

## NOTICE OF RATE CHANGE

Effective January 1, 2021 Lancaster Area Sewer Authority will increase its sewer rates by 2.75%. Customers in Columbia Borough, see Columbia Borough Sewer Rate Changes section below.

### Residential Customers

The quarterly flat rate of \$99.63 will increase to \$102.36 per dwelling unit (EDU). Quarterly bills mailed in November 2020 and December 2020 will be prorated at \$33.21 per month for periods before January 1<sup>st</sup> and \$34.12 per month for periods thereafter.

If you receive a bill dated **November 1, 2020** the amount per EDU will be \$100.54 calculated as follows:

Billing for November, 2020	\$ 33.21
Billing for December, 2020	\$ 33.21
Billing for January, 2021	<u>\$ 34.12</u>
Total	\$100.54

If you receive a bill dated **December 1, 2020** the amount per EDU will be \$101.45 calculated as follows:

Billing for December, 2020	\$ 33.21
Billing for January, 2021	\$ 34.12
Billing for February, 2021	<u>\$ 34.12</u>
Total	\$101.45

If you receive a bill dated on or after **January 1, 2021** the amount per EDU will be \$102.36 calculated as follows:

Billing for January, 2021	\$ 34.12
Billing for February, 2021	\$ 34.12
Billing for March, 2021	<u>\$ 34.12</u>
Total	\$102.36

**Direct Debit:** Quarterly customer charges will increase as described above based on the month of debit. Monthly customer charges will increase to \$34.12 per EDU per month with the January, 2021 debit.

### Commercial/Industrial Customers

Metered rates for commercial and industrial customers **not** in Manheim Township or Columbia Borough will increase for bills dated on or after January 1, 2021 (Commercial/Industrial customers in Columbia Borough, see Columbia Borough Sewer Rate Changes section below). The new rates are as follows:

From 0 to 21,500 gallons per quarter	\$102.36
Next 10,000 gallons per quarter	\$1.80 per 1,000 gallons
Next 1,500,000 gallons per quarter	\$4.50 per 1,000 gallons
Next 3,000,000 gallons per quarter	\$3.79 per 1,000 gallons
All over 4,531,500 gallons per quarter	\$3.26 per 1,000 gallons

Metered rates for commercial and industrial customers in Manheim Township will increase for bills dated on or after January 1, 2021 as follows:

From 0 to 21,500 gallons per quarter	\$102.36
Next 78,500 gallons per quarter	\$4.50 per 1,000 gallons
Next 400,000 gallons per quarter	\$4.45 per 1,000 gallons
Next 500,000 gallons per quarter	\$3.85 per 1,000 gallons
All over 1,000,000 gallons per quarter	\$2.82 per 1,000 gallons

### **Columbia Borough Sewer Rate Changes**

Columbia Borough residential flat rates are adjusted annually beginning in January 2016 until all customers in Columbia Borough pay the same rate as all other LASA residential customers.

If your current sewer rate is less than LASA’s current rate of \$99.63, your sewer rate will increase 6% on January 1, 2021. See chart below for new rate.

If your current sewer rate is \$99.63, your sewer rate will increase 2.75% on January 1, 2021. See chart below for new rate.

<u>Quarterly Flat Rate per Dwelling Unit Effective 1/1/2020</u>	<u>Quarterly Flat Rate per Dwelling Unit Effective 1/1/2021</u>
\$96.64	\$102.36
\$99.63	\$102.36

**The rates below shall apply for all commercial customers in the Borough of Columbia effective 1/1/21.**

From 0 gallons to 21,500 gallons per quarter - \$102.36

	<u>Quarterly Rate (per thousand gallons)</u>
Next 10,000 gallons per quarter	\$1.80
Next 1,500,000 gallons per quarter	\$4.50
Next 3,000,000 gallons per quarter	\$3.79
All Over 4,531,500 gallons per quarter	\$3.26

### Details of Rate Increase

This rate increase is part of capital improvement plan to provide for \$92.6 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 proceeds will fund \$85.6 million of the capital projects. The remaining \$7.0 million in rehabilitation will be funded through increased rates.

The capital improvements fall into four major categories:

**\$55.5 million** to upgrade the treatment facilities to improve biosolids handling and nutrient removal capabilities to remain in compliance with federal and state regulations, and to expand the plant capacity to handle increased flow;

**\$5.6 million** to upgrade existing pump stations and to add new facilities and equipment to handle increased flow and avoid back-ups and overflows;

**\$26.7 million** to expand segments of several large interceptors to handle increased flow and avoid back-ups and overflows;

**\$2.8 million** to identify and remediate areas of deterioration of pipelines and manholes from decades of natural wear and tear including misalignment of pipelines from subsurface instability and cracking and breakage from invading tree roots.

For additional details about the Authority's comprehensive plan and the projects included in the plan, please see pages 18 – 28 of the 2020-21 Budget Report.