Peters Township Sanitary Authority
PROPOSED CAPITAL IMPROVEMENT PLAN FOR 2026 And 10-Year Capital Plan

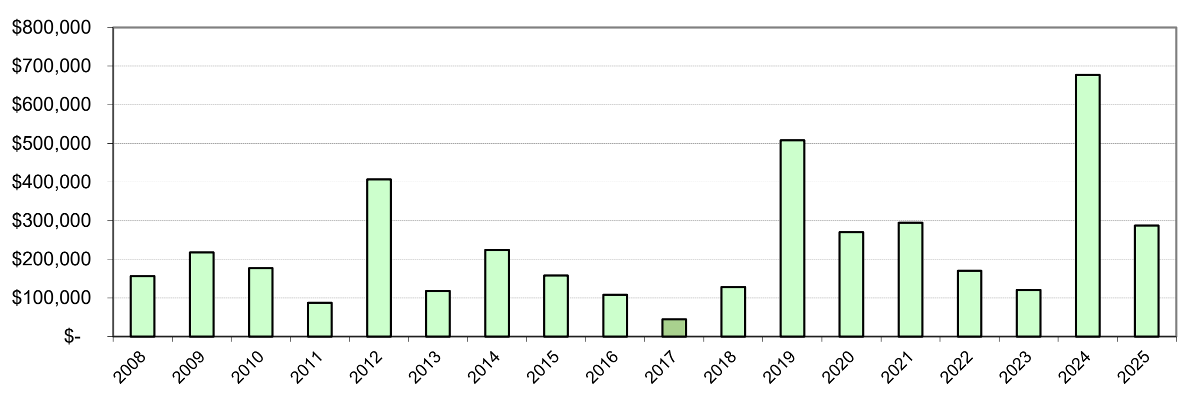
1.0 INTRODUCTION

The Authority has included a capital improvement plan in its budget since 1996, and to a large extent it has been the effort that we invest in preparing the capital improvement plan, followed by implementing the plan during the year, which has helped the Authority achieve many of its objectives over the past two decades.

The Capital Plan recognizes the Authority continues in a reduced financial condition, attributed to the slowdown in the housing market, and which reduces our tap fee revenue, as well as our growth in operating revenue. The 2017 Tapping Fee revenue of $44,663 was at an all-time low. The Township's 2013 Comprehensive Plan was approved, and with the implementation of the rezoning to higher densities in 2017. The budgeted 2025 tapping fee revenue was $297,600, with $287,251 projected in revenues. The current planned and in progress developments include, Brookwood Village, Tuscany II, Fife Farm, Justabout Farms, Lutz Farm, McCrobie, Pemberley Manor, Sugarbrooke, Wallach (2 lots consolidated). Planned for 2026 are New Castle and Courtyards at Valleybrook.

Figure 1 illustrates the 2026 projected annual tap fee revenue with the previous 16 years. Note: 2012 Tap Fees plus Special Purpose Tap Fees from the 29 Valley View properties, 2024 Waterdam Apartments 180 tap fees.

Figure 1
Historic Tapping Fee Revenue



Note: *The tap fee revenue for 2009 through 2015 includes tap fees reimbursed under Developer Construction Agreements. The developments with tap fee reimbursement agreements are described in Section 5.0.*

The Authority established that a $2.5 million annual re-investment in our facilities should be considered the minimum necessary to maintain a “sustainable level of service”. See definition at right.

Sustainable Level of Service
A service level which provides the treatment and conveyance capacity for growth, while providing uninterrupted service to our customers, and meeting all regulatory requirements.

Thereby, necessitating regular sewer use rate increases to generate additional operating budget surpluses through the Equipment Replacement Allowance line item, which funds the capital improvement plan, in conjunction with tap fee revenue and investment interest.

2.0 CAPITAL IMPROVEMENT FUND (CIF) EXPENDITURES

2.1 The following tables will provide the updated status of the Planned 2025 Capital Improvements. The Sources of Funds available were $ 5,978,668 and the projected expenditures were $778,690 leaving a balance of $5,199,978.

Summary of Total Cumulative Project Expenditures

		Beginning Balance	Approved Budget	Revised Budget	Actual Jan-Sept	Projected	Total P. Expenditures	Variance Variance	Ending Balance
Expenses									
Ongoing	BR NPDES Renewal		$ 10,000.00	$ 2,000.00	$ 2,261.29	$ 0.00	$ 2,261.29	$ 261.29	$ 2,261.29
Ongoing	BR Copper Limits		0.00	0.00	6,622.77	45,400.00	52,022.77	6,622.77	52,022.77
Completed	DC NPDES Renewal	13,784.30	15,310.00	2,000.00	9,173.50	0.00	9,173.50	7,173.50	22,957.80
	Total Expenses	$ 13,784.30	$ 25,310.00	$ 4,000.00	$ 18,057.56	$ 45,400.00	$ 63,457.56	$ 14,057.56	$ 77,241.86
Completed	BR Minor Improvements		$ 46,000.00	$ 46,000.00	$ 9,565.72	$ 0.00	$ 9,565.72	($ 36,434.28)	$ 9,565.72
Completed	BR Water System Upgrades-Eng	134,437.53	0.00	26,000.00	25,997.66	0.00	25,997.66	(2.34)	160,435.19
Completed	BR Water System Upgrades-Con:	316,076.87	0.00	250,000.00	283,405.91	0.00	283,405.91	33,405.91	599,482.78
Ongoing	2024 BR RAS Upgrade - eng	28,729.35	132,500.00	65,000.00	13,694.20	10,494.00	24,188.20	(51,305.80)	52,917.55
Ongoing	2025 BR RAS Upgrade - cont.			285,000.00	0.00	75,262.00	75,262.00		
Ongoing	BR BFP Replacement - eng		1,767,700.00	200,000.00	114,448.24	36,552.00	151,000.24	(85,551.76)	151,000.24
Ongoing	BR BFP Replacement - cont.					0.00	0.00		
Ongoing	BR MCC Replacement - eng					7,700.00	7,700.00		
Postponed	BR Clarifier Painting		80,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Postponed	BR Security Improvements		25,000.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Expenses	$ 479,243.75	$ 2,051,200.00	$ 872,000.00	$ 447,111.73	$ 130,008.00	$ 577,119.73	($ 424,888.27)	$ 973,401.48
Completed	DC Minor Equipment		$ 10,000.00	$ 10,000.00	$ 0.00	$ 0.00	$ 0.00	($ 10,000.00)	$ 0.00
	Total Expenses	$ 0.00	$ 10,000.00	$ 10,000.00	$ 0.00	$ 0.00	$ 0.00	($ 10,000.00)	$ 0.00
Completed	Other Sewer/Lining/Emergency P	$ 0.00	$ 46,000.00	$ 46,000.00	$ 19,470.00	$ 0.00	$ 19,470.00	($ 26,530.00)	$ 19,470.00
Completed	Sewer Line Camera				$ 706.90	$ 0.00	$ 706.90	$ 706.90	$ 706.90
	Total Expenses	$ 0.00	$ 46,000.00	$ 46,000.00	$ 20,176.90	$ 0.00	$ 20,176.90	($ 25,823.10)	$ 20,176.90
Completed	Vehicles		$ 105,000.00	$ 105,000.00	$ 0.00	$ 105,000.00	$ 105,000.00	($ 105,000.00)	$ 105,000.00
Completed	Network Server/Computers		3,000.00	15,000.00	11,792.43	0.00	11,792.43	(3,207.57)	11,792.43
Completed	Misc Legal Financial		11,043.00	11,043.00	0.00	1,143.00	1,143.00	(11,043.00)	1,143.00
	Total Expenses	$ 0.00	$ 119,043.00	$ 131,043.00	$ 11,792.43	$ 106,143.00	$ 117,935.43	($ 119,250.57)	$ 117,935.43
	Total Expenses	$ 493,028.05	$ 2,251,553.00	$ 1,063,043.00	$ 497,138.62	$ 281,551.00	$ 778,689.62	($ 565,904.38)	$ 1,188,755.67

Table-I RECOMMENDED 2025 CAPITAL IMPROVEMENT PROJECTS		
Project	1	Brush Run Plant NPDES Permit Challenge (potential) Budgeted cost: $10,000. Revised Budget $2,000 Projected: $2,261.29 Permit issued in 2025 – Completed (Ongoing testing in 2026 for TRE)
Project	2	Brush Run Plant RAS Control Panel Improvements – Construction, Engineering & Contract Administration Budgeted cost: $132,500 . Revised Budget: $350,000 Projected: $99,450 Project Awarded – Construction 2025-26
Project	3	Donaldson Crossroads Plant NPDES Permit Renewal (potential challenge) Budgeted cost: $15, 310 Projected: $9,173.50 Permit Application Submitted – Awaiting Permit Issuance
Project	4	BR Minor Improvements Budgeted cost: $46,000 Projected: $9,565.72 Purchased Autoclave for Laboratory
Project	5	Vehicle Replacement Budgeted cost: $105,000 Projected: $105,000 Vehicle on order, expect receipt year end 2025
Project	6	Brush Run Belt Filter Press & Polymer Feed System Replacement – Design, Engineering and Construction Budgeted costs: $1,767,700 Projected:$265,448.48 Project to be bid in November 2025
Project	7	Other Sewer Lining Projects / Emergency Repairs / Sewer Line Camera Budgeted cost: $46,000 Projected: $20,177 Colony Manor Control Panel Replaced, PADOT Project not required
Project	8	Brush Run Plant Clarifier No.3 Painting Budgeted Cost: $80,000 Projected: $0 Project not initiated
Project	9	Brush Run Plant Security Improvements – Actuated Gates Budgeted Cost: $25,000 Projected: $0 Project not initiated
Project	10	DC Minor Improvements Budgeted Cost: $10,000 Projected: $0 No projects initiated
Project	11	Server Hardware/Software Budgeted Cost:$3,000 Projected: $11,792.43 No projects initiated
Project	12	Tap Fee Reimbursements – Maple Lane/Overlook - $9,600, McCrobie -$1,443 Projected: $1,443
Projected Expenditures: $2,251,553 Revised: $1,063,043 Total Planned Expenditures: $778,690		

3.0 CAPITAL PLAN

3.1 Investment Policy and Sources of Funds

This section describes the investment strategy and the sources of funds as well as discussing projections for future years. The Authority's capital improvement projects are funded by a combination of:

Investment Policy - The Sources of Funds listed below are used to fund the ten-year capital plan. The

Authority maintains a capital reserve for emergencies or unplanned expenditures. Currently, the policy is a minimum of $2.5 million. The ten-year capital plan is updated annually, and then reviewed through the year to evaluate short- and long-term cash flow.

Sources of Funds:

- General Purpose Tapping Fees
- Special Purpose Tapping Fees
- Assessments
- Operating Budget Surplus (Debt Service Cover, Equipment Replacement Allowance, and Capital Transfer)
- Investment Interest
- Grants, if any
- Borrowed Funds, if any

The Authority has engaged a professional firm LPL Financial to manage the portfolio. The portfolio is continuously reviewed by the professionals as interest rates and market conditions change. Management reviews quarterly with the investment advisor representative, unless he feels the need to meet more frequently. Currently, the portfolio is invested in short-term treasury notes.

The disciplined investment allocation methods maximize returns while maintaining compliance with investment guidelines according to the Municipal Authorities Act. In order to earn the maximum interest revenue while maintaining compliance with investment guidelines according to the Municipal Authorities Act there are two investment strategies utilized: CD’s with the depository bank, and investment account with our financial advisor. All funds could be available if the need arises. The bank cd’s are typically 9 months to 1 ½ years, with no penalty if cashed in early. The investment account has staggering maturities, and funds are/would be available if the need shall arise.

Tapping Fees – These are charges imposed on new customers as they connect to the sewer system. The current tapping fee is $3,200/equivalent dwelling unit. The maximum amount a municipal authority can charge is governed by the formula prescribed in the Municipality Authorities Act. Essentially, it is the cost of the Authority’s unencumbered infrastructure assets divided by the design treatment capacity (in gallons/day) to arrive at a cost/gallon of capacity. For the Authority this cost is $12.05/gallon. Residential units require 258 gallons/day of capacity; therefore, the capacity charge is $3,109, plus $91 for the Customer Facilities/Connection Fee, which covers the permitting and inspection process. Non-Residential units are charged a tapping fee based on the estimated maximum monthly average day water consumption times the $12.05/gallon, with a minimum consumption of 258 gallons/day. The tapping fee calculation was last updated in 2008.

Tapping Fee Reimbursements – All new customers connecting to the sewer system pay a tapping fee. However, under special circumstances the Authority may enter into a Tap Fee Reimbursement Agreement with a Developer, whereby the Developer constructs capital improvements for the Authority that are not otherwise required for its development and dedicates the improvement to the Authority in exchange for future installments to be paid at such time when tapping fees are collected as units are connected in the development. While the Authority has used this mechanism only sparingly over the years. During 2009 two developments were completed, included Tap Fee Reimbursement Agreements. These developments are: 1) Overlook Plan, which included reimbursement up to $89,600 in tap fees; and 2) Willoughby Woods Plan *(now called Brookwood Villas)*, which included reimbursement up to $32,084 in tap fees. The Willoughby Woods exhausted its tap reimbursements in 2013; thereby, only the Overlook Plan Tap Fee Reimbursement Agreement remains, with three tap reimbursements available.

Detailed descriptions of the projects with Tapping Fee Reimbursements, and the remaining balance, are provided in Section 5.0 of this report.

Tapping Fee Reimbursement Process – For developments with Tap Fee Reimbursement Agreements, whenever a sewer tap is obtained, the tap fee paid is deposited in the CIF and recorded as tapping fee revenue. At a subsequent Board meeting, the tap fee reimbursement due the Developer is listed on the CIF's requisition as a Tap Reimbursement to the Developer and approved by the Board. At that time the reimbursement becomes a CIF expense.

Special Purpose Tapping Fees – The Municipality Authorities Act provides for charging a Special Purpose Part to the tapping fee for special purpose facilities, such as sewer main extensions, that are applicable to a particular group of customers, based upon the cost of the facilities and the number of customers served. This provides an alternative to public improvement assessment programs for recovering the cost of sewer main extensions from the customers served. Since the Special Purpose Part of a tapping fee can be based on the design capacity of the facilities expressed in Equivalent Dwelling Units, the cost of a project can be equally distributed across all existing customers and all future customers served by the facility, and avoid the costly expenses associated with assessment programs. The Authority has four Special Purpose Tapping Fee districts established, as described in a memo at the end of the Capital Plan. Periodically, the Special Purpose Tapping Fee amounts are indexed forward using the Engineering News Record cost index, essentially adjusting the fee by the inflation index. The last adjustment was in September 20. Review of the fee was completed in 2020.

The following sewer extensions were imposed a Special Purpose Part Tapping, see Appendix 6 for detail:

Project Name		Max. EDUs	Accept. Date	Spec. Purp. Fee, Initial
Severns Ext		3	12/13/2005	$4,415.00
Hays Road Ext. Engineering Only		4	10/11/2005	$900.00
2007 E. McMurray Ext.		7	6/4/2008	$7,501.14
2012 Valley View Ext				
	Valley View Dr.	6	8/14/2012	$3,200
	Component B	275	8/14/2012	$870.00
	Component C	35	10/9/2012	$2,330.00
	Component CL	12	10/19/2012	$1,830.00
	Subtotal:	322		
Total:		342		

Assessments – Historically, the Authority used sewer assessment programs to recover the cost of sewer extensions from the property owners benefiting. The most recent assessment program was for the Ivy Lane Sewer Extension project in 2003. The Authority allows sewer assessments (and Special Purpose Tapping Fees) to be paid on repayment schedules, and a number of repayment schedules still exist for the Ivy Lane assessments. The Authority has no agricultural deferred assessments outstanding.

Operating Budget Surplus, Debt Service Coverage, and Equipment Replacement Allowance – Any operating surplus is transferred to the CIF. The Authority's Trust Indenture requires that we budget each year the annual debt service, plus 10%, which resulted in surplus at the end of the year and is transferred to the CIF.

The Authority also budgets an Equipment Replacement Allowance/Capital Transfer each year. If these funds are not used for equipment replacement during the year the remaining balance is transferred to the CIF. If there are no charges to the account, the balance is transferred to the CIF after final reconciliation of year-end expenses occurs in February.

The Authority frequently uses in the Operating Budget the line-item Equipment Replacement Allowance as a "budget balancer" to postpone rate increases. The 2025 Budget was $480,000 and the 2026 Budget $346,000.

Investment Interest – The Authority prudently invests its CIF funds and Construction Funds in accordance with the Trust Indenture restrictions and the Municipality Authorities Act. Most of savings are in CD's offering a 5% interest rate.

Capital Improvement Fund –These CIF funds are currently invested at CFS Bank in interest bearing accounts, CFS CD's earning various interest rates, and LPL Investments. The Authority may also invest in short-term government securities from time to time.

Grants – The following is a listing of grants received:

Year	Grant Program	Project	Grant	Balance
2009	H2O PA	Brush Run Wet Weather	$600,000	$0
2009	Conservation Works	Blower VFDs/ DO Control	$137,250	$0
2010	LSA	Valley View Sewer Ext.	$300,000	$0
2010	H2O PA	Valley View Sewer Ext	$225,000	$0
2012	LSA	DC Plant Replacement Design	$85,000	$0
2013	NA	NA	$0	NA
2014	PA Small Water & Sewer	Stratford PS Force Main Replacement	$56,000	$0
2015	LSA	DC Plant Replacement Construction	$500,000	$0
2017	LSA	DC Interceptor Replacement	$300,000	$0
2020	LSA	BR UV Improvements	$250,000	$0
2022	LSA	2022 Conveyance System Improvements	$500,000	$0
2025	LSA State	BR Belt Filter Press	$300,000	$300,000
2025	LSA Local	BR Belt Filter Press	$250,000	$250,000
		Total:	**$3,453,250.00**	**$500,000.00**

<u>Grant Applications Pending</u>

Application was submitted for the 2026 Local LSA grant program for the MCC Controls Replacement $500,000.

<u>Sewage Planning Grants</u> - There are no pending grants available.

Future Grant Applications

Borrowed Funds

- Pennvest loan for the 2017 DC WPCP Replacement project. The Loan is $11,000,000 with a term of 20-years. The interest rate during the first 5-year period is 1.055%, with a rate of 1.835% for the remaining 15 years.
- Guaranteed Sewer Revenue Bond issue, Series 2021, in the amount of $9,190,000 for the DC WPCP Replacement Project. The term of the bond issue is 24-years, and the interest rate is 2.80%.
- Pennvest loan for the 2020 Conveyance System Improvements project. The Loan is $5,255,000 with a term of 20-years. The interest rate during the first 5-year period is 1.0%, with a rate of 1.743% for the remaining 15 years.

Debt Balances as of December 31, 2025

Loan	Balance	Last Payment
PV-2017 2017 DC WPCP	$ 7,293,023.00	8/1/2038
PV- 2020 Conveyance System	$ 3,881,422.00	10/1/2040
Series 2021 Bond	$ 8,665,000.00	9/1/2045
Total Debt	$19,839,445.00	

3.2 Recommended Capital Improvement for 2026

The funds available for CIF projects are estimated as follows:

Balance of CIRF Funds	$ 5,199,978
Tap and Assessments budgeted	297,000
Equipment Replcmt Allowance (prior year)	346,000
Operating Surplus	30,000
Bond, Grant, Loan, Interest	550,000
Total Capital Funding	$6,503,578

The Authority’s goal is to maintain a minimum balance of $3,000,000 balance in the CRF at all times.

Table-II RECOMMENDED 2026 CAPITAL IMPROVEMENT PROJECTS		
Project	1	Brush Run Plant SCADA Improvements Budgeted cost: $43,200
Project	2	Brush Run Plant RAS Control Panel Improvements – Construction, Engineering & Contract Administration Budgeted cost: $277,742
Project	3	Brush Run Plant Air Conditioning Unit Replacement – MCC Building Bid and Construction Budgeted cost: $40,000
Project	4	Brush Run Minor Improvements Budgeted cost: $40,000
Project	5	Brush Run Belt Filter Press & Polymer Feed System Replacement –Engineering and Construction Budgeted costs: $1,878,000
Project	6	Other Sewer Lining Projects / Emergency Repairs Budgeted cost: $75,000
Project	7	Donaldson Crossroads Plant SCADA Improvements Budgeted cost: $74,000
Project	8	Donaldson Crossroads Minor Improvements Budgeted Cost: $20,000
Project	9	Brush Run Plant MCC Replacement – Design, Engineering, Construction Budgeted cost: $768,500
Project	10	Brush Run Copper Limits Budgeted cost: $82,000
Projected Total		$3,298,442

Table IV −Recommended 10-Year Capital Plan

SOURCES OF FUNDS	R.Budgeted 2025	Projected 2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Balance of CIRF Funds	$ 4,740,417	$ 4,740,417	$5,199,978	$ 3,205,137	$ 3,659,160	$ 3,351,560	$ 2,316,560	$ 2,146,560	$ 2,286,560	$ 2,416,560	$ 2,631,560	$ 2,631,560	$2,861,560
Tap and Assessments Projected /def assessmer	297,000	287,251	297,600	60,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Equipment Replcmt Allowance (prior year)	480,000	480,000	346,000	346,000	280,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Operating Surplus	20,000	240,000	30,000	20,000	20,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
PV Loan/Loan/Bond/trustee interest	80,000	231,000	80,000	20,000	20,000	20,000	20,000	30,000	40,000	45,000	55,000	60,000	70,000
Tap Fee Reimbursements - Maple Lane $9,600		-			(9,600)								
Grant - BR LSA - State and Local	300,000	-	550,000	300,000	-	100,000	-	-					
TOTAL CAPITAL FUNDING	$ 5,917,417	$ 5,978,668	$ 6,503,578	$ 3,951,137	$ 3,989,560	$ 3,816,560	$ 2,681,560	$ 2,521,560	$ 2,671,560	$ 2,806,560	$ 3,031,560	$ 3,036,560	$ 3,276,560
CAPITAL EXPENDITURES													
TREATMENT PLANTS													
BR Minor Improvements	46,000	9,566	40,000	40,000	25,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
BR SCADA Improvements			43,200	-		-	-						
BR Plant Water System Upgrades-engineering	26,000	25,998											
BR Plant Water System Upgrades -construction	250,000	283,406											
BR RAS Pump Control - engineering	65,000	24,188	40,812										
BR RAS Pump Control - construction	285,000	75,262	236,930										
BR Clarifier Painting Project	-				80,000								
BR Security Improvements	-				25,000	-	-						
BR Belt Press Replacement -engineering	200,000	151,000	142,000			-	-						
BR Belt Press Replacement - construction			1,736,000										
BR MCC Replacement -engineering		7,700	118,500										
BR MCC Replacement - construction			650,000										
BR Blower Upgrade/Replacement			-	30,000	200,000	30,000	200,000						
BR Building Façade Improvements						150,000							
BR NPDES Renewal/re-rate	2,000	2,261	-	-		45,000					35,000		
BR Cooper Limits		52,023	82,000	15,977									
BR Air Conditioning Unit - MCC Bldg			40,000										
BR Sludge Drain Pump Control Panel Upgrade						350,000							
DC Minor Improvements and Replacements	10,000		20,000	66,000	23,000	40,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
DC SCADA Improvements			74,000										
DC NPDES Permit Renewal	2,000	9,174				45,000					35,000		
DC NPW Pump Replacement							100,000						
DC Concrete Sidewalk Replacement					100,000								
SEWER SYSTEM													
USC BR PS Annual Capital Improvements			-		10,000								
Other Sewers/Lining/Emergency Repairs/LS	46,000	19,470	75000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Sewer Line Camera/Flow Meters	-	707			35,000		-						
Vehicles	105,000	105,000		60,000	50,000	650,000	60,000	60,000	80,000				
OFFICE ADMINISTRATION													
Tap Fee Reimbursements	-			-	-	-	-						
Server Hardware/Software	15,000	11,792	-	-	15,000	-	-						
Office Building Improvments	-	-		5,000		75,000					50,000		
Phone System/pump station upgrades	-	-	-	-	-	-	-						
Legal/Financial -Mcrobie dev reim	11,043	1,143	-	-	-	-	-						
TOTAL CAPITAL EXPENSES	**$1,063,043**	**$778,690**	**$3,298,442**	**$291,977**	**$638,000**	**$1,500,000**	**$535,000**	**$235,000**	**$255,000**	**$175,000**	**$295,000**	**$175,000**	**$175,000**
ENDING BALANCE	**$4,854,374**	**$5,199,978**	**$3,205,137**	**$3,659,160**	**$3,351,560**	**$2,316,560**	**$2,146,560**	**$2,286,560**	**$2,416,560**	**$2,631,560**	**$2,736,560**	**$2,861,560**	**$3,101,560**

3.2.1 Project Descriptions

Project No. 1. Brush Run Plant SCADA Improvements
The project will consist of updating the Supervisory Control and Data Acquisition (SCADA) software iFix version to the most current for all (4) computers. In conjunction, the (4) machines and backup software will also be replaced. Concurrent software updates will also be completed for the Win911.

Project No. 2. Brush Run Return Activated Sludge (RAS) Pump Control Panel Replacement – Contract Administration & Construction
The project scope is to replace the existing control panels associated with the submersible RAS wet well pumps. The majority of the components in/on the panel have been replaced over the years while several of the controls are malfunctioning or inoperable. The existing RAS pump No.2 (circa 1995) has reached the end of is useful life. PTSA purchased a replacement pump in 2025 which will be installed by the contractor. The alternate RAS pump (pump No.1) was replaced in 2020. Project design and bid was completed in 2025. Construction and engineering (contract administration) are budgeted for 2026.

Project No 3. Brush Run Air Conditioning Unit Replacement – MCC Building
The primary function of the AC unit is to maintain a consistent temperature for the electrical motor controls for the plant. The existing unit is twenty years old and has undergone substantial repairs in 2016, and currently is only partially operational.

Project No. 4. Brush Run Minor Improvements
The project includes replacement of the automated influent sampler ($13,000). The unit has reached its useful operation life. Also included is the purchase of replacement laboratory equipment: IDEXX system for fecal coliform and e. coli – ($9,500 equipment and PADEP lab accreditation fee) and a laboratory oven ($7,000).

Project No. 5. Brush Run Belt Filter Press and Polymer Feed System Replacement – Engineering and Construction
The original Belt Filter Press was installed in 1984 and continues to operate to this date. Over the years the unit has required a multitude of maintenance/repairs, including but not limited to roller replacement due to shaft breakage, conveyor replacement/repair, belt replacement, booster pump rebuild, and replacement of drive sprockets and roller bearings. Additionally the feed pumps have been rebuilt and ultimately replaced as part of separate improvement project which eliminated the sludge feed holding tanks. The polymer feed system currently utilized as a component of the Press operation is antiquated and poses a safety hazard, requiring employees to manually lift liquid polymer overhead to the mixing tanks. An automated polymer feed system would eliminate this issue. The structural integrity of many of the support structures have also become compromised, i.e. pump mounting brackets, conveyor structure. The 40 year old Press has outlived its useful life; furthermore, an automated replacement press and polymer feed system would enhance efficiency and sustainability for this vital piece of wastewater treatment equipment. Design and bidding of the project will be completed in 2025.

Project No. 6. Other Sewer Lining Projects / Lift Stations / Emergency Repairs
This project encompasses lift station repairs, sewer lining projects (manhole to manhole lining) and emergency repairs. This type of repair does not include routine repairs by Authority staff, but would be any large scale repair projects that would require outside assistance by a contractor. Examples of this type of repair would be unplanned sewer repairs undertaken due to landslides, such as occurred in 2018 at Hemlock Drive and Buffalo Ridge. This line item has been funded each year of the capital plan.

Project No. 7. Donaldson Crossroads Plant SCADA Improvements

The project will consist of updating the Supervisory Control and Data Acquisition (SCADA) software iFix version to the most current for all (3) computers. In conjunction, the (3) machines and backup software will also be replaced. Concurrent software updates will also be completed for the Win911.

Project No. 8. Donaldson Crossroads Plant Minor Improvements
There are not any specific projects earmarked for DC Minor Improvements in 2026; however, this capital item budgets for unforeseen equipment failures and replacements.

Project No. 9 . Brush Run Plant Motor Control Center (MCC) Replacement – Design, Engineering, Construction
The motor control center is the electrical control center for all plant mechanical equipment. The existing Eaton equipment (circa 1995) has become obsolete, with replacement parts no longer available. PTSA currently maintains a minimal supply of replacement parts; however, the lack of availability of proprietary parts during a failure renders the equipment nonfunctional, negatively impacting plant operations. GHD is completing an alternative analysis in 2025 that will determine the most viable design and construction option in 2026.

Project No. 10 . Brush Run Plant Copper Limits
The NPDES Permit renewal in 2025 dictated copper limits for year three (2028) of the permit. Copper effluent data taken for the plant was 50% of the proposed limit although the effluent samples never exceed the proposed limits. To identify the viability of eliminating copper from the effluent, a treatability study will be conducted to determine the most viable treatment method. The copper treatability jar test will be conducting using site-specific wastewater to determine the most effective approach to treat copper and meet the revised NPDES permit limits. Based on the jar test results, a full-scale plant pilot test program will be designed to demonstrate removal through treatment. Upon completion of the pilot test, a report will be issued detailing the treatments results and recommending chemical storage and feed equipment additions if necessary.

4.0 FUTURE YEARS CAPITAL PROJECTS

The 10-year capital plan beyond 2026 is summarized in the Table IV. It identifies the revenues and sources of funds at the top of the page and capital expenditures on the lower half. Table IV is used to identify the cash flow required to construct the known or anticipated projects. One of the objectives of the 10-year capital plan is to manage our CIRF balance at $3,000,000 or greater. As can be seen from Table IV the CIF balance remains well over $3,000,000. The projects planned beyond 2026 are not intended to be all inclusive, but provide a magnitude of cash flow requirements. In order to achieve the necessary cash flow, the Equipment Replacement Allowance to generate surplus funds will need to be regularly increased.

2027 through 2028 Projects/Expense Summary

Treatment Plants:

- Brush Run Minor Improvements
    - Asphalt Driveway Sealing - $7500 (2028)
    - Dissolved Oxygen (DO) Instrumentation and Conduit Improvements - $5,000 (2028)
- Brush Run Clarifier No.3 Superstructure Painting - $80,000 (2028)
- Brush Run Security Improvement / Gate Actuator - $25,000 (2028)
- Brush Run Aeration Blower No.1 Replacement (design) - $30,000 (2027)
- Brush Run Aeration Blower No.1 Replacement (construction) - $200,000 (2028)
- Donaldson Crossroads Concrete Sidewalk Replacement - $100,000 (2028)
- Donaldson Crossroads Minor Improvements

- (2) replacement samplers - $13,000 each (2027)
- (2) digester replacement pumps - $20,000 each (2027)
- Asphalt sealing of plant and dewatering driveways- $8,000 (2028)

Sewer System:

- Emergency Repairs $75,000 (2027-28)
- Vehicles (van replacement) $60,000 (2027)
- Sewer Line Camera Equipment (Lateral Launch) $35,000 (2028)
- Sealing of lift stations asphalt driveways (Rutledge, Hidden Valley, Maple Lane) $3,200 (2027)
- USC Brush Run Pump Station capital improvements – By agreement PTSA pays 3.1% of all USC capital cost for the pump station.

Office and Administration:

- Sealing of office asphalt parking lots $5,000 (2027)
- Replacement of office file server $15,000 (2028)

2029 through 2036 Projects/Expenses

Treatment Plants:

- Brush Run WPCP Minor Improvements $320,000 (2029-2036)
- Brush Run Building Façade Improvements $150,000 (2029)
- Brush Run WPCP Sludge Drain Pump Control Panel Replacement - Design, Engineering, and Construction $350,000 (2029-30)
- Brush Run WPCP Digester Blower Replacement (Design & Construction) $230,00 (2029-2030)
- Brush Run WPCP NPDES Permit Renewal $35,000 (2029-30), $35,000 (2034-2035)
- DC WPCP Minor Improvements $136,000 (2029-2036)
- DC NPDES Permit Renewal $45,000 (2029-2030), $35,000 (2034-2035)

Sewer System

- Emergency Repairs $600,000 (2029-36)
- Vehicles $850,000 (2029-36)

Office and Administration

- Office Air Conditioning (4) units and Furnace Replacement $75,000 (2029)
- Office Building Roof Replacement $50,000 (2034)

5.0 TAP REIMBURSEMENT PROJECT DESCRIPTIONS

The following project description is for the only remaining project that includes tap fee reimbursements.

Maple Lane Pump Station – The Overlook Plan was going to require a new sewage pumping station that would be located just several hundred feet downstream of the Authority's existing Timbercrest Pump Station, which was constructed in 1972. The Developer agreed to increase the capacity of his proposed pump station from 27 units to 64 units to provide for the 37 units from the Timbercrest Plan. The Authority participated in specific capacity related pump station tasks. The total pump station/force main project cost exceeded $500,000; however the Authority only participated in $391,000 of the cost, of which $199,030 was the Authority's share. The Authority paid $109,430 of this total directly, paying for the design engineering, construction observation, emergency generator, and other equipment. The $89,600 balance was paid through tap fee reimbursements. The balance in tap fee reimbursements as of November 30, 2025 was $9,600.

End of Report