

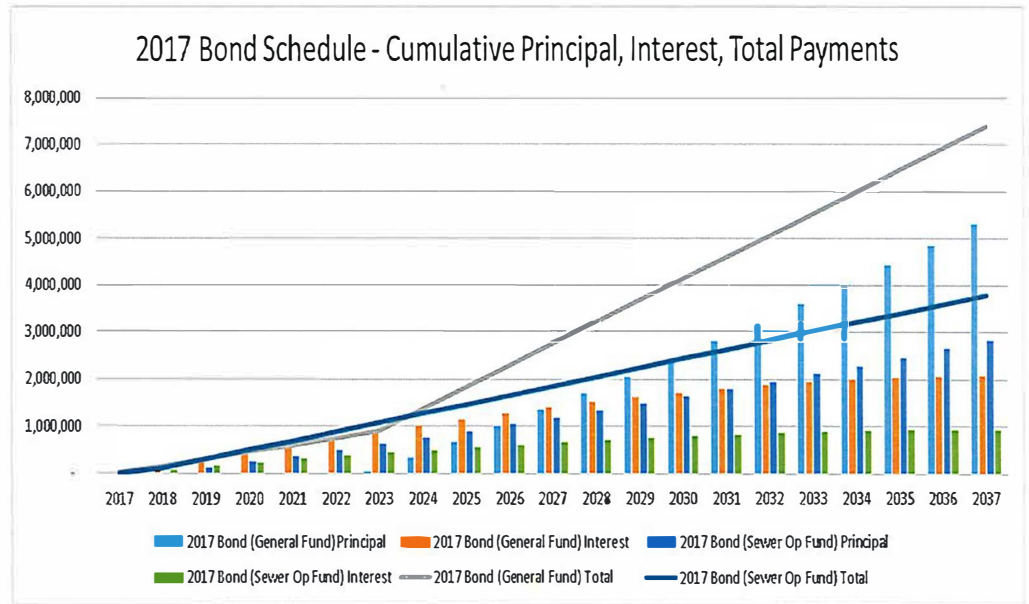
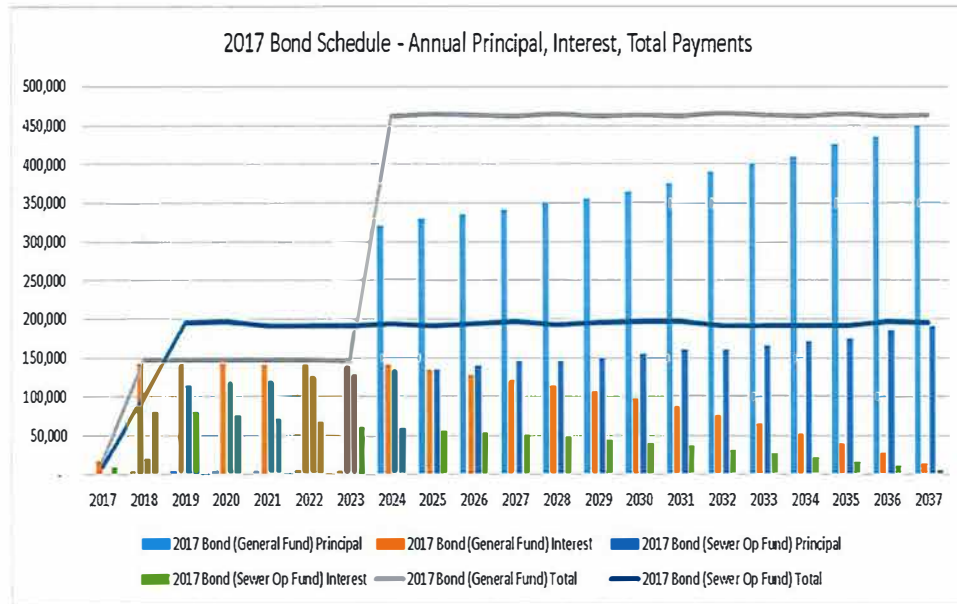
East Goshen Township

2022 Preliminary Budget –
Major Capital Projects

October 19, 2021



2022 Preliminary Budget – Major Capital Projects Bond Funding



Major Capital projects are currently funded by multiple revenue sources. These include Municipal Bonds or Loans, Capital Reserve Funds, Awarded Grant Money (State or Federal), and additional federal or state disbursements (FEMA or ARPA). Capital Reserve Funds are funded by taxes, while Sewer Capital Reserve Funds are funded by Sewer Rates. In comparison, Municipal Bonds or Loans are dollars received up-front to pay for high-cost projects, then repaid annually over a long term (principal and interest). Since most of the major capital projects included in this presentation have the 2017 Bond proceeds as a source of funding, above are the costs of these funds over time...the actual proceeds of the \$8.150M face value are \$8.097M (face value less cost of issuance) with an effective interest rate of 2.7% over 20 years. At this time, \$5.246M or 65% of the original \$8.097M 2017 bond proceeds have been spent.

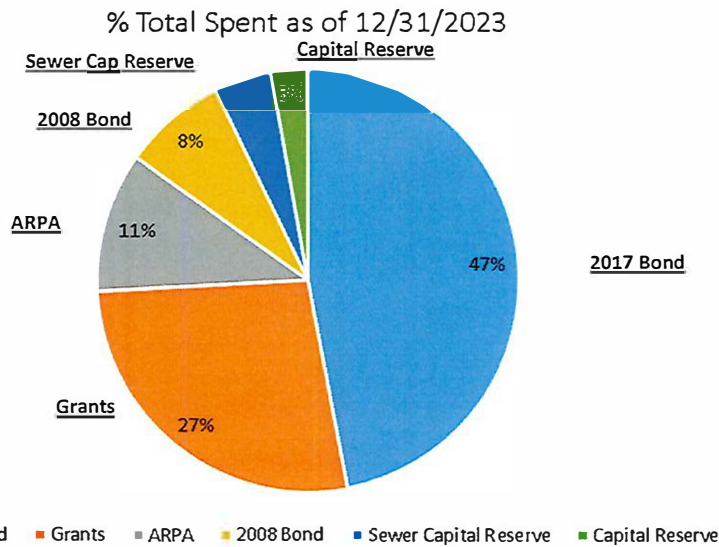
2022 Preliminary Budget – Major Capital Projects Timeline

Project	Status	Total Original Cost Estimate	Total Current Cost Estimate	Total Spent as of 10/13/2021	Costs	Projected	Projected	Projected	Total Spent as of 12/31/2023	Costs
					Remaining as of 10/13/2021	Additional 2021 Spend	Additional 2022 Spend	Additional 2023 Spend		Remaining as of 12/31/2023
Paoli Pike Trail	Incomplete	\$ 7,659,000	\$ 9,300,538	\$ 4,982,254	\$ 4,318,284	\$ -	\$ -	\$ -	\$ 4,982,254	\$ 4,318,284
Milltown Dam	Incomplete	\$ 2,403,462	\$ 2,796,766	\$ 480,293	\$ 2,316,473	\$ 20,000	\$ 1,946,473	\$ 350,000	\$ 2,796,766	\$ -
Hershey's Mill Dam	Incomplete	\$ 865,222	\$ 1,765,969	\$ 712,737	\$ 1,053,232	\$ 130,000	\$ 923,232	\$ -	\$ 1,765,969	\$ -
Park Improvements	Complete	\$ 753,290	\$ 789,816	\$ 789,816	\$ -	\$ -	\$ -	\$ -	\$ 789,816	\$ -
WG STP Upgrades	Incomplete	\$ 4,125,791	\$ 5,433,899	\$ 3,299,306	\$ 2,134,593	\$ 1,065,796	\$ 1,068,798	\$ -	\$ 5,433,899	\$ -
Hershey's Mill Estates Sewer	Incomplete	\$ 1,000,000	\$ 1,578,659	\$ 72,659	\$ 1,506,000	\$ 50,000	\$ 1,456,000	\$ -	\$ 1,578,659	\$ -
Total \$		\$ 16,806,765	\$ 21,665,648	\$ 10,337,066	\$ 11,328,582	\$ 1,265,796	\$ 5,394,503	\$ 350,000	\$ 17,347,364	\$ 4,318,284

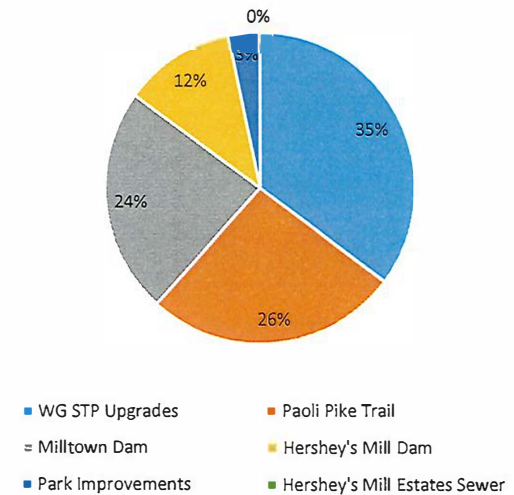
- Milltown Dam is based on a 2018 construction cost estimate and latest engineering cost estimates – we need an updated estimate prior to bidding and costs will most likely increase. Revisit original design assumptions? Should be completed in 2023.
- Hershey's Mill Dam progress has been hampered by recent storms. Estimate is an August 2022 completion at the latest.
- Park Improvements project complete. Although over budget by \$37K, 60% of the project was paid for by grant money and donations.
- West Goshen Sanitary Treatment Plant Upgrades – detail provided on later slide, but EGT contractually owes 16.67% of general capital upgrades and 54.8% of capital improvements to the Westtown Way Pump Station. Should be completed by the end of 2022.
- Hershey's Mill Estates Sewer needs replacement in 2022. Preliminary estimates were @ \$900K-\$1.0M. A recent detailed conservative estimate by Pennoni is \$1.6M including engineering/soft costs, construction, and a 15% contingency. If costs are accurate, EGT needs to spend an additional \$556K from the Sewer Capital Reserve Fund. If not for the ARPA funds, the entire \$1.6M would come from Sewer Capital Reserve.

2022 Preliminary Budget – Major Capital Projects Sources of Funds

Project	Status	Total Current Cost Estimate	Source of Funds - 2008 Bond	Source of Funds - 2017 Bond	Source of Funds - Sewer Capital Reserve Fund	Source of Funds - Capital Reserve Fund	Source of Funds - ARPA Funds	Source of Funds - Grants Awarded	Costs Remaining as of 12/31/2023
Paoli Pike Trail	Incomplete	\$ 9,300,538	\$ -	\$ 2,108,396	\$ -	\$ 199,062	\$ -	\$ 2,674,797	\$ 4,318,284
Milltown Dam	Incomplete	\$ 2,796,766	\$ -	\$ 1,840,166	\$ -	\$ 41,600	\$ -	\$ 915,000	\$ -
Hershey's Mill Dam	Incomplete	\$ 1,765,969	\$ -	\$ 872,614	\$ -	\$ 263,355	\$ -	\$ 630,000	\$ -
Park Improvements	Complete	\$ 789,816	\$ -	\$ 318,542	\$ -	\$ (13,725)	\$ -	\$ 485,000	\$ -
WG STP Upgrades	Incomplete	\$ 5,433,899	\$ 1,368,010	\$ 3,014,785	\$ 136,284	\$ -	\$ 914,821	\$ -	\$ -
Hershey's Mill Estates Sewer	Incomplete	\$ 1,578,659	\$ -	\$ -	\$ 628,742	\$ -	\$ 949,917	\$ -	\$ -
Total \$		\$ 21,665,648	\$ 1,368,010	\$ 8,154,502	\$ 765,026	\$ 490,292	\$ 1,864,738	\$ 4,704,797	\$ 4,318,284



% 2017 Bond Proceeds Allocation



2022 Preliminary Budget – Paoli Pike Trail Detail

Paoli Pike Trail Cost Estimates

Trail Segment	Original Estimate (no inflation)	Original Estimate (with inflation)	Revised Estimate	\$ Spent as of 10/13/2021	Remaining Estimate	Total Projected @ Completion
Segment A-B	\$ 2,995,000	\$ 3,084,850	\$ 4,584,850	\$ 774,194	\$ 4,318,284	\$ 5,092,478
Segment C-E	\$ 4,033,000	\$ 4,153,990	\$ 4,153,990	\$ 2,995,116	\$ -	\$ 2,995,116
Segment F-G	\$ 631,000	\$ 649,930	\$ 649,930	\$ 439,497	\$ -	\$ 439,497
Misc (All Segments)				\$ 773,447	\$ -	\$ 773,447
Total Cost All Segments	\$ 7,659,000	\$ 7,888,770	\$ 9,388,770	\$ 4,982,254	\$ 4,318,284	\$ 9,300,538

*Misc expense not budgeted; it is included in Total Projected @ Completion by segment based on % of total cost.

Grants \$ reimbursed to date/Projected	\$ 2,674,797	54%	\$ 810,123	19%	\$ 3,484,920	37%
East Goshen Township Out of Pocket	\$ 2,307,457	46%	\$ 3,508,161	81%	\$ 5,815,613	63%

Grants Awarded

Segment	Program	Award	Used	Remaining/ Projected	Total Projected @ Completion
A	TAP	\$ 483,000			
C	TAP	\$ 1,000,000	\$ 2,408,877	\$ 810,123	\$ 3,219,000
D-E	CMAQ	\$ 1,736,000			
F-G	Chester County	\$ 150,000	\$ 99,043	\$ -	\$ 99,043
F-G	DCNR	\$ 268,000	\$ 166,877	\$ -	\$ 166,877
B	PennDot/DCED				\$ -
		\$ 3,637,000	\$ 2,674,797	\$ 810,123	\$ 3,484,920

PPT Segment B	PennDOT (MTF)	1,866,000
PPT Segment B	DCED/CFA (MTF)	1,866,000
	Not Submitted	3,732,000

• The increase in cost estimate is driven by Section B - \$1.5M

***At this time, the Paoli Pike Trail does not include any forecasted additional spending. If Segment B were to continue, staff could attempt to secure additional grant money to offset the capital costs remaining (not engineering and soft costs).**

2022 Preliminary Budget – West Goshen Sewer Treatment Plant Upgrades

Project	West Goshen Letter dated Dec 4, 2017 from Michael Moffa to Rick Smith			Total HRG Invoices Paid to Date 7/31/21	Additional Spent (2008 Bond)	Total Spent	Remaining to Pay	Total Paid When Finished
	Original Est. EG Share of Costs as of 4/10/17	Est. EG Share of Costs as of 10/27/17	Est. EG Share of Costs as of 7/7/21					
Headworks Improvement Project	364,819	490,730	490,730	485,036		485,036		485,036
Anaerobic Digester Project	716,102	1,025,570	1,025,570	905,753		905,753		905,753
Pump Station Phase I Improvements (W Way PS)	72,637	118,939		-	72,288	72,288		72,288
Sanitary Sewer System Repairs-2017	160,632	22,689	22,689	28,497		28,497		28,497
Enhanced Chemical Addition Project	48,801	43,253	43,253	81,657		81,657		81,657
Wastewater Treatment Plant Phase II Improvements	1,227,379	1,227,379	1,227,379	1,466,995		1,466,995		1,466,995
Pump Station Phase II Improvements (W. Way PS)	1,096,000	1,096,000	1,487,272	-		-	1,931,591	1,931,591
Sanitary Sewer System Repairs-2018	42,675	42,675	42,675	-		-		-
Sanitary Sewer System Repairs-2019	42,675	42,675	42,675	-		-		-
Misc. Capital Costs	354,071	210,042	210,042	36,145	222,935	259,080	203,002	462,082
Total	4,125,791	4,319,952	4,592,285	3,004,083	295,223	3,299,306	2,134,593	5,433,899

Fulton Bank Balance as of 9/30/21							275,127	
Total Referenced in Rick's letter:	1,168,637	1,214,939	1,487,272	-				
Total Pump Station	2,132,549	2,217,042	2,714,000					

- It's important to notice that without ARPA \$, the Sewer Capital Reserve would be depleted \$951K, rather than the \$136K we see. This necessitates long-term sewer infrastructure discussions.

	EGT Share 10% Cont			
General Construction	\$ 610,303.22	1,368,010	2008 Bond	1,368,010
Electrical Construction	\$ 514,024.00	1,931,297	2017 Bond	3,014,785
Costars Equipment	\$ 427,054.76	3,299,306		5,433,899
Subtotal	\$ 1,551,381.97			
10% vs 6% Contingency	\$ 155,138.20			
Subtotal	\$ 1,706,520.17	1,083,489	2017 Bond Remaining	(0)
RPR	\$ 75,071.00	2,850,315	Total 2017 Bond Allocated	3,014,785
Soft Cost Estimate	\$ 150,000.00			
Total	\$ 1,931,591.17			

2022 Preliminary Budget – Major Capital Projects Overview

General Funds	Grants \$ Awarded as of 8/19/21	Original Allocation from 2017 Bond Proceeds	Total Original Estimated Cost	Total Estimated Cost as of '21	2008 Bond Spent	Net Cap Spent	2017 Bond Spent	Grant \$ Utilized	Total Spent	Bond \$ Remaining	Grant \$ Remaining	ARPA \$ Remaining	Total Bond, Grant, ARPA Remaining	Costs Remaining (Current Estimate)	Additional Funds Needed
Paoli Pike Trail															
Total Expenses	3,484,920	2,137,120	7,659,000	9,300,538		199,062	2,108,396	2,674,797	4,982,254	28,724	810,123		838,848	4,318,284	3,479,436
Subtotal	3,484,920	2,137,120	7,659,000	9,300,538	-	199,062	2,108,396	2,674,797	4,982,254	28,724	810,123	-	838,848	4,318,284	3,479,436
Dams															
Milltown Dam	915,000	1,903,462	2,403,462	2,796,766		41,600	438,693	-	480,293	1,464,769	915,000		2,379,769	2,316,473	(63,296)
Hershey's Mill Dam	630,000	938,298	865,222	1,765,969		263,355	449,382	-	712,737	488,916	630,000		1,118,916	1,053,232	(65,684)
Subtotal	1,545,000	2,841,760	3,268,684	4,562,735	-	304,955	888,075	-	1,193,030	1,953,685	1,545,000	-	3,498,685	3,369,705	(128,980)
Park Improvements															
Park Playground	485,000	189,035	674,035	728,995		(32,741)	276,736	485,000	728,995	(87,701)	-		(87,701)	-	-
Misc. Park Improvements	79,255	79,255	79,255	60,822		19,016	41,806	-	60,822	37,449	-		37,449	-	-
Subtotal	485,000	268,290	753,290	789,816	-	(13,725)	318,542	485,000	789,816	(50,252)	-		(50,252)	-	-
							268,290								
Total General	5,514,920	5,247,170	11,680,974	14,653,089	-	490,292	3,315,012	3,159,797	6,965,101	1,932,158	2,355,123	-	4,287,281	7,687,989	3,350,456
Sewer Funds															
	Grants \$ Awarded as of 8/19/21	Original Allocation from 2017 Bond Proceeds	Total Original Estimated Cost	Total Estimated Cost as of '21	2008 Bond Spent	Net Cap Spent	2017 Bond Spent	ARPA \$ Utilized	Total Spent	Bond \$ Remaining	Grant \$ Remaining	ARPA \$ Remaining	Total Bond, Grant, ARPA Remaining	Costs Remaining (Current Estimate)	Additional Funds Needed
WG Sanitary Sewer Improvements															
Total Expenses	-	2,850,315	4,125,791	5,433,899	1,368,010	-	1,931,297	-	3,299,306	1,083,489	-	914,821	1,998,309	2,134,593	136,284
Subtotal	-	2,850,315	4,125,791	5,433,899	1,368,010	-	1,931,297	-	3,299,306	1,083,489	-	914,821	1,998,309	2,134,593	136,284
Hershey Mill Estates Sewer															
Total Expenses	-	-	900,000	1,578,659	-	72,659	-	-	72,659	-	-	949,917	949,917	1,506,000	556,083
Subtotal	-	-	900,000	1,578,659	-	72,659	-	-	72,659	-	-	949,917	949,917	1,506,000	556,083
Total Sewer	-	2,850,315	5,025,791	7,012,558	1,368,010	72,659	1,931,297	-	3,371,965	1,083,489	-	1,864,738	2,948,226	3,640,593	692,367
Total General & Sewer	5,514,920	8,097,485	16,706,765	21,665,648	1,368,010	562,950	5,246,309	3,159,797	10,337,066	3,015,646	2,355,123	1,864,738	7,235,507	11,328,582	4,042,823

*There is an add'l \$150K remaining in the 2017 Bond above the \$3.016M due to accrued interest.