CHESTER WATER AUTHORITY

RATE INCREASE RESOLUTION

September 18, 2025

A RESOLUTION OF INTENTION TO INCREASE THE WATER RATES CHARGED TO CUSTOMERS OF THE CHESTER WATER AUTHORITY ("CWA")

WHEREAS, THE Chester Water Authority ("CWA') operates and manages a water system in the City of Chester, Western Delaware County and Southern Chester County (the "Water System"); and

WHEREAS, in order to accurately and effectively manage its operations, and the accounts, services and billing for its customers and to meet its continuing legal and financial obligations, the CWA must increase the rate charged to its customers.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Chester Water Authority as follows:

Section 1: Reasons for Proposed Fee Increase: The increase in water rates is necessary for the CWA to effectively operate and maintain the Water System and to comply with the CWA's legal obligations, among those obligations being the repayment of the CWA's current liabilities for past borrowings and the issuance of the CWA's $60M 2025 Bonds.

Section 2: Proposed Fee Increase: The CWA Board hereby approves implementation of the following rate increases:

a) 14% rate increase effective 1/1/2026 to support refinancing of the Authority's 2022 Bonds as set forth in the preceding agenda action and Resolution (i.e., 2025 borrowing by the issuance of the 2025 Bonds), support anticipated expenditures in the 2026 budget as set forth in the attached Rate sheets,

or in the alternative,

b) if the issuance of the 2025 Bonds is not closed by September 23, 2025 (defeasance of the 2022 Borrowings) **or**, if the CWA is, for any reason, unable to complete the repayment of the 2022 Borrowings, complete the issuance of the 2025 Bonds and defease the 2022 Bonds, all before 11/30/25, then, the CWA Board approves the immediate implementation of a temporary 120% (plus) rate increase, as necessary to comply with and to support the Authority's obligations to repay the 2022 Bonds issued to Republic Bank (now held by the FDIC) on or before 1/1/27 and the anticipated expenditures in 2026 budget, as set forth in the attached Rate Sheets, subject to any necessary final reviews and approvals of the Executive Manager, the Solicitor and the Chief Financial Officer.

Section 4: Notice: The CWA is to publicly disseminate notice of the passage of this Resolution including a detailed explanation of the reasons therefor.

DULY ADOPTED, this 18th day of September, 2025, by the Board of Chester Water Authority, in lawful session duly assembled.

CHESTER WATER AUTHORITY

By: _____
Chairperson

By: _____
Secretary

[SEAL]

CHESTER WATER AUTHORITY

RATE SCHEDULE EFFECTIVE 1/1/2026* - Non Residential Rates

ALL NON-RESIDENTIAL RATES

Consumption Charges - Monthly

		Village Green East	Village Green West
Commercial, Industrial, and Municipal Customers		*Per 1,000 Gallons*	*Per 1,000 Gallons*
Tier 1	0 - 25,000 gallons	$6.97	$8.94
Tier 2	25,001 - 250,000 gallons	$4.47	$6.26
Tier 3	Usage over 250,000 gallons	$3.49	$4.46
Water Utilities			
No SRBC	All Usage	$4.34	$4.70
With SRBC*	All Usage	$4.67	$5.03

Note: Current SRBC charge = $0.33 per 1,000 Gallons

Base Rate Charges - Monthly

Meter Size		*Monthly Rate*
5/8	Inch	$17.74
3/4	Inch (Combined General & Fire)	$20.91
3/4	Inch	$26.92
1	Inch (Combined General & Fire)	$20.91
1	Inch	$40.38
1-1/2	Inch	$90.24
2	Inch	$153.74
3	Inch	$326.31
4	Inch	$536.39
6	Inch	$971.96
8	Inch	$2,327.40
10	Inch	$3,511.69
12	Inch	$3,945.51

Base Rate Charges - Private Fire Protection Service - Monthly

		Village Green East	Village Green West
Meter Size or Service Size		*Monthly Rate*	*Monthly Rate*
5/8	Inch	$9.40	$11.55
3/4	Inch	$14.26	$17.16
1	Inch	$22.14	$25.74
1-1/2	Inch	$48.82	$57.20
2	Inch	$78.73	$92.73
3	Inch	$134.46	$158.29
4	Inch	$241.06	$281.49
6	Inch	$482.11	$563.20
8	Inch	$872.86	$1,020.58
10	Inch	$1,442.99	$1,689.42
12	Inch	$2,078.57	$2,429.92

Fire Protection Service - Public Fire Hydrants

	Village Green East	Village Green West
	Monthly Rate	*Monthly Rate*
Rate per Hydrant	$32.30	$36.30

*NOTE: The rates listed on this schedule effective 1/1/2026 apply to the Authority's customer classes in the same manner as the Authority has implemented in the past and are subject to the Authority closing on its Subordinated Revenue Bonds, Series 2025 (2025 Bonds) no later than 9/23/2025. If the Authority does not close on its 2025 Bonds by 9/23/2025, it is anticipated that all customer rates will need to be increased by no less than 120% (plus) from the existing 2025 rates.

CHESTER WATER AUTHORITY

RATE SCHEDULE EFFECTIVE 1/1/2026* - Residential Rates

RESIDENTIAL RATES

Consumption Charges - Quarterly

Volumetric Rates	Blocks	Village Green East	Village Green West
Tier 1	0 - 10,000 gallons	$6.76	$8.68
Tier 2	10,001 - 20,000 gallons	$7.34	$9.43
Tier 3	Usage over 20,000 gallons	$7.98	$10.24

Base Rate Charges - Quarterly

Meter Size		*Quarterly Rate*
5/8	Inch	$53.22
3/4	Inch	$80.75
1	Inch	$121.14
1-1/2	Inch	$270.73
2	Inch	$461.22
3	Inch	$978.94
4	Inch	$1,609.21
6	Inch	$2,915.89
8	Inch	$6,982.20
10	Inch	$10,535.07
12	Inch	$11,836.52

*NOTE: The rates listed on this schedule effective 1/1/2026 apply to the Authority's customer classes in the same manner as the Authority has implemented in the past and are subject to the Authority closing on its Subordinated Revenue Bonds, Series 2025 (2025 Bonds) no later than 9/23/2025. If the Authority does not close on its 2025 Bonds by 9/23/2025, it is anticipated that all customer rates will need to be increased by no less than 120% (plus) from the existing 2025 rates.