account for major capital expenditures for the Township. Capital expenditures are expenses which result in the acquisition of a permanent asset. The Township's capitalization policy is to capitalize any asset which costs at least \$5,000. Asset purchases may be included in the Township's Capital Fund and may not be capitalized if they do not qualify.

The Capital Fund's primary source of revenue consists of transfers from the General and Solid Waste Funds or any grants that are received to offset expenditures.

The Township's debt payments (exclusive of the General Obligation Bonds – Series of 2014) are recorded in the Capital Fund.

During the budget process each year, each department head will submit a request for necessary capital purchases for the upcoming year. These requests are reviewed by the Township Manager and, if approved, are included in the Budget for the Supervisor's review and approval.

Although smaller items are budgeted in the Capital Fund, such as the purchase of vehicles or equipment, the Township also has several ongoing projects which may take several years to complete.

Township Building Expansion and Renovation Project – Current operations have outgrown the Township building, located at 140 Pottstown Pike in the Village of Eagle, Chester Springs, Pennsylvania. Staff has been sharing office space for several years which hampers efficiency. There is also no room for any future growth. Consultants were engaged in 2016 to review future space requirements and presented their report to the Board. In anticipation of this project, the Township acquired a small section of land immediately behind the current building from the Downingtown Area School District which would allow for expansion at the current location. The land was deeded at no cost to the Township. The 2018 Budget included \$170,000 for architects to design a renovated building that will meet the needs of current and future Township staff and residents.

As of November 9, 2018 the Township has received an estimate of \$3,750,000 from the architects for all remaining aspects of the project: construction, permits, inspections, construction management, information technology, security systems, furnishings and landscaping. The Township plans to finance this project through the issuance of General Obligation Bonds and is actively working with RBC Capital to issue the bonds in January, 2019. The total amount of the bond offering is expected to be \$10,850,000 with \$5,200,000 being used by the Upper Uwchlan Township Municipal Authority for further expansion of the sewer system. The balance of the proceeds will be used for other capital improvements as noted below.

Construction is expected to start in April of 2019 and should last for approximately one year. Township staff and the Police Department will move to temporary, rented space nearby. At this time, the Township has not entered into a lease for office space, but \$55,000 has been included in the General Fund budget for rental expense in 2019.

Park Road Reconstruction and Trail Project – Phase IV of the Park Road Trail is the final phase to be constructed, connecting the Village of Eagle, and beyond, with the Marsh Creek State Park. This project will also include the reconstruction and repaving of Park Road from Moore Road to the State Park. Originally budgeted for 2016, the design, engineering, and right-of-way acquisition took longer than expected. However, as of November 9, 2019 the project is out for bid and funding through a reimbursable CMAQ Grant has been finalized. The total cost of the project is expected to be \$2,926,277 with the majority of it reimbursed by the grant. The Township is responsible for \$654,313 of the cost. Construction is expected to begin in spring of 2019.

On-going operating costs – once constructed, the Township will own and maintain the trails with activities to include inspections, vegetation management, and mowing of grass. No additional external costs are anticipated with the maintenance of the trail.

Upland Farms – The Township began development of Upland Farms as a 56 acre passive recreational public park in late 2015. Construction included a fifty (50) space asphalt parking lot, 2,800 linear feet of 8' wide asphalt pedestrian trails, natural trails, storm water infrastructure, signage, and benches. The existing barn and farmhouse continue to be repaired and maintained. The Township has drafted a plan for the adaptive re-use of the farmhouse as a community center. The adaptive re-use community center project is pending funding, grant applications, etc. During 2017, maintenance and repair activities were completed to the point that allowed the barn to be opened to the public on a seasonal basis. The barn was opened for its first official function in late October, 2017 and was the site of the first annual Christmas tree lighting in November of 2017.

The General Obligation Bond offering of 2019 includes \$1,500,000 for the Upland Farms Community Center, although it is expected that approximately \$500,000 will be spent during 2019 with the remainder \$1 million incurred in 2020.

On-going operating costs – The initial operating costs will be specific to park maintenance activities such as inspection, maintenance and repair, mowing, trimming, and trash and recycling removal. Until such time as the house and barn are further developed utility costs, heating, electricity, water, will be negligible.

Hickory Park Lighting – Hickory Park is an active recreational facility with four fields, three tennis courts, two basketball courts, a sand volleyball court, playground and a pavilion. The proceeds of the General Obligation Bonds includes \$400,000 towards lighting at Hickory Park. The Township will fund \$50,000 of the total cost of \$450,000.

On-going operating costs – Once completed, it is expected that utility costs will increase by approximately \$3,000.

The Facilities Division of the Public Works Department provides on-going maintenance services to all buildings and parks in the Township. The total cost allocated to all Township parks in the 2019 General Fund budget is \$207,991.

**Upper Uwchlan Township
Capital Fund
Budget**

		Actual	Actual	Budget	YTD	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
		2016	2017	2017	2018	2018	2019	'18 Bud	Inc/(Dec)	2020	2021	2022	2023
		(9/30/18)											
INCOME													
30-341-000-000	Interest Earnings	4,334	13,020	3,000	15,561	12,000	20,000	8,000	51%	20,000	20,000	20,000	20,000
30-341-000-010	Grant revenue - County	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
30-341-000-020	Grant revenue - State	-	345,653	-	86,283	-	-	-	0%	-	-	-	-
30-354-000-030	Grant revenue - Federal	-	-	560,000	-	-	-	-	#DIV/0!	-	-	-	-
30-354-000-040	Grant revenue - other	-	-	-	-	5,800	5,800	-	#DIV/0!	-	-	-	-
30-391-000-100	Sale of Fixed Assets	2,970	4,983	5,000	10,100	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
30-393-000-000	Capital income	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
30-393-000-020	Proceeds from New Debt	-	-	-	-	-	5,650,000	5,650,000	#DIV/0!	-	-	-	-
30-393-000-400	Other financing sources (Developer - Eagle Park)	103,950	-	-	206,000	206,000	-	(206,000)	-100%	-	-	-	-
Total Income before Operating Transfers		111,254	363,656	568,000	317,944	228,800	5,680,800	5,452,000	1715%	25,000	25,000	25,000	25,000
INTERFUND OPERATING TRANSFERS													
30-392-000-001	Transfer From General Fund	400,000	950,000	950,000	600,000	600,000	150,000	(450,000)	-75%	200,000	200,000	200,000	200,000
30-392-000-005	Transfer From Solid Waste Fund	100,000	350,000	350,000	375,000	375,000	-	(375,000)	-100%	100,000	50,000	50,000	80,000
30-392-000-030	Transfer From Municipal Authority	-	11,450	-	-	-	-	-	#DIV/0!	-	-	-	-
Total Operating Transfers		500,000	1,311,450	1,300,000	975,000	975,000	150,000	(825,000)	-85%	300,000	250,000	250,000	280,000
TOTAL INCOME		611,254	1,675,106	1,868,000	1,292,944	1,203,800	5,830,800	4,627,000	358%	325,000	275,000	275,000	305,000
EXPENSES													
Township Properties													
30-409-000-700	Capital Purchases - General	14,740	20,053	206,200	32,434	204,374	-	(204,374)	-630%	5,000	5,000	5,000	5,000
30-409-001-700	Capital Purchases - Executive	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
30-409-002-600	Capital Construction - Township Building	8,325	-	-	10,401	-	3,750,000	3,750,000	36054%	-	-	-	-
30-409-002-700	Capital Purchases - Township Building	12,745	-	-	-	-	-	-	#DIV/0!	5,000	5,000	5,000	5,000
30-409-003-600	Capital Construction - PW Building	-	-	-	-	87,800	93,400	5,600	#DIV/0!	-	-	-	-
30-409-003-700	Capital Purchases - PW Building	12,115	-	-	-	-	-	-	#DIV/0!	-	-	-	-
30-409-004-600	Capital Construction - Milford Road	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
30-409-004-700	Capital Purchases - Milford Road	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
		47,925	20,053	206,200	42,835	292,174	3,843,400	3,551,226	8290%	10,000	10,000	10,000	10,000
Police													
30-410-000-700	Capital Purchases	65,362	68,058	68,156	47,573	52,356	73,000	20,644	43%	40,000	40,000	40,000	40,000
	Future Purchase	-	-	-	-	10,000	-	(10,000)	#DIV/0!	-	-	-	-
		65,362	68,058	68,156	47,573	62,356	73,000	10,644	22%	40,000	40,000	40,000	40,000
Codes													
30-413-000-700	Capital Purchases	24,902	-	-	-	-	-	-	#DIV/0!	-	-	-	-
		24,902	-	-	-	-	-	-	#DIV/0!	-	-	-	-
Public Works													
30-438-000-700	Capital Purchases - Vehicles	438	232,869	-	46,228	-	-	-	0%	-	-	-	-
30-438-000-701	Capital Purchases - Equipment	52,114	28,000	240,401	46,972	107,600	16,200	(91,400)	-195%	-	-	-	-
		52,552	260,869	240,401	93,200	107,600	16,200	(91,400)	-98%	-	-	-	-
Parks													
All Parks													
30-454-000-700	Capital Purchases - All Parks	47,560	14,955	89,782	20,494	-	-	-	0%	15,000	15,000	15,000	15,000
Hickory Park													
30-454-001-600	Capital Construction	41,305	26,582	55,000	(1,510)	209,300	457,400	248,100	-16430%	5,000	5,000	5,000	5,000
30-454-001-700	Capital Purchases	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-

**Upper Uwchlan Township
Capital Fund
Budget**

	Actual	Actual	Budget	YTD	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
	2016	2017	2017	2018	2018	2019	'18 Bud	Inc/(Dec)	2020	2021	2022	2023
Fellowship Fields												
30-454-002-600 Capital Construction	91,483		17,000	-	-	-	-	#DIV/0!	15,000	15,000	15,000	15,000
30-454-002-700 Capital Purchases	18,221		-	-	-	7,600	7,600	#DIV/0!	-	-	-	-
Larkins Field												
30-454-003-600 Capital Construction	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
30-454-003-700 Capital Purchases	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
Upland Farms												
30-454-004-600 Capital Construction	28,066	24,390	20,000	1,698	74,100	500,000	425,900	25082%	1,010,000	10,000	10,000	10,000
30-454-004-610 Fund Raising	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
30-454-004-700 Capital Purchases	-	21,258	13,800	32,874	-	7,000	7,000	21%	5,000	5,000	5,000	5,000
	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
	226,635	87,185	195,582	53,556	283,400	972,000	688,600	1286%	1,050,000	50,000	50,000	50,000
Trails												
30-455-000-650 Grant - Trails/Bridge	-	160,572	-	2,485	-	-	-	0%	-	-	-	-
30-455-000-651 Phase IV - Park Road Trail	111,256	213,590	250,000	135,445	767,104	654,313	(112,791)	-83%	-	-	-	-
30-455-000-652 Eagle Village Trail Extension (Sidepath Project)	108,851	596,512	633,760	234	-	-	-	0%	-	-	-	-
	220,107	970,674	883,760	138,164	767,104	654,313	(112,791)	-82%	-	-	-	-
Roads												
30-502-434-700 Traffic Signals	140	-	-	-	-	-	-	#DIV/0!	-	-	-	-
Lyndell Road Bridge (shared w/East Brandywine)	-	-	75,000	-	57,500	-	(57,500)	#DIV/0!	-	-	-	-
LCR Crosswalk	-	-	24,000	-	-	-	-	#DIV/0!	-	-	-	-
East/West Link - Darrell Drive	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
	140	-	99,000	-	57,500	-	(57,500)	#DIV/0!	-	-	-	-
Emergency Management												
30-415-000-700 Capital Purchases	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
Village of Eagle												
30-506-000-100 Design - Village of Eagle Pocket Park	20,914	-	10,000	22,540	-	-	-	0%	-	-	-	-
30-506-000-600 Construction - Village of Eagle	-	-	-	336,333	385,000	-	(385,000)	-114%	-	-	-	-
	20,914	-	10,000	358,873	385,000	-	(385,000)	-107%	-	-	-	-
Total Capital Expenditures	658,537	1,406,839	1,703,099	734,201	1,955,134	5,558,913	3,603,779	491%	1,100,000	100,000	100,000	100,000
Debt Service												
30-500-471-001 Principal - 1st Loan - \$1.2M (#880)	243,005	246,500	248,000	219,683	220,150	-	(220,150)	-100%	-	-	-	-
30-500-471-003 Principal - Fulton Bank loan		55,438	40,910	49,678	49,678	51,064	1,386	3%	51,064	52,489	-	-
30-500-471-003 Interest - Capital Lease			-	-	-	-	-	#DIV/0!	-	-	-	-
30-470-471-350 Principal - Fulton Bank loan			-	-	-	-	-	#DIV/0!	-	-	-	-
Principal - Bonds, Series of 2018	-	-	-	-	-	140,000	140,000	#DIV/0!	165,000	170,000	230,000	235,000
Interest - Bonds, Series of 2018	-	-	-	-	-	184,999	184,999	#DIV/0!	204,675	200,550	195,450	188,550
30-500-472-001 Interest - 1st Loan (1.95%) (#880)	13,771	10,276	8,772	3,444	8,772	-	(8,772)	-255%	-	-	-	-
30-500-472-003 Interest - Fulton Bank loan (2.6%)	-	520	3,300	5,780	5,780	5,780	-	0%	4,394	2,970	-	-
Total Debt Service	256,776	312,734	300,982	278,585	284,380	381,843	97,463	35%	425,133	426,009	425,450	423,550
Total Capital Expenditures & Debt Service	915,313	1,719,573	2,004,081	1,012,786	2,239,514	5,940,756	3,701,242	365%	1,525,133	526,009	525,450	523,550
Net Income Prior to Operating Transfers Out	(304,059)	(44,467)	(136,081)	280,158	(1,035,714)	(109,956)	925,758	330%	(1,200,133)	(251,009)	(250,450)	(218,550)
Operating Transfers												
30-505-000-010 To the General Fund	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
30-505-000-020 To the Solid Waste Fund	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
To the Water Resource Protection Fund	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
To the Act 209 Fund	270,000	-	-	-	-	-	-	#DIV/0!	-	-	-	-

**Upper Uwchlan Township
Capital Fund
Budget**

	Actual	Actual	Budget	YTD	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
	2016	2017	2017	2018	2018	2019	'18 Bud	Inc/(Dec)	2020	2021	2022	2023
Total Operating Transfers	270,000	-	-	-	-	-	-	#DIV/0!	-	-	-	-
Net Income	(574,059)	(44,467)	(136,081)	280,158	(1,035,714)	(109,956)	925,758	330%	(1,200,133)	(251,009)	(250,450)	(218,550)

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Upper Uwchlan Township
2019 Budget
Capital Purchases

	Capital Fund Amount	Costs Allocated to Municipal Authority	Total Cost
<u>Township Building</u>			
<i><u>Township Building Expansion</u></i>			
Architects, construction, construction management etal	3,750,000	-	3,750,000
	-	-	-
	-	-	-
Total Township Building	3,750,000	-	3,750,000
<u>Police Department</u>			
Patrol vehicle	43,000	-	43,000
Motorcycle (budgeted \$10k in 2018 towards purchase)	30,000	-	30,000
	-	-	-
Total Police	73,000	-	73,000
<u>Public Works Department</u>			
<i><u>General Equipment</u></i>			
Plow for utility body	5,900		5,900
Equipment trailer	7,600		7,600
Replace tracks on mini-excavator	2,700		2,700
Total General Equipment	16,200	-	16,200
<i><u>Building improvements</u></i>			
Pole building (from 2018)	80,000	-	80,000
Floor for new pole building	5,600	-	5,600
Heat and electrical for new building and replacement of lights in old bldg	7,800	-	7,800
Total Building Improvements	93,400	-	93,400
Total Public Works	109,600	-	109,600
<u>Parks</u>			
<i><u>Hickory Park</u></i>			
Lighting	450,000	-	450,000
Playground fencing	3,800	-	3,800
Bleachers	3,600	-	3,600
	457,400	-	457,400
<i><u>Upland Farms - capital purchases</u></i>			
Trail signage & map kiosk	5,000	-	5,000
Additional trash cans	2,000	-	2,000
	7,000	-	7,000
<i><u>Upland Farms - construction</u></i>			
Community Center Construction	500,000		500,000
	500,000	-	500,000
<i><u>Fellowship Fields</u></i>			
Bleachers	3,600	-	3,600
Railing for Fields 3 & 4, steps	4,000	-	4,000
	7,600	-	7,600
Total Parks	972,000	-	972,000

Upper Uwchlan Township
2019 Budget
Capital Purchases

	Capital Fund Amount	Costs Allocated to Municipal Authority	Total Cost
Trails			
<u>Park Road Reconstruction and Trail Project - Phase IV</u>			
Construction (bid cost)	2,397,777	-	2,397,777
CMAQ incurred costs	25,300	-	25,300
Utility relocation	320,000	-	320,000
Inspection	100,000	-	100,000
Admin & inspection	83,200	-	83,200
Other non-reimbursable costs	-	-	-
<i>Total project cost</i>	<u>2,926,277</u>	<u>-</u>	<u>2,926,277</u>
Expected reimbursement	<u>(2,271,964)</u>	<u>-</u>	<u>(2,271,964)</u>
Township contribution towards project	<u>654,313</u>	<u>-</u>	<u>654,313</u>
Total Trails and Bridges	654,313	-	654,313
TOTAL CAPITAL PURCHASES	<u>\$ 5,558,913</u>	<u>\$ -</u>	<u>\$ 5,558,913</u>

WATER RESOURCE PROTECTION FUND

MISSION

Water quality, water quantity, and stormwater run-off are issues which affect all local governments. Upper Uwchlan Township has a National Pollutant Discharge Elimination System (NPDES) permit that sets minimum standards and procedures that the Township must meet in the area of stormwater control, pollutant reduction and prevention, and municipal operations. The Township is mandated by the Environmental Protection Agency (EPA) and the Pennsylvania Department of Environmental Protection (PADEP) to have a Stormwater Management Program which addresses both water quality and quantity.

The Water Resource Protection Fund (*previously known as the Stormwater Management Fund*) was established in July, 2014 for the purpose of dedicating resources to protect and preserve our watersheds, reduce pollutants, and control storm water run-off and flooding.

In early 2015, the Township formed a committee to look at what will need to be done to comply with the unfunded mandates of the Federal government, under the NPDES Phase II stormwater regulations which are part of the Federal Clean Water Act of 1972. Outside consultants were engaged to assist the Township in reviewing the stormwater projects that will need to be completed – basin restoration, inlet cleaning and maintenance, storm drain cleaning and repair, street sweeping etc. in order to maintain water quality and prevent or reduce flooding. Funding has not yet been allocated for Phase III of this project, which includes community outreach to engage residents and businesses in Upper Uwchlan Township, and to receive their support in making decisions prioritizing the projects which require attention.

DESCRIPTION OF SERVICES PROVIDED

Upper Uwchlan Township is located in both the Marsh Creek and Pickering Creek Watersheds with a majority of the Township lying within the Marsh Creek Watershed. The Marsh Creek Watershed is of high quality and serves as headwaters for the East Branch of the Brandywine Creek and the Christina Basin. The Township's water bodies, streams, watersheds, wetlands, floodplains, and riparian buffer areas collectively have significant value and influence on water supply, water quality, flood control, and wildlife/fisheries habitat. When properly protected and managed these interrelated systems can act to filter pollutants, control flood flows so as not to contribute or exacerbate downstream flooding conditions, and protect wildlife habitat.

Between the years 2000 and 2010 the Township's population increased by 64% from 6,850 to 11,227 residents which made Upper Uwchlan Township the fastest growing municipality in Chester County during that time period. With growth comes increased impervious coverage and a potential for a degradation of the watershed and its many individual components. The Upper Uwchlan Township Board of Supervisors recognized the need to protect our valuable natural resources and in June, 2014 they authorized the creation of the Water Resource Protection Fund.

ACCOMPLISHMENTS IN 2018

- The Public Works Department performed the following tasks on the Township's Water Protection infrastructure:
 - Repaired or rebuilt 21 inlets
 - Installed one (1) 60' storm water pipe on St. Andrews Lane
- Flushed 6 cross pipes
- Mowed the Township's five basins 30 times
- Street sweeping – 147.5 lane miles of roadway
- Cleaned 1,809 inlets

GOALS FOR 2019

- Continue maintenance and repair of existing stormwater infrastructure
- Retrofit two (2) Township owned stormwater detention basins transitioned them to naturalized wetland areas (Partial PADEP Grant)
- Construct naturalized stormwater detention area at Upland Farms (Partial PADEP Grant)
- Streambank restoration of approximately 700' of an unnamed tributary to the Marsh Creek – Upland Farms (Partial PADEP Grant) – Water Quality Project

Staffing Statistics – as of the end of each year presented

	2019	2018	2017
<u>Full time:</u>			
Total FTE's	0	0	0

The development of the minimum level of service for the Water Resource Protection program will provide information on staffing levels as they are associated with identified goals and objectives in the program business plan.

STATISTICS

	2019	2018	2017
Storm water basins – privately owned	82	82	82
Storm water basins – Township owned	5	5	5
Storm water inlets	1,809	1,809	1,809
Outlet structures	200	200	200
End-walls	175	175	175
Head-walls	81	81	81

PERFORMANCE MEASURES*Township Goals Supported:*

- Protect Natural Resources and Systems - Marsh Creek and Pickering Valley Watersheds
 - Protect the local watershed by appropriately managing storm water infrastructure via the development and management of a Water Resource Protection program
- Continued collaboration on projects such as the Brandywine Creek Greenway

	2019	2018	2017
Form a Technical Advisory Committee to address federal mandates concerning water quality and flooding	Fifth year	Fourth year	Third year

**Upper Uwchlan Township
Water Resource Protection Fund
2019 Budget**

	Actual	Actual	Budget	Actual	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
	2016	2017	2017	YTD	2018	2019	'18 Bud	Inc/(Dec)	2020	2021	2022	2023
				(9/30/18)								
INCOME												
08-341-000-010 Interest Earnings	102	819	100	376	600	600	-	0%	500	500	500	500
08-361-000-100 Usage Fees	-	-	-	-	-	-	-	#DIV/0!	376,320	752,640	752,640	752,640
08-354-000-010 County Grants - VPP	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
08-354-000-020 State Grants	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
08-392-000-010 Transfer from General Fund	-	-	-	100,000	-	330,000	330,000	#DIV/0!	225,000	90,000	85,000	90,000
Transfer from Capital Fund	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
08-392-000-020 Transfer from Municipal Authority	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
Miscellaneous Revenue	-	50	-	-	-	282,432	282,432	#DIV/0!	-	-	-	-
Total Income	102	869	100	100,376	600	613,032	612,432	#DIV/0!	601,820	843,140	838,140	843,140
Expenses												
08-404-000-311 Legal Expense	-	813	10,000	-	10,000	5,000	(5,000)	-50%	5,000	5,000	5,000	5,000
08-406-000-010 Grant Application Fees	-	-	5,000	-	5,000	5,000	-	0%	5,000	5,000	5,000	5,000
08-408-000-010 Engineering	10,261	23,706	5,000	48,080	5,000	5,000	-	0%	10,000	10,000	10,000	10,000
08-408-000-020 Feasibility Studies	115,544	-	125,020	-	125,020	-	(125,020)	-100%	-	-	-	-
08-408-000-035 Permits	-	3,000	-	374	-	-	-	#DIV/0!	2,500	2,500	2,500	2,500
08-420-000-260 Small Tools & Equipment	6,264	-	1,000	805	1,000	1,000	-	0%	4,000	4,000	4,000	4,000
08-446-000-101 Allocated Wages	-	-	-	-	-	-	-	#DIV/0!	49,268	264,638	271,834	279,211
08-446-000-200 Supplies	8,586	6,145	25,007	3,366	25,007	5,000	(20,007)	-80%	25,000	25,000	25,000	25,000
08-446-000-230 Gas & Oil	-	-	1,600	-	1,600	1,600	-	0%	2,000	2,000	2,000	2,000
08-446-000-235 Vehicle Maintenance	-	-	3,990	-	3,990	3,990	-	0%	4,000	4,000	4,000	4,000
08-446-000-250 Maintenance & Repair	1,619	-	2,000	-	2,000	2,000	-	0%	2,000	2,000	2,000	2,000
08-446-000-316 Training & Seminars	200	-	2,000	-	2,000	2,000	-	0%	3,000	3,000	3,000	3,000
08-446-000-450 Contracted Services	2,428	4,710	60,000	300	60,000	5,000	(55,000)	-92%	728,503	513,133	505,937	498,560
08-446-001-250 Maintenance & Repair- MA	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
08-446-000-400 Construction	167	-	-	-	-	575,290	575,290	#DIV/0!	-	-	-	-
Total Expenses	145,069	38,374	240,617	52,924	240,617	610,880	370,263	#DIV/0!	840,271	840,271	840,271	840,271
Total Expenses	145,069	38,374	240,617	52,924	240,617	610,880	370,263	#DIV/0!	840,271	840,271	840,271	840,271
Net Income	(144,967)	(37,505)	(240,517)	47,452	(240,017)	2,152	242,169	#DIV/0!	(238,451)	2,869	(2,131)	2,869

SEWER FUND

The Sewer Fund is a proprietary fund used by Upper Uwchlan Township to account for the resources necessary to operate the sewer system that is managed by the *Upper Uwchlan Township Municipal Authority (Sewer Authority)*. All of the land, sewage treatment plants, pump stations, collection systems etc. used in the operations of the sewer system are owned by Upper Uwchlan Township. The Township established the Sewer Authority and appointed members to its Board to operate the sewer system.

The Sewer Authority has a separate budget and prepares financial statements separately from the Township, although their financial statements are included in the audited annual financial statements of the Township as part of the Township's Enterprise Funds.

In 2014, the Township issued General Obligation Bonds, Series of 2014, to finance the construction of Phase II of the Route 100 Wastewater Treatment Plant and Collection System. The proceeds from the bond offering are reflected as an asset in the Sewer Fund and the principal and interest due to the bondholders are recorded as a liability. During the construction of the project, the Sewer Fund transferred cash to the Sewer Authority to pay for construction.

The Township is in the process of issuing General Obligation Bonds, Series of 2018 which will be priced in December, 2018 and will close in January, 2019. The bond proceeds will be used for both Township purposes and to expand the sewer system operated by the Upper Uwchlan Township Municipal Authority. The portion of the debt service that is attributable to the Municipal Authority will be recorded in the Sewer Fund. Under the Operations Agreement with the Municipal Authority, the Authority has agreed to reimburse the Township for the debt service on the bonds. Please refer to the sections on the Capital Fund and Long Term Debt for more detailed information.

Completion of Construction of Phase II of the Route 100 Wastewater Treatment Plant and Collection System (to be revised)

The Township completed construction of the Route 100 Wastewater Treatment Plant in late 2015 and during 2016 the infrastructure was completed to allow 140 residences to connect to the sewer system. During 2016, the Sewer Fund transferred \$3,870,000 to the Sewer Authority to complete the construction. The Sewer Authority purchased additional capacity from Toll Brothers in the amount of \$2,796,041. The Sewer Authority transferred this asset to the Upper Uwchlan Township Sewer Fund in 2016.

Following completion of the project, the Sewer Authority transferred the completed Route 100 Wastewater Treatment plant and accompanying infrastructure to the Upper Uwchlan Township Sewer Fund in the amount of \$11,387,123. This represents a contribution from the private sector in the amount of \$4,559,845 and the costs incurred by the Sewer Authority in the amount of \$6,827,278.

**Upper Uwchlan Township
Sewer Fund
Budget 2019**

		Actual	Actual	Budget	Actual YTD	Budget	Budget	\$ Inc/(Dec)	%	Budget	Budget	Budget	Budget
		2016	2017	2017	2018	2018	2019	'18 Bud	Inc/(Dec)	2020	2021	2022	2023
		(9/30/18)											
INCOME													
15-341-000-000	Interest Earnings	3,050	2,487	200	1,341	200	3,000	2,800	1400%	3,000	3,000	3,000	3,000
15-342-000-100	Operation/Management Agreement Fee	367,963	364,563	364,563	94,731	364,563	569,287	204,724	100%	615,488	615,938	616,138	615,988
15-387-000-000	Contributions from Private Sector	347,302		-	-	-	-						
15-387-000-001	Asset Contribution from Private Sector	4,212,543		-	-	-	-						
15-392-000-000	Transfer from Municipal Authority	6,827,278		-	-	-	-						
Total Income		11,758,136	367,050	364,763	96,072	364,763	572,287	207,524	#DIV/0!	618,488	618,938	619,138	618,988
Expenses													
15-400-000-461	Bank Fees	868	853	200	-	200	200	-	0%	200	200	200	200
15-400-000-463	Misc. Expenses	-		1,000	-	1,000	1,000	-	0%	1,000	1,000	1,000	1,000
15-404-000-100	Legal Fees	-		-	-	-	-	-	#DIV/0!	-	-	-	-
15-472-000-100	Bond Interest Expense	197,679	194,138	194,563	142,097	194,563	379,287	184,724	100%	395,488	390,938	386,138	380,988
15-472-000-200	Bond Issuance Costs	-		-	-	-	-	-	#DIV/0!	-	-	-	-
15-472-000-300	Bond Amortization Expense	(5,114)	(5,114)	(5,114)	(2,557)	(5,114)	(5,114)	-	0%	(5,114)	(5,114)	(5,114)	(5,114)
15-493-000-083	Depreciation Expense	363,124	503,233	250,000	-	250,000	-	(250,000)	-100%	-	-	-	-
	Loss on Disposal of Asset	-	-	-	-	-	-	-	#DIV/0!	-	-	-	-
Total Expenses		556,557	693,110	440,649	139,540	440,649	375,373	(65,276)	#DIV/0!	391,574	387,024	382,224	377,074
Transfers													
15-492-000-010	Transfer to Municipal Authority	1,073,959	385,000	200,000	-	200,000	-	(200,000)	0%	-	-	-	-
		1,073,959	385,000	200,000	-	200,000	-	(200,000)	0%	-	-	-	-
Total Expenses and Transfers Out		1,630,516	1,078,110	640,649	139,540	640,649	375,373	(65,276)	#DIV/0!	391,574	387,024	382,224	377,074
Net Income		10,127,620	(711,060)	(275,886)	(43,468)	(275,886)	196,914	272,800	#DIV/0!	226,914	231,914	236,914	241,914

GLOSSARY

Accrual Basis of Accounting – The basis of accounting in which revenues are recognized when they are earned and expenses are recognized when they are incurred.

Act 209 Transportation Plan – refers to Act 209 of the Pennsylvania Legislature, enacted on July 31, 1968. It provides for traffic impact fees for development or re-development that generates increased traffic volumes within municipalities.

Act 537 Plan – refers to the Pennsylvania Sewage Facilities Act, as amended, enacted on January 24, 1966 to correct existing sewage disposal problems and prevent future problems. The Act requires proper planning in all types of sewage disposal situations. Local municipalities are largely responsible for administering the Act 537 sewage disposal program.

Assets – Property owned by the Township that has a monetary value.

Balanced Budget – A budget is considered balanced when budgeted revenues equal or exceed budgeted expenditures.

CAFR – abbreviation for Comprehensive Annual Financial Report. The CAFR expands upon full GAAP financial statements by including a large amount of statistical information applicable to the municipality.

Capital assets – any tangible or intangible asset that has an initial useful life extending beyond a single reporting period. Assets such as land, easements, buildings, building improvements, vehicles, machinery, equipment, infrastructure, works of art or of historical significance are normally capital assets.

Capital Expenditures – Money expended to purchase capital assets.

Comprehensive Annual Financial Report – The official financial report of a municipal entity. It includes management's discussion and analysis, financial statements, supporting schedules and required supplementary information and statistics on the municipality.

DDB – "DDB" is an abbreviation for Dry Detention Basin. A dry detention basins' outlets have been designed to detain storm water runoff for a minimum period of time (ie. Usually 24 hours) to allow particles and pollutants to settle. Unlike wet ponds, they do not have a permanent pool of water.

Debt Limit – The State-set maximum amount of legally permitted outstanding net debt.

Delaware Valley Insurance Trust (DVIT) – A regional risk sharing pool providing property, liability and/or health coverage to its participating members which consists of municipalities in Southeastern Pennsylvania. The Trust was formed under the authority granted by the Pennsylvania Intergovernmental Cooperation Act and the Pennsylvania Political Subdivision Tort Claims Act.

The Township currently has all of its insurance coverage through DVIT.

GLOSSARY, cont'd

Enterprise Funds – Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

Fund – A fiscal and accounting tool with a self-balancing set of accounts to record revenues and expenditures.

Fund Balance – Fund balance is the net position of a governmental fund. It is equal to the difference between assets, liabilities, deferred outflows of resources and deferred inflows of resources. It is the “equity” of a governmental fund.

GAAP - GAAP is an abbreviation for Generally Accepted Accounting Principles which are the standard framework and guidelines used in financial accounting in the United States of America. The Financial Accounting Standards Board is responsible for issuing new accounting pronouncements.

GASB - GASB is an abbreviation for The Government Accounting Standards Board. GASB is the authoritative accounting and financial reporting standard –setting body for state and local governments.

General Fund - An accounting entity used to account for all revenue and expenditures applicable to the general operations of the departments of the Township, and to record all financial transactions not accounted for in another fund.

GFOA – GFOA is the abbreviation for The Government Finance Officers Association. The GFOA is a national professional organization comprised of people who are working in government finance on a state, local or federal level. The GFOA holds educational training seminars nationally and also provides information on “Best Practices”, as well as other services, to its members. State and local chapters provide local training on a monthly, quarterly or annual basis.

Impervious Coverage - Impervious coverage refers to any man-made surfaces, along with compacted soil, that water cannot penetrate. Examples, are asphalt, concrete, and rooftops.

LUAR – is the abbreviation for a Land Use Assumptions Report.

Millage or “mills” – the property tax rate that an owner of real property is required to pay to the taxing authority. A “mill” is one thousandth of a currency unit. For example, to obtain the amount of tax, multiply the assessed value of the property times the millage rate and then divide by 1,000.

Modified Accrual Basis of Accounting – an accounting method that combines elements of the two basic accounting methods, cash basis and accrual basis. Revenues are recognized when earned, measurable and available. Expenses are recognized when the liability is incurred.

GLOSSARY, cont'd

MS-4 – Under the 1987 Clean Water Act Amendments, the U.S. EPA developed new regulations to address storm water that might impact water quality. These new “Municipal Separate Storm Sewer System” (MS4) regulations were established by the EPA and are administered in Pennsylvania by the Pennsylvania Department of Environmental Protection (“DEP” or “PADEP”).

MUTCD Standards –this refers to the Federal Highway Administration manual on Uniform Traffic Control Devices.

NPDES permit – National Pollutant Discharge Elimination System permit. Permits are issued by PADEP.

PADEP – Pennsylvania Department of Environmental Protection

PEMA – Pennsylvania Emergency Management Agency

Scheduled interest - is the amount of interest that would be paid by following the bank’s amortization schedule. If the Township pays additional principal amounts during the remaining years of the loan, the actual amount of interest paid will be less.

Second Class Township – a second class township is defined as having a population of less than 300 inhabitants per square mile and in Pennsylvania they are governed by the Second Class Township Code, enacted by the state legislature on May 1, 1933, as amended.

WWTF – Waste Water Treatment facility