



LCA SUBURBAN DIVISION

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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. 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.

**Our Water,
Our Future!**

Included in the agreement are several key provisions that support a more regional or watershed-based approach to water supply and sewer capacity management and cost sharing in Lehigh County. A revised cost-sharing approach for water treatment expenses has been developed to distribute the system costs more equitably among all users. The water supply agreement of 2009 will be amended and LCA will pay a higher cost for the bulk water purchased from the City. In addition, LCA and the City will work collaboratively on sewer system rehabilitation efforts needed to ensure wastewater capacity is available for future economic development in our region. The Lease agreement and proposed settlement has no impact on existing intermunicipal agreements and the Suburban Division will only share in system costs, not Lease debt.

City of Allentown customers will experience a rate increase if the agreement is approved, beginning in fourth quarter this year. Additional details will be provided to City customers as we move through the approval process. Rates for LCA's Suburban Division water customers will be reviewed during the annual budget cycle later this fall for 2021.

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 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. All comments 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.

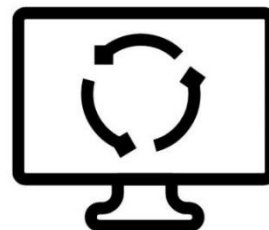
We still have many employees working remotely while our Customer Care locations remain closed. Our work to deliver safe and reliable water and wastewater service is essential, which means many of our employees still cannot stay home. Our field crews, plant operators and managers continue to show up daily, operating under new safety protocols to keep the water and wastewater flowing. 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!