



Lehigh County Authority

LCA ALLENTOWN DIVISION

1300 Martin Luther King Jr. Blvd * P.O. Box 3758 * Allentown, PA 18106
610-437-7515 * Email: cityservice@lehighcountyauthority.org

LCA Customer Notice – July 2020

LCA & City of Allentown Announce Lease Update

Lehigh County Authority (LCA) and the City of Allentown entered into a 50-year lease agreement in 2013 for the operation of the City's system. Since then, numerous legal disputes and financial challenges have arisen and the relationship between our organizations has been strained. However, LCA and the City both recognize the value of our partnership and the critical importance of having a sustainable water and sewer system to serve a vibrant community and a growing economy.

On July 10, 2020, LCA and the City of Allentown jointly announced a plan for settlement of the Lease disputes, a plan recognizing the value of our partnership. We must continue to work together to secure the financial and operational sustainability of this important resource.

**Our Water,
Our Future!**

Our water and sewer systems are interconnected operationally and financially, and our non-profit, municipal authority structure will bring the best overall value to all customers. Revenue collected from customer rates, after expenses are paid, is returned to the system in the form of system improvements or future cost savings.

The Lease is a complicated agreement, but is designed to ensure City customers continue to receive safe and reliable service, the system is properly maintained into the future, and costs are distributed appropriately to all users, including other municipalities that receive service from the City systems. The settlement agreement seeks to refine various components of the Lease arrangement without changing the core principles.

Included in the agreement is a rate increase for City customers of about \$22 per quarter in the first year, with implementation in fourth quarter billing of 2020. Higher rates will be phased in over the following four years (2021-2024) to help ease the burden for customers. This is not a decision entered into lightly, and it is necessary for the future of the system. Without it, and without required upgrades over the next decade, customers could end up paying even more.

The proposed agreements must be approved by the LCA Board of Directors and bondholders, as well as Allentown City Council. A special Board meeting will be held July 20 and the vote to approve on July 27. Public comment may be submitted for board consideration by email to info@lehighcountyauthority.org or submit written comments by regular mail. Must be received by Monday, July 27 at 10:00 a.m. Meetings will be online due to COVID-19. To learn more or to join a meeting, visit: www.lehighcountyauthority.org/LeaseUpdate.

LCA Response & Planning – Update

Our work at LCA continues to be impacted by COVID-19, with employees working adjusted schedules, wearing masks and social distancing, and limiting our on-site customer service visits to emergencies only.



When the pandemic hit, our employees quickly responded to changes in how we do our work to deliver essential services to you. Our Pandemic Response Team and Emergency Response Plan were set in motion to respond to the rapidly changing environment.

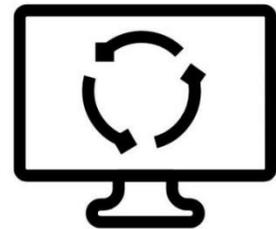
We still have many employees working remotely while our Customer Care locations remain closed. Our work to deliver safe and reliable water and wastewater service is essential, which means many of our employees could not stay home. Our field crews, plant operators and managers continued to show up daily, operating under new safety protocols to keep the water and wastewater moving. We are so proud of our employees for rising to the occasion and navigating these uncharted waters.

We don't know just yet when our offices will reopen to the public, but we continue to help customers and respond to water and sewer emergencies. Stay tuned to our social media channels and check our website for updates.

Speaking of our Website

Have you seen our new website design? In June we released a whole new look and feel, with a goal of updating the design, while making it easier for customers to find the most-used information right on the home page! The content has shifted and is user friendly on tablets and mobile devices.

Right from the home page you can pay your bill using our **FREE** online portal, tell us about a problem, start or stop service to a property, or update your contact information. Did you recently disconnect a land line or get a new phone number? While you're checking out the new site, we encourage you to take a moment and provide your up to date information so we can reach you in the event of an emergency.



Be sure to follow our Water Works blog for helpful information, topics and tips. Use the "contact us" link to find multiple ways to reach our customer care representatives. We are here to help!

Wishing you & yours a safe & healthy summer!