

**PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY
PENNVEST APPLICATION FORMS**

**City of Philadelphia
City of Philadelphia 2025 Lead Line Replacements
512033162404-LR
05/20/2024**

DESCRIPTION

PROJECT DESCRIPTION

What is the project type?	Drinking Water
What is the project name?	City of Philadelphia - 2025 Lead Line Replacements
What is the project's Primary County?	Philadelphia
What is the project's Primary Municipality?	Philadelphia City
What is the application type?	Lead Removal
What is the project stage?	Construction
Is this related to a previous advanced funding application through PENNVEST?	No
If yes, enter the project name or number.	N/A

COMMENTS

SYSTEM

SYSTEM DESCRIPTION

What type of system is this?	Existing System
What is your NPDES number?	PA-0026689, PA-0026671, PA-0054712
What is your PWSID number?	1510001
Do you own the system?	Yes
If no, explain	
Do you operate the system?	Yes
if no, explain	
Do you maintain the system?	Yes
If no, explain	
Will you construct the system?	Yes

If no, explain

Does this project include costs associated with the purchase of system capacity from another entity (i.e. capital contribution)? No

If yes, explain

Does this project include costs associated with the construction of capacity in your system for use and/or purchase by other entity (ies) (i.e. capital contribution)? No

If yes, explain

Is, or does the Applicant intend to be, a party to any inter-municipal agreements which affect this project or your system? No

Has the applicant issued debt or borrowed money, or does the applicant intend to issue debt or borrow money, under a trust indenture (i.e. Bonds)? Yes

Do you charge residential or commercial user fees? Yes

COMMENTS

FUNDING

REQUESTED PENNVEST AMOUNT

This is your requested PENNVEST amount. \$9,975,000.00

COMMITTED OTHER SOURCES OF FUNDS

Source Type	Source Name	Source Amount	Funding Comments
		\$	
	Total:	\$0.00	

ESTIMATED TOTAL PROJECT COST

This is your estimated total project cost. \$9,975,000.00

COMMENTS

PROJECT CONTACTS

City of Philadelphia		Legal Entity	
Address: 1401 John F. Kennedy Boulevard Philadelphia, PA 19107		Email: Phone: 2156854948	
SAP Vendor Number: 177575013	DUNS: 133889241	Federal ID/FIN: 236003047	

Allen, Valarie		Borrower Legal	
Ballard Spahr, LLP		Email: allenv@ballardspahr.com	
		Phone: 2157041422	
		Phone Ext:	

Bowman, Matthew		Borrower	
City of Philadelphia		Email: matthew.bowman@phila.gov	
		Phone:	
		Phone Ext:	

Bradley, Tyler		Borrower's Admin	
Philadelphia Water Department		Email: tyler.bradley@phila.gov	
		Phone: 3028244993	
		Phone Ext:	

Cavacini, Laura		Borrower Legal	
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		Phone Ext:	

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	Phone Ext:

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	Phone Ext:

Hayden, Rebecca	Project Specialist
	Email: rhayden@pa.gov
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	Phone Ext:

Kaniyampampil, Sebastian	Borrower's Admin
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Linn, Chris	Guest
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Rammon, Desiree	DEP Project Manager
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	Phone:
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	Phone Ext:

Rogalski, Patricia	Borrower
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	Phone: 2672307084
	Phone Ext:

Schell, Susan	Engineer Admin
	Email: susan.schell@arcadis.com

	Phone: 6145816604
	Phone Ext:

Yangalay, Lawrence	Borrower
Philadelphia Water Department	Email: Lawrence.yangalay@phila.gov
	Phone:
	Phone Ext:

PROJECT SITE(S)

Zip Code 19134	Primary Site
Address: 3127 Emerald Street Philadelphia, PA 19134	Latitude: 39.993197 Longitude: -75.112806

Zip Code 19133	
Address: 2349 North Mascher Street Philadelphia, PA 19133	Latitude: 39.9862722 Longitude: -75.1336845

Zip Code 19140	
Address: 1612 Blavis Street Philadelphia, PA 19140	Latitude: 40.0210389 Longitude: -75.1524061

PROJECT PLAN

PROJECT PLAN	
Planning Consultation Date	01/18/2024
Planning Completion Date	01/25/2024
Design Start Date	01/26/2024
Design Completed Date	04/26/2024
Date Obtained All Needed DEP Permits	05/08/2024

Anticipated Construction Start Date 05/01/2025

Anticipated Construction End Date 06/30/2026

Letter of No Prejudice Issued by PENNVEST

PROJECT PHASE

Phase Name	Design Complete	Obtain All Permits	Start Construction	End Construction

COMMENTS

NARRATIVE : DESCRIPTION

NARRATIVE DESCRIPTIONS

Describe the problem that this project will correct or resolve. Please be specific and include such discussion points as the cause and impact of the problem, permit exceedances or compliance related problems, if any and/or any additional operational issues caused or contributed by the identified problem(s).

The Philadelphia Water Department (PWD) supplies drinking water, wastewater, and stormwater services to approximately 1.58 million people within the City of Philadelphia. PWD maintains a network of more than 3,100 miles of water mains, 3,700 miles of sewers, 6 treatment facilities and 34 pumping stations. The utility is customer-focused, delivering services in a fair, equitable, and cost-effective manner, with a deep commitment to public involvement and engagement.

In compliance with the National Lead and Copper Rule Revisions (LCRR), PWD has been conducting a Comprehensive Service Line Inventory Project to identify the material type of all service lines. Service line identification is one of many steps toward achieving compliance with the LCRR and supports the development of the Lead Service Line Replacement (LSLR) Program. PWD is implementing its LSLR to replace all lead and galvanized steel service lines within the regulatory required timeframes and is targeting historically underserved areas with known lead and galvanized steel service lines. There are an estimated 20,000 lead lines in Philadelphia as the inventory project is still be completed.

It is well documented that lead poses serious health risks to both children and adults. Philadelphia's water quality meets or exceeds all state and federal water quality standards, and its system contains no known lead or galvanized steel pipes. PWD has successfully passed water quality testing for lead at customers' taps since inception of the Lead and Copper Rule. From a public policy perspective and to maintain PWD's historical compliance record, replacing 100% of lead service lines (LSLs) is urgently warranted to protect all Philadelphians from the most significant source of lead in drinking water systems. Equitably improving public health protection for those who cannot afford to replace the customer-owned portions of their LSLs is critical. So too is improving the methods to identify and trigger action in communities that are historically underserved and most at risk of elevated drinking water lead levels.

PWD is seeking funding to take the information obtained through the Comprehensive Service Line Inventory Project and replace 950 identified residential lead lines in zip codes 19133, 19134 and 19140, which represent Kensington and surrounding neighborhoods. The Kensington community was identified as underserved and at risk within the City of Philadelphia. Kensington has its roots in the hundreds of textile mills supported by a vast immigrant workforce from the late 1800s to the mid-1950s. With the decline in manufacturing, the area experienced a racial and ethnic transformation, leading to a population that is underserved and faces limited economic opportunities. According to the American Community Survey (ACS), the estimated poverty rate in Kensington is 45%, which is nearly double the overall poverty rate for the City (23%) and nearly four times the poverty rate for State of Pennsylvania (11.8%) over the same ACS period ending in 2021. As another financial measure, the Median Household Income (MHI), as determined by the ACS 2021 5-year estimates, lists Kensington at \$29,000 versus a citywide MHI of \$53,000 and a statewide MHI of \$68,000 per data from the New Kensington Community Development Corporation website (nkcdc.org). This demographic and economic data emphasizes the need for targeted investments to support community resilience and growth.

Kensington is socially vulnerable, disadvantaged, and a focus area of environmental justice. Social vulnerability refers to the heightened susceptibility of individuals or social groups to the adverse effects of natural hazards and disasters, stemming from factors that impact their ability to prepare for, respond to, cope with, and recover from events. These factors encompass financial circumstances, health, age, status, and many other measures. Chronic redlining has disproportionately exposed communities of color and low-income communities to increased vulnerability to disaster impacts.

Approximately 100%, 79%, and 92% of the census tracts in zip codes 19133, 19134, and 19140, respectively, are classified as disadvantaged according to the Justice 40 Climate and Economic Justice Screening Tool (CEJST). Under President Biden's Executive Order 14008, the Justice40 initiative is created with a goal for 40% of all federal investments to benefit disadvantaged communities.

Describe the scope of the project. List in quantitative terms what is planned to be constructed, rehabilitated and decommissioned. For Example: 'The 12,000 feet of 8-inch waterline will be replace, one 200,000 gallon standpipe will be constructed, the current Market Street Pump Station will be decommissioned, a new 250 gallon per minute duplex pump station will be constructed on Leisure Street, 44 hydrants will be replaced...'

The City of Philadelphia Lead Line Replacement project includes the replacement of 950 residential private lead lines within the three zip codes of 19133, 19134, and 19140 in the City of Philadelphia, which primarily includes the Kensington area plus Feltonville, Nicetown, Hunting Park, Tioga, St. Hugh, Logan, West Kensington, and East Kensington. This Project will remove and replace lead and galvanized steel drinking water service lines with new copper service lines. This project will be a replacement of in-kind equipment of existing lead service lines within the PWD service area. No new buildings or structures will be constructed, and the existing building structures at each service line replacement site will not be modified. The replacement will include restoration, customer outreach pre- and post-replacement, additional communications and outreach, and additional tap sampling. This project will address existing levels of geographic, racial, and/or socioeconomic inequalities in Philadelphia by assisting to improve the public health and contribute to the well-being of children and families within this underserved and high-priority area. Funding for this project will help improve the situation for renters – many of whom are in lower socio-economic groups, on fixed or single-family incomes, and/or with children or elderly populations requiring assistance. This project directly increases public awareness of the risks and sources of lead exposure to all individuals but particularly to low income, vulnerable, and sensitive populations.

Describe the cost effectiveness of this project. List physical and administrative alternatives and selected alternatives and justify proposed alternative. Include all issues discussed in Planning Consultation related to cost effectiveness.

Cost Effectiveness Analysis report is attached.

Description of Alternatives

No Action Alternative

The Philadelphia Water Department has estimated that they have approximately 20,000 to 25,000 lead or galvanized requiring replacement water service lines. The no action alternative would allow these services lines to remain in service. This alternative would result in the continued use of lead service lines and contribute to increased health and safety risks to customers served by these lead service lines.

Selected (proposed) alternative

The selected alternative is to remove the existing lead or galvanized service lines and replace these service lines with Type K copper, in accordance with the Philadelphia Water Department Standards.

Other alternatives, including consideration of materials of construction.

The Philadelphia Water Department requires the use of Type K copper for water service line materials. Therefore, no other material alternatives are available for consideration.

Advantages and disadvantages of each alternative

The no action alternative has the advantage of resulting in zero cost to the Philadelphia Water Department and rate payers. The disadvantage is that it continues to put the community at risk.

The selected alternative using Type K copper removes the risks associated with the continued use of lead and/or galvanized service lines.

Reason(s) why the selected (proposed) alternative was chosen, and other alternatives rejected such as material cost, useful life and local ordinances

Only Type K copper is specified in the Philadelphia Water Department standards, thus eliminated other options from consideration.

COMMENTS

NARRATIVE : DRINKING WATER SUPPORTING PROJECT INFORMATION

DRINKING WATER SUPPORTING PROJECT INFORMATION

Category/Subcategory	Total
Other / Other	950 Lead Service Lines

PROBLEM DESCRIPTION

Unfiltered Water Source:	No
Ground water source under influence of Surface Water:	No
Insufficient pressure in distribution system:	No
Inadequate water storage volume in system:	No
Insufficient yeild of the existing water source:	No
Additional Capacity required due to service area growth and development:	No
Antiquated, undersized, or leaky distribution lines:	No
Contamination of existing wells:	No
If applicable, surveyed malfunction rate of on-lot septic systems(%):	0
Treatment plant does not meet current or future treatment standards:	No
Deterioration or disrepair of existing facilities:	Yes

COMMENTS

This project will allow PWD to replace the lead lines of 950 residential customers in zip codes 19133, 19134 and 19140. This replacement of material used for water flow into homes is necessary for the safety and health of PWD's customers and PWD's commitment to provide safe drinking water to the community.

PROJECT SPECIFIC DATA : LAND USE

LAND USE

Has the area served by this project been covered by an adopted municipal comprehensive plan?	Yes
Is this project located in an area where there is an adopted county comprehensive plan?	Yes
Is there an adopted multi-municipal or multi-county comprehensive plan for the area(s) covered by this project?	No
Is there an adopted county or municipal zoning ordinance or a joint municipal zoning ordinance for the area covered by this project?	Yes
Is the proposed project consistent with these comprehensive plans and/or zoning ordinances?	Yes
Is the project consistent with county agricultural preservation efforts.	Yes

COMMENTS

PROJECT SPECIFIC DATA : DRINKING WATER SUPPORTING PROJECT INFORMATION

DRINKING WATER COST BREAKDOWN

Planning & Design Only :	\$0.00	0.00%
Source Development Amount:	\$0.00	0.00%
Transmission Amount:	\$0.00	0.00%
Treatment Amount:	\$0.00	0.00%
Finished Water Storage Amount:	\$0.00	0.00%
Distributed System Amount:	\$9,975,000.00	100.00%
Pump Stations Amount:	\$0.00	0.00%
Meters Amount:	\$0.00	0.00%
Safety/Security Amount:	\$0.00	0.00%
Purchase of Systems Amount:	\$0.00	0.00%
Restructing Amount:	\$0.00	0.00%
Land Acquisiton Amount:	\$0.00	0.00%
Total:	\$9,975,000.00	

DRINKING WATER COMPLIANCE

Does the project help to bring the facility back into compliance with existing or future State or Federal regulatory requirements?

No

If yes, enter what percentage of the project meets that criteria:

N/A

Does the project help the facility to maintain current compliance?

No

If yes, enter what percentage of the project meets that criteria:

N/A

Does the project help the facility to achieve compliance with upcoming requirements?

Yes

If yes, enter what percentage of the project meets that criteria

100%

Does the project assist the facility with other non-compliance related activities?

Yes

If yes, enter what percentage of the project meets that criteria:

100%

DRINKING WATER ENHANCEMENT

Does the project help enhance well capacity? (source development/upgrade)

No

If yes, the impact is:

Does the project enhance treatment plant capacity?

No

If yes, the impact is:

Does the project enhance security measures at the drinking water facility?

No

If yes, the impact is:

Does project enhance public safety? (Fire hydrants and related)

No

If yes, the impact is:

DRINKING WATER BENEFITS

COMMUNITY HEALTH (DRINKING WATER)

Explain any existing environmental condition that will be addressed with the project (example: sludge handling facility).

The U.S. Environmental Protection Agency (USEPA) has stated that there is no safe level of lead in drinking water, because lead is a toxic metal that can be harmful to human health even at low exposure levels. Lead is persistent, and it can bioaccumulate in the body over time. Young children and infants are particularly vulnerable to lead because exposure to it can lead to behavior and learning problems, lower IQ and hyperactivity, slowed growth, hearing problems, and anemia.

How will this project improve the quality of life for the system customers?

From a public policy perspective and to maintain PWD's historical compliance record, replacing 100% of lead service lines (LSLs) is urgently warranted to protect all Philadelphians from the most significant source of lead in drinking water systems. Equitably improving public health protection for those who cannot afford to replace the customer-owned portions of their LSLs is critical. So too is improving the methods to identify and trigger action in communities that are historically underserved and most at risk of elevated drinking water lead levels.

SOURCE WATER PROTECTION (DRINKING WATER)

If this project WILL increase the available water, please explain.

No

If this project promotes water conservation, please explain.

By replacing aging lead lines, leaks and repairs will possibly be reduced promoting water conservation.

If this project includes or promotes water system consolidation, please explain efforts to consolidate/regionalize.

No

PUBLIC SAFETY (DRINKING WATER)

Will this project address replacement or major rehabilitation of an unsafe water supply storage tank? No

Does this project include installation or replacement of fire hydrants? No

Does this project include work to address workplace safety standards? No

Will this project address issues related to water source and/or system security? No

Will this project allow the system to meet fire codes - quantity/pressure for fire protection? No

PUBLIC HEALTH (DRINKING WATER)

Will this project eliminate critical or chronic health hazards? No

Violation of Primary Maximum Contaminant Level (MCL)? List the contaminant along with the exceedance and frequency of exceedance, if applicable.

Presence of coliform or fecal coliform? No

No water available at the tap? No

Giardia or Cryptosporidium Cysts in the filtered water? No

DEP COMPLIANCE (DRINKING WATER)

If this project satisfies a compliance order or to address a problem with acute health or safety hazards (example Primary MCL violation), please explain.

N/A

If this project satisfies compliance with issues where a compliance order has not been issued or that are not an acute health or safety hazard, please explain.

This project provides compliance with future requirements for lead service line removal/replacement.

If this project has components that take proactive steps to maintain compliance and ensure adequate operation and maintenance of the water system, please explain?

Philadelphia's water quality meets or exceeds all state and federal water quality standards. PWD has successfully passed water quality testing for lead at customers' taps since inception of the Lead and Copper Rule. To maintain PWD's historical compliance record, replacing 100% of lead service lines (LSLs) is urgently warranted to protect all Philadelphians from the most significant source of lead in drinking water systems.

COMMENTS

BENEFITS : NON-POINT SOURCE

NPS SUB TYPES

Not Applicable

EXPLANATION FOR OTHER NON-POINT SOURCE SUB TYPE

NPS COMPLIANCE WITH ACT 167 AND MS-4

Is the project in an MS-4 regulated community (with either a draft or final permit)?

If Yes, does the MS-4 permit require the work that is proposed in the funding application?

NPS PLANNING

Is your project addressing a Department of Environmental Protection approved 319 Watershed Implementation Plan (WIP), or contained in an Municipal Separate Storm Sewer System (MS4) Pollutant Reduction Plan (PRP), or Total Maximum Daily Load (TMDL) strategy plan that is submitted for an MS4 Notification of Intent (NOI) permit application.

If Yes, please explain:

If No, will your project implement Best Management Practices (BMP) identified as needed to improve water quality in a water quality plan?

If Yes, please explain:

URBAN RUNOFF PROJECTS

What is the total area treated by BMP in acres?

What is the impervious area treated by each BMP in acres?

What is the runoff or storage volume in acre-ft for each BMP?

AGRICULTURAL PROJECTS

How many animals are currently at the project site?

Explain what manure management controls or BMPs are currently being implemented and what is the state of their condition?

What is the name of the receiving stream and how far is the receiving stream from the project site?

Is the receiving stream impaired due to agriculture and/or sediment?

What is the estimated annual nitrogen reduction to the stream as a result of the project?

What is the estimated annual phosphorus reduction to the stream as a result of the project?

What is the estimated annual sediment reduction to the stream as a result of the project?

NPS SAFETY

If the project addresses a critical or on-going safety or health hazard, please explain.

BROWNFIELDS SYSTEM INFORMATION

Who owns the property to be remediated?

Does the project site have ACT 2 Clearance, or will the project site obtain ACT 2 Clearance as a result of project?

Will the owner's company be completing any of the construction (force account)?

Can you provide evidence that all federal supercrosscutters have been met? If so, please upload any evidence of federal supercrosscutters compliance.

Is the cost of acquiring the land to be remediated as part of this project?

Do you have a survey and title search of the real estate to be used for collateral; including title insurance policies and endorsements?

Do you have 'as is', 'as remediated' or 'as developed' appraisals of any real estate to be used for collateral?

NPS WATER QUALITY IMPACTS

Identify the receiving water(s) impacted by this project.

Describe the length stream or acres of lake that will show water quality improvement as a result of your project.

Is the receiving water(s) listed as impaired on the PA Integrated Water Quality and Assessment Report?

If Yes, list the causes of impairment.

If Yes, identify the benefits of the project on water quality.

If Yes, how are the benefits of the project linked to the impairment?

Is the receiving water(s) listed as high quality (HQ) or exceptional value (EV) by DEP?

If Yes, list the pollutant(s) to be a threat to the HQ/EV existing use.

If Yes, list the source of water quality data/report that documents the threat to HQ/EV.

If Yes, explain how the benefits of the project will remove the threat to HQ/EV.

The receiving water(s) or groundwater is not listed as impaired or HQ/EV by the DEP, but has identified water quality problems:

If Yes, list the source of water quality data, assessment report, or watershed plan that documents the water quality problems.

If Yes, explain how the project will have a direct and substantial benefit in addressing the documented water quality problems.

If Yes, will this project have direct pollutant benefits to waters beyond the immediate receiving waters (e.g. Chesapeake Bay Estuary, Gulf of Mexico, Lake Erie, or Delaware Estuary)? Please explain.

NPS COMPLIANCE

Has DEP taken enforcement action(order or consent order and agreement) or issued a Notice of Violation which requires the project?

Is there an approved Total Maximum Daily Load(TMDL) which requires reductions in the pollutants(s) to be controlled by the project?

COMMENTS

KEYSTONE BENEFITS

KEYSTONE BENEFITS

If any of the communities served by this project have been granted special economic designation by the Department of Community and Economic Development or by the Governor's Action Team, please identify the program and the municipality(ies) and county(ies).

If any of the communities served by this project have been designated as distressed under the Municipalities Financial Recovery Act 47 of 1987, please identify the municipality(ies) and county(ies).

If this project directly serves a Brownfield site as designated by the PA Department of Environmental Protection, please identify the site.

If this project serves a City, Borough or 1st Class Township, please identify.

Yes. The City of Philadelphia, Pennsylvania, a corporation, body politic and city of the first class existing under the laws of the Commonwealth of Pennsylvania.

COMMENTS

GREEN INFRASTRUCTURE COMPONENTS

GREEN INFRASTRUCTURE

If the project results in reduced (minimum 20%) water use, please explain.

N/A

If the project recycles water, please explain.

N/A

If the project reduces (minimum 20%) infiltration of water into sewer pipes being repaired/replaced, please explain.

N/A

If the project reduces (minimum 20%) leakage from the water pipes being repaired/replaced, please explain.

This project will be replacing 950 lead service lines therefore potentially reducing leaks and repairs resulting from these aging lines that are beyond their useful lives.

Will this project reduce facility and/or better manage energy consumption?

If the project saves energy (minimum 20%), please explain.

N/A

If this project generates energy, what percent?

N/A

If the project infiltrates evapo-transpires or controls stormwater, please explain.

N/A

If the project implements Ag BMP's, Low-Impact Development, wetland restoration or construction, greenhouse gas reduction, or applies differential uses of water treated to varying levels, please explain.

N/A

COMMENTS

INCOME

COUNTY MUNICIPALITY & APPLICATION LEGISLATIVE

Primary	County	Municipality	System Served	Project Served	Households Served	Bulk
<input checked="" type="checkbox"/>	Philadelphia	Philadelphia City	<input type="checkbox"/>	<input type="checkbox"/>	492,000	<input type="checkbox"/>
					Total:	
					492000	
Primary	District	Congress Name	District	House Name	District	Senate Name
<input checked="" type="checkbox"/>	2	Boyle, Brendan	177	Hohenstein, Joseph	2	Tartaglione, Christine
<input type="checkbox"/>	2	Boyle, Brendan	197	Burgos, Danilo	3	Street, Sharif
<input type="checkbox"/>	2	Boyle, Brendan	181	Kenyatta, Malcolm	3	Street, Sharif

BILLING

	Last Completed Audited Year	First Full Year After Project is Completed
	2023	2027
Estimate Population	1,567,258	1,537,258
Households served by System	492,000	492,000
Total EDUs served by system	1,840	1,840
Residential EDUs served by system	950	950
Average annual Residential bill	\$339.00	\$480.00
Total residential bills levied	\$321,708.00	\$455,893.00
Total residential bills collected	\$321,708.00	\$455,893.00
Total Commercial/Industrial bills levied	\$357,918.00	\$486,769.00
Total Commercial/Industrial bills collected	\$357,918.00	\$486,769.00

INCOME FOR GOVERNMENT ENTITY

	Last Completed Fiscal Year	First Full Year After Project Completed
	2023	2027
Total Bills Collected	\$679,626.00	\$942,661.00
Other Charges Collected	\$16,891.00	\$18,580.00
Total Operating Revenues	\$696,517.00	\$961,241.00
Non-Operating Revenues	\$29,548.00	\$32,503.00
Total Income	\$726,065.00	\$993,744.00

INCOME FOR PROFIT ENTITY

	Last Completed Fiscal Year	First Full Year After Project Completed

	2023	2027
Sales of Products	\$0.00	\$0.00
Investment Income	\$0.00	\$0.00
Rental Income	\$0.00	\$0.00
Other Income	\$0.00	\$0.00
Total Income	\$0.00	\$0.00

INCOME FOR NON-PROFIT ENTITY

	Last Completed Fiscal Year	First Full Year After Project Completed
	2023	2027
Provisions of Services	\$0.00	\$0.00
Government Grants Subsidies	\$0.00	\$0.00
Program Services	\$0.00	\$0.00
Investment Income	\$0.00	\$0.00
Contribution from Donors	\$0.00	\$0.00
Rental Income	\$0.00	\$0.00
Other Income	\$0.00	\$0.00
Total Income	\$0.00	\$0.00

OPERATING EXPENSES

	Last Completed Fiscal Year	First Full Year After Project Completed
	2023	2027
Labor Salaries Benefits	\$224,341.00	\$257,992.00
Utilities	\$0.00	\$0.00
Rent	\$0.00	\$0.00
Materials/Supplies	\$60,725.00	\$72,870.00
Cost of Goods Sold	\$0.00	\$0.00
Program Expenses	\$0.00	\$0.00
Administration Expenses	\$9,397.00	\$9,867.00
Professional Fees	\$106,475.00	\$109,669.00
Depreciation Expense	\$117,417.00	\$123,288.00
Other Expenses	\$0.00	\$0.00
Outside Services	\$0.00	\$0.00
Total (Minus Depreciation Expense)	\$400,938.00	\$450,398.00

NON-OPERATING EXPENSES

	Last Completed Fiscal Year	First Full Year After Project Completed
	2023	2027

Annual Debt Service Excluding This Project	\$146,948.00	\$227,470.00
Other Non-Operating Expenses	\$1,131.00	\$1,187.00
Total	\$148,079.00	\$228,657.00

NET CASH

	Last Completed Fiscal Year	First Full Year After Project Completed
	2023	2027
Total Cash	\$0.00	\$0.00
Total Cash Expenses	\$549,017.00	\$679,055.00
Total Cash (Minus Total Cash Expenses)	\$0.00	\$0.00

COMMENTS

Income and expenses are based on 950 residential lead lines being replaced which is 0.22% of the residential EDUs.

Financials are based upon FY23 statements and projections are based upon PWD 5 year plan and cost of service study.

Other non-operating expenses represent AP adjustments between accruals and cash for our PMA lease payments made through another city department and fixed assets and equipment.

Bulk wholesale agreements are listed within commercial revenues.

All Water and Wastewater Revenue Bonds (other than Subordinated Bonds) are equally and ratably secured under the General Ordinance. No Subordinated Bonds are outstanding under the General Ordinance.

Pursuant to the General Ordinance, the City pledges and assigns to the Fiscal Agent, in trust, for the security and payment of all Water and Wastewater Revenue Bonds (other than Subordinated Bonds) issued under or subject to the General Ordinance, and grants to the Fiscal Agent, in trust, a lien on and security interest in all Project Revenues and amounts on deposit in or standing to the credit of the Water and Wastewater Funds (other than the Rebate Fund).

The Fiscal Agent must hold and apply the security interest in and lien on Project Revenues and funds and accounts, in trust, for the equal and ratable benefit and security of all present and future holders of Water and Wastewater Revenue Bonds (other than Subordinated Bonds). The General Ordinance provides that such pledge also may be for the benefit of the provider of a Credit Facility or a Qualified Swap (as defined therein), or any other person who undertakes to provide monies for the account of the City for the payment of principal or redemption price of and interest on any series of Water and Wastewater Revenue Bonds (other than Subordinated Bonds), on an equal and ratable basis with the holders of Water and Wastewater Revenue Bonds (other than Subordinated Bonds).

DEBT

DEBT

Note Holder	Date of Loan / Issued	Original Principal	Interest Rate	Term Months
		\$		

COMMENTS

As of June 30, 2023, \$2,700,576,570 aggregate principal amount of Water and Wastewater Revenue Bonds is outstanding

BUDGET INFORMATION

PROJECT BUDGET

Administrative Cost:	\$0.00
Legal Fees:	\$0.00
Financial/Accounting Charges:	\$0.00
Interest During Construction:	\$0.00
Engineering/Architecture Fees:	\$0.00
Permits:	\$0.00
Land	\$0.00
Construction	\$9,500,000.00
Contingency	\$475,000.00
Other Costs:	\$0.00
Total:	\$9,975,000.00

COMMENTS

Construction costs include the materials and the labor costs for the replacement of 950 private residential lead service lines. This also includes any necessary street repairs resulting from the replacement of the lead lines and post replacement materials

RATES

RATES

Metered:	Monthly
Flat:	Not Selected Yet
Other:	Monthly

Explain special rate structure or agreement. Indicate if no rates apply for this project.

The Philadelphia Water Department initiated a general rate increase proceeding (the "2023 Rate Proceeding") for Fiscal Years 2024 and 2025 by filing, on January 24, 2023, its Advance Notice of proposed changes in water, sewer, and stormwater rates and related charges to take effect on or about September 1, 2023 and September 1, 2024. On February 23, 2023, the Water Department filed its Formal Notice of proposed changes in rates and charges. Standard prehearing conferences and orders were issued, and discovery requests and responses were submitted consistent with the prehearing order from the period of March through April 2023. Four public input hearings were conducted. Pursuant to the schedule, direct testimony was filed by interveners in the proceeding on April 12, 2023. Rebuttal testimony was filed by the Water Department on April 26, 2023. Hearings were held on May 2 through May 5, 2023 and briefs were filed on May 16, 2023. The Hearing Officer's report was delivered on May 30, 2023. Exceptions to the Hearing Officer's Report were filed on June 5, 2023. The Rate Board rendered its rate determination on June 21, 2023. The Rate Board authorized an increase in base rate revenues of \$61.022 million in Fiscal Year 2024 and an additional increase of \$57.015 million in Fiscal Year 2025. Taking into account the Rate Board's 2023 Annual TAP-R Adjustment Proceeding, the overall approved increases amount to \$172.5 million over Fiscal Years 2024 and 2025.

Water rates for general service customers of the Water Department consist of a service charge related to the size of the meter, plus a schedule of quantity charges for water use. Sewer rates for general service customers are similar. To more fairly reflect the burden on the System, stormwater charges are calculated based on a customer's property size and its relative imperviousness. A uniform stormwater charge based on the average size and imperviousness of residential properties is billed to residential customers. Charges to non-residential and condominium customers are based on each property's specific size and impervious area.

Special rates with partial discounts are established pursuant to the Water Department's Rates and Charges for the following customers: (1) public and private schools which provide instruction up to or below the twelfth grade; (2) institutions of "purely public charity;" (3) places used for religious worship; (4) residences of eligible senior citizens; (5) universities and colleges; and (6) public housing properties of the Philadelphia Housing Authority. In addition, the Rate Board approved discounts of 100% on stormwater rates for eligible community gardens in 2016 and an exemption from water, sewer and stormwater rates for unoccupied properties of the Philadelphia Land Bank in 2018. Some real estate also is exempt from stormwater charges, including, cemeteries, residential sideyards, City-owned or City-controlled vacant lots or improvements, portions of Fairmount Park, streets, medians, sidewalks, and rights-of-way. Water and sewer charges, including stormwater charges, terminate when any vacant or unoccupied premises are acquired by the City and when property is acquired by the Philadelphia Housing Development Corporation or the Philadelphia Redevelopment Authority under provisions of the Philadelphia Code pertaining to vacant properties.

In addition to the special rates referenced above, the Water Department offers additional assistance and incentive programs to customers, which constitute either an Operating Expense of the Water Department or contra-revenue in the form of credits or reductions to customers' bills. The Tiered Assistance Program ("TAP") program was launched on July 1, 2017 and assists low-income households at or below 150% of the federal poverty level ("FPL") and those experiencing a special hardship, as discussed herein. Under the TAP program bills are tied to household income and do not fluctuate based on actual consumption.

