

Part 1 - 2026 Lease Rates (Schedule 3)

Fixed Charges – Increased by terms of Lease Agreement

Inflation (CPI-U) plus 2.5% = 5.5%

	Water Fixed Charges		Sewer Fixed Charges	
<u>Meter Size</u>	<u>Monthly Charge</u>	<u>Quarterly Charge</u>	<u>Monthly Charge</u>	<u>Quarterly Charge</u>
5/8"	n/a	\$90.28	n/a	\$31.38
3/4"	n/a	\$100.15	n/a	\$34.78
1"	n/a	\$120.38	n/a	\$41.59
1 1/2"	\$56.73	n/a	\$19.54	n/a
2"	\$76.62	n/a	\$26.34	n/a
3"	\$129.54	n/a	\$44.62	n/a
4"	\$189.38	n/a	\$65.03	n/a
6"	\$355.09	n/a	\$121.87	n/a
8"	\$554.17	n/a	\$223.58	n/a

Part 1 - 2026 Lease Rates (Schedule 3)

Volume & Flow Charges – Increased by terms of Lease Agreement
Inflation (CPI-U) plus 2.5% = 5.5%

<u>Water Volume Charge:</u>	\$5.35708 per 1000 gallons
<u>Sewer Flow Charge:</u>	\$3.85688 per 1000 gallons

* Volume & flow charges also include cost recovery for any Change of Law and cost passed through from the Delaware River Basin Commission (DRBC) as allowed under the Lease Agreement with Allentown.

Part 2 – Other Rates

Capital Cost Recovery & City Administrative Order Charges

Project	Category	Project Year	Project Cost	Cost Recovery (years)
Water Mains - Cycles 1 - 5	Water	2014-2022	\$15,841,619	30
Roof Replacement Project	All	2016	\$1,695,328	30
WWTP Belt Filter Press Replacement	Sewer	2016	\$1,728,032	20
WWTP Motor Control Centers	Sewer	2017	\$2,381,524	30
Schantz Spring Transmissions Line Replacement	Water	2019	\$2,568,683	30
Digester Cover Replacements	Sewer	2019	\$3,201,409	30
WWTP Substation Replacement - Phase 1 (Sub 2)	Sewer	2020	\$2,983,307	30
High Lift VFD Replacement	Water	2024	\$1,371,118	20
Water Mains - Cycle 6, 7 & 8 (City ARPA)	Water	2024	\$0	30
WFP Filter Upgrade / Replacement (City ARPA)	Water	In Progress	\$0	30
WWTP Substation Replacement - Phase 2 (Sub 1)	Sewer	In Progress	\$6,786,145	30
WWTP Final Settling Tank Improvements	Sewer	In Progress	\$5,450,000	30
WWTP Boiler Replacement Project	Sewer	In Progress	\$3,397,000	25
WWTP Primary Sludge Improvements	Sewer	In Progress	\$2,700,000	30
WWTP Plastic Media Filter Rehabilitation	Sewer	In Progress	\$4,200,000	25
WWTP Wet-Weather Improvements (100 MGD)	Sewer	In Progress	\$21,950,000	30
Lead Replacement Program	Water	Ongoing	\$742,739	30
Inflow & Infiltration Source Reduction Program	Sewer	Ongoing	\$1,330,954	30
TOTAL			\$78,327,858	

Part 2 – Other Rates

Capital Cost Recovery & City Administrative Order Charges

Cumulative Total	Per 1000 Gallons
Water Capital Costs	\$0.42054
Sewer Capital Costs	\$0.65344
City Administrative Order*	\$0.20934

** The 2026 Administrative Order (AO) Fee calculation includes debt service for the City's \$2.5 million bond that was issued in 2016 (refinanced in 2020) and \$4.2 million in new bonds issued in 2020. In addition, the City made a one-time cash contribution of \$817,000 to the City AO fund to support continued planning work on the regional Act 537 Plan. Recovery of this additional cash funding will be included in the 2025-2028 AO Fees.*