

ORDINANCE NO.

FILE OF CITY COUNCIL

BILL NO. 99 - 2025

DECEMBER 3, 2025

AN ORDINANCE

Amending the 2025 Capital Fund Budget to provide for a supplemental appropriation of Three Million One Hundred Twenty-Five Thousand Eight Hundred Twenty-Five Dollars and Ninety-Seven Cents (\$3,125,825.97) from the Aqueous Film-Forming Foams (AFFF) class action awards to offset the cost of any PFAS remediation systems the City is required to install under federal and state regulations. The 3M settlement payment will be made in ten separate installments through 2033. The first two settlement payments from 3M equal \$2,659,283.88. Additionally, there will be two settlement payments from DuPont. The first payment equals \$466,542.09 and represents 95% of the Dupont settlement claim. The total from these sources thus far is \$3,125,825.97.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ALLENTOWN:

SECTION ONE: That the City Council authorizes a supplemental appropriation of Three Million One Hundred Twenty-Five Thousand Eight Hundred Twenty-Five Dollars and Ninety-Seven Cents (\$3,125,825.97) as follows:

PFAS Settlement

001-00-0000-0000-40416

\$3,125,825.97

SECTION TWO: That City Council Authorizes a supplemental appropriation of Three Million One Hundred Twenty-Five Thousand Eight Hundred Twenty-Five Dollars and Ninety-Seven Cents (\$3,125,825.97) to the following accounts:

WFP PFAS Treatment

001-03-2056-1225-50046

Contract/Services Fee

\$3,125,825.97

SECTION THREE: That this Ordinance takes effect ten (10) days after final passage.

SECTION FOUR: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

Legislative Template

- What department or bureau is this bill originating from? Where did the initiative for the bill originate?

Department of Public Works – Office of Compliance

- Summary and facts of the bill.

This Ordinance is for the allocation of Aqueous Film-Forming Foams (AFFF) class action awards. Through the class action settlement, two awards were received from 3M equaling \$2,659,283.88. The 3M settlement payments will be made in ten separate installments through 2033. Additionally, one award from DuPont equaling \$466,542.09 was received. The total for from these sources is \$3,125,825.97.

- Purpose – Please include the following in your explanation:
 - a. What does the bill do? What are the specific goals or tasks the bill seeks to accomplish?

This bill will allocate the AFFF awards to fund the WFP PFAS Treatment project, relieving the rate payers from this additional expense.

- b. What are the benefits of doing this? What are the drawbacks?

These funds will be used to offset the cost of any PFAS remediation systems the City is required to install under federal and state regulations.

- c. How does this bill relate to the City's vision/mission/priorities?

The City's priority is to ensure the safety and quality of Allentown's water supply. By prioritizing new technology and efficient land use, we can protect public health while maximizing the economic growth and sustainability.

- Financial Impact – Please include the following in your explanation:
 - a. Cost (initial and ongoing)

The current five-year LCA capital plan (2025-2029) allocates \$20 million for design and implementation of the WFP PFAS Treatment facility for Crystal Spring. The AFFF awards will offset costs incurred by the WFP PFAS Treatment project.

b. Benefits (initial and ongoing)

This bill enables significant ratepayer relief from the cost of the WPF PFAS Treatment facility.

- Funding Sources – Please include the following in your explanation:
 - a. If transferring funds, please make sure to give specific account names and numbers. If appropriating funds from a grant, please list the agency awarding the grant.

WFP PFAS Treatment

001-03-2056-1225-50046

Contract/Services Fee

\$3,125,825.97

- Priority status – Are there any deadlines to be aware of?

n/a

- Why should Council unanimously support this bill?

The U.S. EPA has established strict limits for PFAS in drinking water, setting the maximum contaminant level at four parts per trillion (ppt). One of the City's four water sources, Crystal Spring, sampling results exceed the threshold, necessitating remediation. The current compliance deadline to implement solutions and achieve acceptable PFAS levels is April 2029. Under the Concession Lease Agreement, costs incurred due to Changes in Law are passed onto to ratepayers. The City pursued litigation to reduce or eliminate the financial burden on ratepayers by using settlement funds for remediation.