

NOTICE OF RATE INCREASE

Effective January 1, 2026 Lancaster Area Sewer Authority will increase its sewer rates by 5.0% for all customers except those in the West Earl sewer district.

Residential Customers

The quarterly flat rate of \$114.00 will increase to \$119.70 per dwelling unit (EDU). Quarterly bills mailed in November 2025 and December 2025 will be prorated at \$38.00 per month for periods before January 1st and \$39.90 per month for periods thereafter.

If you receive a bill dated **November 1, 2025** the amount per EDU will be \$115.43 calculated as follows:

Billing for November, 2025	\$ 38.00
Billing for December, 2025	\$ 38.00
Billing for January, 2026	<u>\$ 39.90</u>
Total	\$115.90

If you receive a bill dated **December 1, 2025** the amount per EDU will be \$116.86 calculated as follows:

Billing for December, 2025	\$ 38.00
Billing for January, 2026	\$ 39.90
Billing for February, 2026	<u>\$ 39.90</u>
Total	\$117.80

If you receive a bill dated on or after **January 1, 2026** the amount per EDU will be \$118.29 calculated as follows:

Billing for January, 2026	\$ 39.90
Billing for February, 2026	\$ 39.90
Billing for March, 2026	<u>\$ 39.90</u>
Total	\$119.70

Direct Debit: Quarterly customer charges will increase as described above based on the month of debit. Monthly customer charges will increase to \$39.90 per EDU per month with the January, 2026 debit.

Details of Rate Increase

This rate increase is part of five-year capital improvement plan to provide for \$270.8 million in capital projects required to rehabilitate, improve, and expand the sewage collection system and treatment facilities of the Authority.

At the existing rate, yearly net income along with current reserves and bond issue and loan proceeds will fund \$261.2 million of the capital projects. The remaining \$9.6 million in rehabilitation will be funded through increased rates.

The capital improvements fall into four major categories:

\$191.2 million to upgrade the treatment facilities to improve nutrient removal capabilities to remain in compliance with federal and state regulations, to expand the plant capacity to handle increased flow, and to replace equipment that has reached the end of its useful life.

\$27.4 million to upgrade existing pump stations and to add new facilities and equipment to handle increased flow and avoid back-ups and overflows, and to replace equipment that has reached the end of its useful life.

\$50.9 million to expand segments of several large interceptors to handle increased flow and avoid back-ups and overflows and to identify and remediate areas of deterioration of pipelines and manholes from decades of natural wear and tear.

\$1.3 million to upgrade information technology and replace vehicles and heavy machinery that has reached the end of its useful life.