

Lehigh County Authority

2021-2025 Capital Plan

Board Presentation – April 13, 2020

2021- 2025 Capital Plan Timeline

- Suburban Division - Draft Capital Plan Board presentation - 1/20/2020
- Allentown Division - Draft Capital Plan Board presentation - 2/10/2020
- Summary Presentation to Lehigh County Commissioners - 2/12/2020
- Public comment period - 2/10/2020 to 3/11/2020
- Final Board Review & Request for Approval - 4/13/2020

Planning Process & Board Reviews / Approvals

- **Five-Year Capital Plan → Conceptual**
- **Annual Budget → One-year funding for upcoming projects**
- **Project Approval → Authorization to complete a specific project**
- **Financing → Funding for specific group of projects**

Process
Improvements:
Implemented
2018-2019

- **Removal of “wish list” projects**
- **Forecasting of capital expenses vs. budget**
- **Routine / annual / maintenance projects funded through rates**
- **Larger one-time / capacity projects funded through debt (if needed)**



Process Improvements Requested – Up Next

- **Improved Project Timeline & Cost Status Reporting**
- **Accountability Tracking**
 - **Schedule**
 - **Budget**
 - **Change Orders**
- **Lessons Learned**

- **2020 Continuous Improvement Opportunity**
(following COVID-19 emergency operations)

2021-2025 Draft Capital Plan - Summary

Investment / Project Category	Estimated Cost
Technology Upgrades / Cyber Security / Automation	\$ 2,025,000
Water Supply & Sewer Capacity Management - Studies	2,800,000
Small Water / Sewer Systems (Satellite Systems) Upgrades	3,993,000
Metering Upgrades	5,032,000
Allentown Water Filtration Plant Upgrades (projects >\$1,000,000)	11,400,000
Allentown Wastewater Treatment Plant Upgrades (projects >\$1,000,000)	12,150,000
Regional Sewer System Upgrades / Wet Weather Management	21,155,000
Water Main Replacements (14 Miles)	28,600,000
Small Projects, Capital Purchases & Equipment Upgrades (projects <\$1,000,000)	42,198,500
Total Capital Improvements – Estimated Cost (2021-2025)	\$129,353,500

Funding Approach

Sources of funding planned to support the 2021-2025 Capital Plan are:

<u>Project Category</u>	<u>Funding Source</u>	<u>Estimate</u>
Annual / Ongoing Rehabilitation	Operating Revenues / Reserves	\$ 53,496,500
Large-Scale Projects / Capacity Development	New Borrowing	20,982,000
Allentown System Projects	To be determined	54,875,000
Total Capital Improvements Cost (2021-2025)		\$129,353,500

Rate impacts estimated in the Capital Plan, to be validated and refined with each annual budget process.



Public Comments

- City of Allentown
- Lehigh Valley Planning Commission



Discussion

Questions?