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Agendas & Minutes Posted:
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LEHIGH COUNTY AUTHORITY

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BOARD MEETING AGENDA – October 23, 2023 – 12:00 p.m.

In-Person or Virtual Meeting Attendance Options Available: Meetings of the LCA Board of Directors will be held at LCA's Main Office as well as online using the Zoom Meetings application, which includes a telephone option. Public participation is welcomed both in-person or virtually. Instructions for joining the meeting online or by phone are posted on the LCA website in the morning on the day of the meeting, prior to the start of each meeting. You may also issue comment to LCA via email to LCABoard@lehighcountyauthority.org in advance of any meeting or view the meeting at a later time by visiting the LCA website. Please visit <https://www.lehighcountyauthority.org/about/lca-board-meeting-videos/> for specific instructions to join the meeting if you are attending virtually. If attending in-person at LCA's Main Office, please follow all safety and sanitation protocols posted.

1. Call to Order

- **NOTICE OF MEETING RECORDINGS**

Meetings of Lehigh County Authority's Board of Directors that are held at LCA's Main Office at 1053 Spruce Road, Wescosville, PA, may be recorded for viewing online at lehighcountauthority.org. Recordings of LCA meetings are for public convenience and internal use only and are not considered as minutes for the meeting being recorded, nor are they part of public record. Recordings may be retained or destroyed at LCA's discretion.

- *Public Participation Sign-In Request*

2. Review of Agenda / Executive Sessions

- Additions to Agenda (vote required if action will be taken)

3. Approval of Minutes

- *October 9, 2023 Board Meeting minutes*

4. Public Comments

5. Action / Discussion Items:

FINANCE AND ADMINISTRATION

- *2024 Budget (Approval) (blue) (digital Board packet, pages 7-12)*
- *LCA Munis EERP System Planning & Implementation (Approval) (yellow) (digital Board packet, pages 13-16)*

WATER

- *Water Main Extension Policy – Waiver Request: Fallbrooke Subdivision (Approval) (purple) (digital Board packet, pages 17-23)*

WASTEWATER

- *Suburban Division Western Lehigh Manhole Rehabilitation Project – Phase 4 (Approval) (green) (digital Board packet, pages 24-28)*
- *Suburban Division - Park Pump Station Phase 2 Upgrade (Approval) (pink) (digital Board packet, pages 29-32)*
- *Allentown Division – Kline's Island WWTP: 2023-2024 Architectural and Structural Upgrades (Approval) (salmon) (digital Board packet, pages 33-38)*

6. Monthly Project Updates / Information Items (1st Board meeting per month)
7. Monthly Financial Review (2nd Board meeting per month) (digital Board packet, pages 39-51) – **September 2023 report attached**
8. Monthly System Operations Overview (2nd Board meeting per month) (digital Board packet, pages 52-53) – **September 2023 report attached**
9. Staff Comments
10. Solicitor's Comments
11. Public Comments / Other Comments
12. Board Member Comments
13. Executive Sessions
14. Adjournment

UPCOMING BOARD MEETINGS		
November 13, 2023	November 27, 2023	December 11, 2023

PUBLIC PARTICIPATION POLICY

In accordance with Authority policy, members of the public shall record their name, address, and discussion item on the sign-in sheet at the start of each meeting; this information shall also be stated when addressing the meeting. During the Public Comment portions of the meeting, members of the public will be allowed 5 minutes to make comments/ask questions regarding non-agenda items, but time may be extended at the discretion of the Chair; comments/questions regarding agenda items may be addressed after the presentation of the agenda item. Members of the public may not request that specific items or language be included in the meeting minutes.

REGULAR MEETING MINUTES

October 9, 2023

The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:00 p.m. on Monday, October 9, 2023, Chairman Brian Nagle presiding. The meeting was hybrid via in-person and video and audio advanced communication technology ("ACT"), using the Zoom internet application, including telephone option. Each Board member and other attendees of the meeting were able to hear each other attendee and be heard by each other attendee. The public could also participate in the meeting in-person or via ACT, using the Zoom internet application, including telephone option. A Roll Call of Board members present was taken. Brian Nagle, Ted Lyons, Linda Rosenfeld, Jeff Morgan, Sean Ziller, and Marc Grammes were present for Roll Call, and remained for the duration of the meeting.

Attorney Mike Gaul of KingSpry, the Authority's Solicitor, was present along with Authority Staff, Liesel Gross, Ed Klein, Andrew Moore, Albert Capuzzi, Sue Sampson, Phil DePoe, Chuck Volk, and Lisa Miller.

Chairman Nagle announced that the Board received their electronic and hard copies of the Board packet in advance. He then asked if anyone did not receive their copy of the packet. A copy of the packet is also available online.

REVIEW OF AGENDA

Liesel Gross noted that there are no additions to the agenda or Executive Sessions planned; however, the Sand Spring WWTP Treatment Process Modification item listed on the agenda will not be presented at today's meeting.

Kevin Baker entered the meeting at 12:02 p.m.

APPROVAL OF MINUTES

September 11, 2023 Meeting Minutes

On a motion by Linda Rosenfeld, seconded by Sean Ziller, the Board approved the minutes of the September 11, 2023 meeting (7-0).

September 18, 2023 Meeting Minutes

Linda Rosenfeld noted a grammatical error. On a motion by Linda Rosenfeld, seconded by Sean Ziller, the Board approved the minutes of the September 18, 2023 meeting as corrected (7-0).

PUBLIC COMMENTS

None.

2024-2028 Capital Plan

Liesel Gross provided a presentation summarizing the 2024-2028 Capital Plan and recapped the planning process and public input process. Comments were received from the City of Allentown and the Lehigh Valley Planning Commission. The comments will not require any changes to the Plan. Chuck Volk reviewed the minor adjustments and refinements made to the project costs for 2024 since the Plan was presented to the Board in August. Ed Klein noted that these minor project cost adjustments did not impact the financial analysis. He reviewed the results of that analysis, which illustrates the need for rate increases and additional borrowing to complete all the listed projects in the Plan.

Ms. Gross provided a total Plan summary, noting \$261 million in project costs is a significant increase from prior Capital Plans. She reviewed the drivers for the cost increases, including the sewer wet-weather program and the regulatory-driven projects. The regulatory drivers are PFAS Treatment and Lead Service Line Replacement projects, and the Authority will be working to secure grant funding for these projects.

Norma Cusick entered the meeting at 12:13 p.m.

There was some discussion regarding the approach to replacing the lead service lines.

Ms. Gross explained the 2024-2028 Capital Plan does not include major projects that are being developed as part of the regional Act 537 Plan for the Kline's Island Sewer System. These projects will be incorporated into future capital plans after the program is more fully developed.

Ed Klein reviewed the funding sources for the Plan, stating that 50 percent will come from operating revenue and 50 percent from new borrowing and grants. He also reviewed rate projections for the next five years based on the Plan financial analysis.

On a motion by Sean Ziller, seconded by Jeff Morgan, the Board approved the 2024-2028 Capital Plan (8-0).

2024 Budget: Preliminary Review

Liesel Gross noted that today's presentation is focused on reviewing any changes from the prior presentation and the proposed 2024 rates. Approval of the Budget will be requested at the October 23rd Board meeting with rate adoption at the November 13th Board meeting. A printed copy of the proposed 2024 Budget was provided to all Board members and posted on the Authority's website along with the presentation from today's meeting.

Ed Klein reviewed the Budget summary including financial metrics and analysis of reserve balances. He then reviewed the changes to the Budget since it was presented at the September 18 meeting. In the Suburban Water Division budget, the revenue was lowered slightly and operating expenses adjusted downward due to refined calculations of the cost of water purchases. These changes resulted in improved cash flows for this fund.

Liesel Gross reviewed the proposed Suburban Water Division rates for 2024. She reviewed the primary results of the Water Rate Study that was completed in September 2022. Based on this study, the proposed 2024 water rates were developed including no change in the standard fixed charges or private fire service fees. The volume charge includes a proposed increase of 5 to 6 percent depending on usage. The public fire hydrant charges will increase 4 percent. The average residential customer will see a change in their water bill of approximately 3.9 percent, and industrial customers will see their water bill increase by up to 6 percent, depending on usage.

Mr. Klein then reviewed the Suburban Wastewater Division budget noting that there were some significant changes since the previous meeting. There is an increase in operating expenses due to higher treatment and transportation charges resulting from a refinement of the signatory rate model. Revenues were reduced by nearly \$2 million based on signatory rate model refinements as well. The capital budget was increased slightly to reflect additional work expected in 2024 on the regional Act 537 Plan. Borrowing has also increased. Ms. Gross explained that the Suburban Wastewater Division rates are determined by the signatory agreements and will be presented separately later in the meeting. The current Budget proposal shows no change in sewer rates to the Authority's direct customers, but these rates will be reviewed in 2024 to consider the increased capital needs of the Authority's small sewer systems.

For the City Division budget, Mr. Klein noted the revenue was increased following a review of the 2024 water and sewer rates. Other minor adjustments in expenses were made following staff review. Ms. Gross reviewed the process for updating the City Division water and sewer rates, which are calculated based on the formulas included in the Allentown Water & Sewer Lease Agreement. In 2024, the standard fixed charges will increase by inflation (CPI-U), plus 2.5 percent, plus a final step increase determined in the 2020 Lease amendment. The water volume and sewer flow charges will increase by inflation (CPI-U), plus 2.5 percent, totaling to a 4.7 percent increase. Other rates will increase based on updated information on completed capital improvements and updated expenses related to the Administrative Order. After reviewing all the individual rate components, Ms. Gross summarized the overall impact to the average residential customer, whose 2024 water and sewer bill will increase by approximately 11.6 percent.

Mr. Klein reviewed the capital spending included in the proposed 2024 Budget, noting that spending in 2024 is approximately \$51 million split between all three funds, which is in line with the 2024-2028 Capital Plan discussed earlier in the meeting.

He reviewed the next steps in the budget process, including review of the Suburban Division Wastewater User Charge Report. Presentation of the final 2024 Budget for approval will be made at the October 23rd meeting. The 2024 water and sewer rates will be presented for adoption at the first meeting in November. Rates will be published following today's meeting, allowing for public comments prior to adoption.

There was some discussion regarding capital spending and rate increases. Sean Ziller asked about the use of reserves and the appropriateness of the reserve balances. There was some discussion about the need for reserves for emergency situations and risks associated with reliance on large industrial user revenue. Marc Grammes noted that the County of Lehigh uses a financial model to show budget impacts based on different tax rate proposals, including options for no tax increases, and inquired if the Authority has a model like this to show budget alternatives. Mr. Klein explained that revenue requirements and rate increase recommendations are determined based on ensuring the Authority maintains strong performance on its financial metrics including debt service coverage ratios and days of cash on hand. These metrics are important for achieving high bond ratings.

Liesel Gross asked that any questions or comments from the Board about the proposed 2024 Budget be sent to her by the end of next week so the staff can consider any final changes to the Budget prior to seeking Board approval at the next meeting.

Western Lehigh Interceptor (WLI) User Charge Report

Jennifer Montero, the Authority's Contracts Administrator, presented the 2024 Wastewater User Charge Report explaining the derivation of the various billing rates that are charged to the users of the Western Lehigh Interceptor, Little Lehigh Relief Interceptor Phase 1, and Little Lehigh Relief Interceptor Phase 2. The rate calculation reflects the actual 2024 capital spending being recovered in the calendar year through the rates. For 2024, the rate increases will have the impact of increasing charges to an average residential customer by 0.1 percent.

Ms. Montero commented that the rates shown in this report are charged to the municipalities. The municipalities then determine their own sewer rates to their customers, so the rate impact calculated in this report may be different depending on the actual municipal sewer rates applied to the customers. The municipalities received this User Charge Report in September, and no comments were received. She explained that the municipalities understand the rate increases because the subject is discussed at the regular monthly meetings that LCA staff and the municipalities' representatives hold.

On a motion by Ted Lyons, seconded by Linda Rosenfeld, the Board gave preliminary approval of the 2024 WLI, LLRI-Phase 1 and Phase 2 User Charges (8-0).

Allentown Division – 30” & 36” East Side Transmission Main Repair Report

Chuck Volk summarized the project that is based on the Smart Ball study that was performed on the East Side Transmission Main in Allentown to locate potential points of failure in this critical asset. Jason Peters described how the Smart Ball inspection works and how leaks are discovered. He noted that six leaks were identified at various locations on the transmission line as a result of the study. The project will address all six leaks due to the amount of water loss and the critical nature of this facility.

On a motion by Sean Ziller, seconded by Marc Grammes, the Board approved the Capital Project Authorization, Design Phase, for the East Side Transmission Main Repair project in the amount of \$104,300.00 which includes the Professional Services Authorization to Gannett Fleming in the amount of \$89,300.00 (8-0).

MONTHLY PROJECT UPDATE REPORT

Liesel Gross highlighted the items in the report that are listed for the next meeting in October and a few items that will be covered in November.

STAFF COMMENTS

None.

SOLICITOR’S COMMENTS

None.

PUBLIC COMMENTS / OTHER COMMENTS

None.

BOARD MEMBER COMMENTS

Sean Ziller commended the staff and their teams for their work on the Budget.

EXECUTIVE SESSION

None.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 1:53 p.m.

Linda A. Rosenfeld
Secretary



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MEMORANDUM

TO: LCA Board of Directors
FROM: Liesel Gross, Chief Executive Officer
DATE: October 16, 2023
RE: 2024 Proposed Budget

Attachment: Executive Summary, 2024 Budget

At the October 23, 2023 meeting of Lehigh County Authority's Board of Directors, the 2024 Budget will be presented in summary form with a staff request for approval. Attached to this memo is an Executive Summary that highlights key items included in the 2024 Budget proposal, including topics that have been discussed over the past several weeks, such as:

- LCA's Strategic Plan and key initiatives
- Inflationary impacts & staffing
- Expansion of LCA's Capital Plan
- Water and sewer rates for LCA's Allentown and Suburban divisions

Since our last discussion and presentation on October 9, 2023, there have been no changes to the 2024 Budget proposal.

Thank you for your attention to the important issues that LCA must address in the year ahead, as captured in this 2024 Budget presentation.

2024 BUDGET – EXECUTIVE SUMMARY

Submitted by: Liesel M. Gross, Chief Executive Officer

October 16, 2023

Each year, the development of the upcoming year's annual budget provides an opportunity to reflect upon the progress made on key organizational strategies and goals and to envision the future. When the staff at Lehigh County Authority (LCA) look back on 2022 and 2023, we see many success stories along with indications of new challenges that may lie ahead. As proposed, the 2024 Budget offers support for the organization to continue the momentum achieved in key areas of our 2022-2027 Strategic Plan, and additional resources to address the twists and turns on the horizon.

Support will be needed to propel our progress in the year ahead in these key areas:

Kline's Island Sewer System (KISS) Act 537 Plan Development – With the support of municipal partners throughout the service area, all key schedule targets have been met toward developing a regional Act 537 Plan by early 2025. This long-term regional sewage facilities plan will be the first of its kind in Lehigh County and will shape the way we provide sewer service for decades to come. Primary goals relate to reducing inflow and infiltration, addressing sanitary sewer overflows, and expanding system capacity. In 2024, significant internal and external support will be needed to ensure this positive progress continues.

Small System Compliance – Through careful planning and attention to detail, LCA's operations staff have adjusted standard operating procedures and added technology aids at our small "satellite" systems to achieve improved water quality and wastewater permit compliance in the past year. Customers of these small systems, no matter how remotely situated from LCA's main operations center, expect and deserve high-quality utility services. There is more work to do to continue improvements in this area, which will continue in 2024.

Strategic Asset Management Planning – Throughout 2023, significant progress has been made toward developing standards and processes to begin managing LCA's water and sewer assets in a more comprehensive, standardized way. A Strategic Asset Management Plan (or "SAMP") is on schedule for completion by the end of 2023. Then the real work begins to standardize how LCA manages its preventive maintenance programs, capital investments, and technology in a way that decreases life-cycle costs and lowers the risk or consequence of system failures over time. This cross-organizational teamwork will continue in 2024 and for the foreseeable future.

Employee Engagement & Safety – A new Employee Health & Safety (EHS) Steering Committee was formed in early 2023, tasked with raising the profile of LCA's safety program across the organization. At the same time, broad efforts have been made to foster increased employee engagement in LCA's mission and strategic goals. These efforts will continue in the years ahead. In 2024, additional resources will be needed to shore up training programs related to specific safety topics and supervisory skill development.

The progress made in these areas, and many others, illustrates the dedication and commitment of LCA's strong team of water professionals.

Addressing Shifting Priorities in 2024

Some adjustments to LCA's goals, timing, and priorities have been required to address a variety of challenges encountered in 2022 and 2023. In particular, unfavorable economic conditions in 2022 resulted in significant inflationary pressures and cost increases. Supply-chain constraints that began in the early days of the COVID-19 pandemic have continued in certain areas of the industry. Notably, treatment chemical price increases have significantly outpaced inflation. In addition, materials and equipment deliveries have continued to be delayed, so that project schedules must be adjusted outward. These economic factors are included in the proposed 2024 Budget, which places additional pressure on customer rates.

Like many organizations in our region, LCA also faced significant workforce shortages in 2023, with high turnover rates affecting nearly every department across the organization. LCA has historically enjoyed a highly stable workforce due to offering competitive wages and benefits, and the long-term job security and mission-focused work provided by the water / sewer utility industry. In 2023, utilities across the nation began to see some erosion in this historical stability within the workforce, as new workers seek higher wages, greater workplace flexibility, and career advancement opportunities at a more rapid pace. LCA experienced some of these pressures as well, but adjusted throughout the year by rolling out a new Remote Workplace Policy, and working with operational teams on solutions to address short-term staffing shortages and training needs. Currently, staffing levels have rebounded to a significant degree.

To support workforce needs identified through the past year, the 2024 Budget includes additional resources for staff development needs, focusing on supporting career development programs, and a new internship program that will support long-term staff recruitment goals. In addition, the budget proposal includes funding to fill all existing vacant positions, along with the addition of new positions as described in this Executive Summary.

Another area that has been changing rapidly in the water industry relates to evolving regulatory requirements. In 2024, LCA will require new budgetary resources to address proposed regulations related to perfluoroalkyl and polyfluoroalkyl substances (PFAS) in drinking water. These chemicals have been found in water supplies far and wide around the world due to their prevalence in regular household products such as cosmetics, clothing, cookware, and paper products. As the U.S. Environmental Protection Agency (EPA) contemplates setting new standards for PFAS in drinking water and wastewater, LCA will dedicate a portion of its capital budget to ensure an appropriate response.

Similarly, new EPA requirements for the removal of lead service lines are forthcoming, which will impact LCA's water customers. In July 2023, LCA was awarded \$3.4 Million in grant funding from the PENNVEST program to begin a lead service line replacement program in Allentown. As this program kicks off in 2024, LCA staff will develop protocols for a long-term program and will seek additional grant funding to support the program via the Infrastructure Investment and Jobs Act.

Staff Support for Key Strategies

As described above, LCA has made significant progress on key initiatives outlined in the 2022-2027 Strategic Plan, but new challenges have required a shift in certain priorities. To support this new mix of strategic initiatives in 2024, additional staff support has been incorporated into the proposed 2024 Budget as described below:

Planning Engineer – As new sewer projects and programs are developed for the region's Act 537 Plan, additional staff support will be needed to ensure projects are planned and designed properly and on schedule.

Lead / Compliance Program Manager – New EPA requirements related to lead service line removal and lead water testing will require dedicated staffing to manage the program in 2024 and beyond and ensure compliance with other regulatory changes.

Maintenance Technicians – LCA’s asset management program is driving an increased focus on preventive maintenance programs, and highlighting the need to address historically under-resourced maintenance programs within the Suburban Division water and sewer systems. Two staff positions will be added in 2024 to address this need.

Operational Support & Service – Additional staffing requirements have been identified in LCA’s field inspection and customer service areas to maintain the high workload associated with new development activity and increased customer interactions.

Internship Program – To address long-term staff recruiting needs for the organization, an internship program will be developed in 2024. This program is expected to focus on recruiting emerging talent for operational / technical roles, with expansion into other professional areas in future years.

These proposed staff additions in 2024 will support both near-term goals and long-term strategies as LCA seeks to increase professionalism and internal capacity across the organization. In addition, a Staffing Analysis & Benchmarking project was initiated in September 2023 to assist LCA with understanding future staffing needs and organizational structure. The Board of Directors will review results of this work in early 2024.

Capital Budget Overview

This year’s budget proposal includes a significant increase in capital spending, driven by many of the items described in the sections above. It is notable that the 2024-2028 Capital Plan, which was approved by LCA’s Board of Directors on October 9, 2023, includes more than \$261 Million in capital projects over the next five years. For 2024, this equates to approximately \$51 Million in project funding, which is a 77 percent increase from the 2023 capital budget.

Projects in LCA’s Suburban Wastewater Division and City Division are driving the overall increase in 2024. Notable projects included in the 2024 Budget include:

- Construction on the Upper Western Lehigh Interceptor Pump Station & Force Main project will commence in 2024 to address flow-restricted areas of the interceptor.
- The Lynn Township Wastewater Treatment Plant will be upgraded with a new second clarifier to increase plant performance.
- In Allentown, the Lead Service Line Replacement Program will kick off in 2024, which will be partially funded by a grant from PENNVEST, as described above.
- Construction of Filter Upgrades at the Allentown Water Filtration Plant will begin in 2024.
- Major programs to reduce inflow and infiltration in the Allentown sewer collection system and rehabilitate leaking manholes will kick off in 2024.

These projects, and many more outlined in the 2024-2028 Capital Plan, are required to address aging infrastructure and enhance system performance in all LCA service areas. To support this expanded capital program, approximately \$21 Million in new borrowing is anticipated in 2024.

2024 Rates

In this Executive Summary, we have described some of the key features of LCA’s 2024 Budget proposal relating to updated strategic initiatives and responses to inflationary and personnel challenges. The 2024 Budget proposal also includes more than \$51 million in capital improvements, which will result in additional borrowing and rate impacts. The following summary illustrates the proposed rate changes included in this year’s budget proposal:

City Division: 11.6% (Average residential customer impact: \$25.47 per quarter, water & sewer)

Suburban Water Division: 3.9% (Average residential customer impact: \$3.30 per quarter, water only)

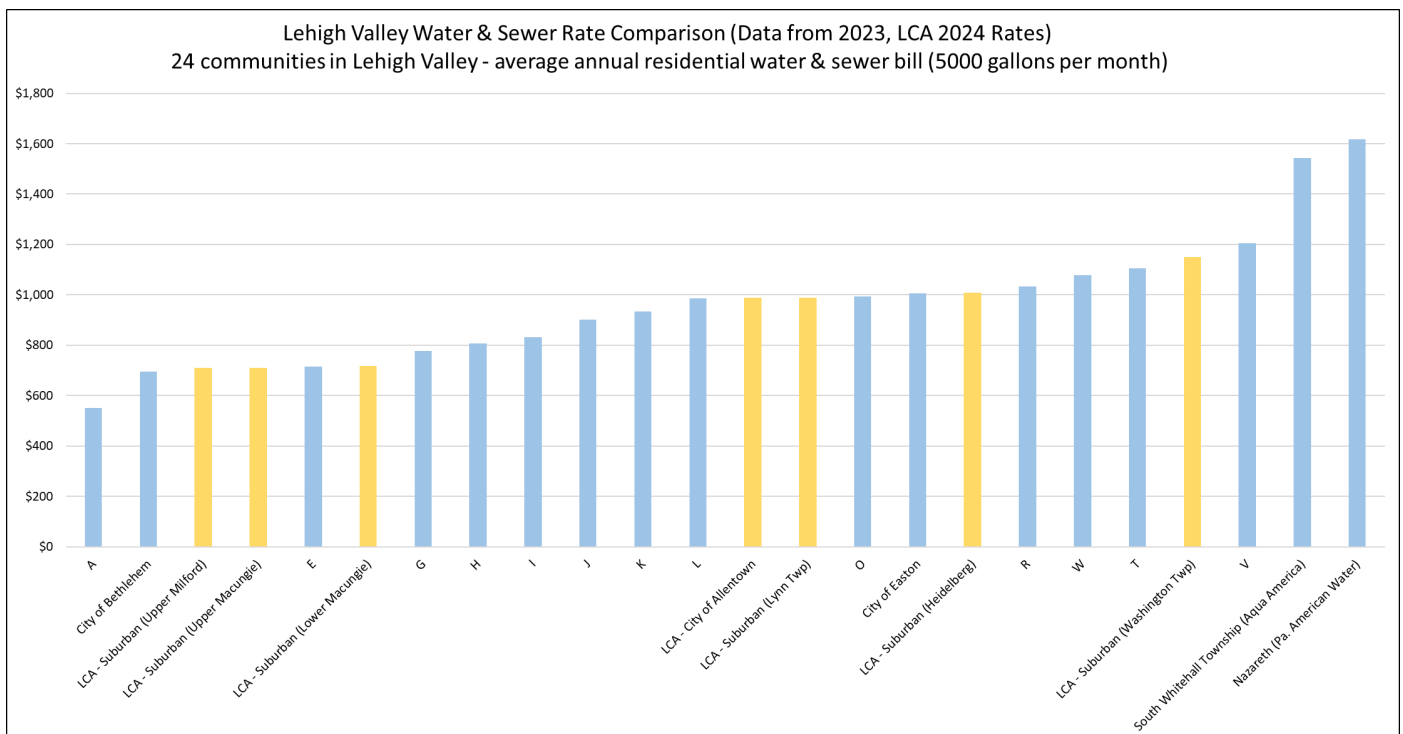
Suburban Wastewater Division: 0.1% (Average residential customer impact: varies by municipality)

The differences in rate changes between LCA’s various divisions are driven primarily by contractual requirements including the Water & Sewer Lease Agreement between LCA and the City Allentown, and LCA’s wastewater signatory agreements with the municipalities served by the Kline’s Island Sewer System and Western Lehigh Interceptor.

While incorporated into this budget proposal to calculate revenue impacts to the 2024 Budget, the proposed water and sewer rates for 2024 will be subject to a separate public input process and approval by LCA’s Board of Directors later in 2023. If approved, new rates will be effective January 1, 2024.

Regional Rate Comparisons:

While LCA would always prefer to keep rates as low as possible, the increases described above are necessary. The graph below illustrates how LCA’s 2024 proposed rates compare to other communities in the Lehigh Valley. With the 2024 increases included, LCA customers will continue to enjoy reasonable water and sewer rates that are well aligned with the cost of these services across our region.



2024 BUDGET – SUMMARY OF EXPECTED RESULTS

The sections above describe the breadth of issues that were evaluated and discussed through the development of the 2024 Budget. The summary below shows that the 2024 Budget is presented with positive cash flows, meeting debt service requirements, and providing alternative funding for capital improvements that limits the borrowing required to pay for these investments. In 2024, we will also achieve strong operational cash balances, which supports overall financial sustainability of the organization.

Budget Overview	Suburban Water	Suburban Wastewater	City Division	Total
Operating, Non-Operating & Other Revenue	\$ 18,744,327	\$ 20,823,478	\$ 68,973,678	\$ 108,541,483
Operating Expenses (net of depreciation)	\$ 12,040,243	\$ 15,238,763	\$ 25,563,784	\$ 52,842,790
Net Revenues Available for Debt Service	\$ 6,704,084	\$ 5,584,715	\$ 43,409,894	\$ 55,698,693
Debt Service	\$ 3,421,486	\$ 1,196,420	\$ 16,260,397	\$ 20,878,303
Debt Service Coverage Ratio (indenture based)	1.96	4.67	2.67	2.67
Capital Budget Overview	Suburban Water	Suburban Wastewater	City Division	Total
Capital Expenses	\$ 7,065,750	\$ 11,516,250	\$ 32,628,500	\$ 51,210,500
Funding from 2024 Revenue & Operating Reserves	\$ 1,835,750	\$ 4,341,250	\$ 24,072,992	\$ 30,249,992
Funding from Existing Project Reserves	-	-	-	-
Funding from New Borrowing	\$ 5,230,000	\$ 7,175,000	\$ 8,555,508	\$ 20,960,508
Year-End Project Reserve Balance	\$ 319,718	\$ 455,385	\$ 322,601	\$ 1,097,704
Total Cash Flow	Suburban Water	Suburban Wastewater	City Division	Total
Beginning Operations Cash Balance (2023 forecast)	\$ 9,658,387	\$ 9,142,990	\$ 15,055,488	\$ 33,856,865
2024 Surplus	\$ 3,282,599	\$ 4,688,294	\$ 27,013,498	\$ 34,984,391
Provided From (To) Capital	\$(1,835,750)	\$(4,341,250)	\$(24,072,992)	\$(30,249,992)
Ending Operations Cash Balance	\$ 11,105,236	\$ 9,490,034	\$ 17,995,994	\$ 38,591,264
Operating Days Cash on Hand	337	227	271	273
Project Reserve Balance	\$ 319,718	\$ 455,385	\$ 322,601	\$ 1,097,704
Other Reserves & Investments (includes restricted)	\$ 4,820,525	\$ 6,923,301	\$ 61,306,220	\$ 73,050,046
Ending Total Fund Balance – 2024 Budget	\$ 16,245,479	\$ 16,868,720	\$ 79,624,815	\$ 112,739,014

MEMORANDUM

Date: October 23, 2023

To: LCA Board of Directors

From: Christopher Moughan, Director of Services and Technology

Subject: LCA Munis ERP (Tyler EERP) System Planning & Implementation Project

MOTIONS / APPROVALS REQUESTED:

No.	Item	Amount
1	Capital Project Authorization: Munis / Tyler EERP Re-Implementation Project	\$905,620
1A*	Professional Services Authorization: Tyler Technologies – Implementation Support Services	\$595,620

**Included in the Capital Project Authorization*

AUTHORIZATION OVERVIEW:

Within the 2022-2027 Strategic Plan, Lehigh County Authority (LCA) identified the need to improve its administrative and financial processes. Some objectives of such improvement included eliminating paper and spreadsheet-based processes, improving financial reporting accuracy and efficiency, and providing greater opportunity for self-service access for employees and customers. To achieve noted improvements, the configuration and use of the Enterprise Resource Planning (ERP) system currently in place needed to be evaluated. In April 2022, the LCA Board granted approval for a utility management consultant (Raftelis) to assist with the evaluation. The evaluation was completed, and a needs analysis presented in August of 2022. The needs analysis recommended several next steps leading to a full re-implementation of the current ERP system, Munis by Tyler Technologies. Raftelis and the LCA team have agreed that the Munis software package includes all relevant features needed, and the software is well understood and accepted by LCA staff, but the 2007 configuration needs to be updated to reflect updated accounting needs and organizational changes that have occurred since the original implementation.

It should be noted that the Munis software package has recently been renamed as the Tyler Technologies Enterprise ERP, or Tyler EERP.

On September 12, 2022, the Board granted authorization for Raftelis to move forward with planning tasks, detailing business process review steps, and re-implementation program support. Over the past year, significant additional work has been completed internally with Raftelis support to complete the initial planning phase of this project. The team has gone through a multitude of process evaluations. The software modules and administrative processes evaluated include but are not limited to Finance, Utility Billing, Human Resources, Purchasing, Grant Management, Inventory, and Project Accounting. Some evaluation conclusions led to a proposed redesign the General Ledger (GL) string to support departmental reporting and the ability to drill down on expense trends with greater accuracy and transparency. The Chart of Accounts was also redesigned to support improved financial reporting and more simplified processes for payroll and purchasing. The General Ledger string and Chart of Accounts serve as the foundation for all other modules currently in use and to be implemented as part of this project.

During the implementation process, all informational sessions and process evaluation conclusions will be considered and used as the basis for the re-implemented Tyler EERP system. Some of the benefits of re-implementation will include:

- Ease of financial reporting due to built in reporting tools and departmental tracking (no more external data manipulation). Better cash flow visibility with new accrual functionality.
- Employee management in the human capital module. Recruiting, hiring, onboarding, and benefit management will be included. Also included is a new Employee Self Service portal which allows for time recording, vacation scheduling, automated open enrollment and more.
- Purchasing and inventory workflows and automation built in to make the purchasing process easier across the organization.
- Resident Access portal incorporation allowing for customer self-service related to payment setup, billing history, usage history, customer communications, service requests, and customer knowledge base.
- More accurate project accounting gives better financial accounting of ongoing capital projects without budget year constraints.

FINANCIAL:

The project will be financed through LCA's Administration capital budget with costs being carried mostly in 2024 and part of 2025.

CURRENT STATUS:

The initial planning/investigative stage has been completed, and a contract with Tyler Technologies for implementation support services has been prepared and is the basis for this request.

THIS APPROVAL – IMPLEMENTATION PHASE SUPPORT SERVICES:

Tyler Technologies owns and implements its Tyler EERP software package and will provide the following implementation services.

Professional Services

- Attend Kick Off Meeting
- Design Project Plan for 2024/2025
- Assist with Information Gathering for Module Upgrades
- Assist with New Module Implementation
- Assist with Training and Rollout
- Provide Technical Support Post Rollout

The full contract with Tyler Technologies is available upon request.

Raftelis will remain as an implementation advisor for LCA staff under the terms of their previously approved contract.

SCHEDULE:

Work will begin within 90 days from agreement signing and take approximately 19 months to complete. Anticipated "go live" on the newly implemented Tyler EERP is July 1, 2025.

FUTURE AUTHORIZATIONS:

None.

CAPITAL PROJECT AUTHORIZATION

PROJECT NO.:	CON-A-7	BUDGET FUND:	Administration / Capital
PROJECT TITLE:	Tyler Technologies – Tyler EERP Re-Implementation	PROJECT TYPE:	<input type="checkbox"/> Construction <input type="checkbox"/> Engineering Design <input type="checkbox"/> Engineering Study <input type="checkbox"/> Amendment <input checked="" type="checkbox"/> Other
THIS AUTHORIZATION:	\$905,620		
TO DATE (W/ ABOVE)	\$ 1,474,696		

DESCRIPTION AND BENEFITS:

This project is to cover all detailed planning/project management/configuration and roll out for a brand-new implementation of Tyler Technologies EERP (formerly MUNIS) integrated business software. This implementation will provide standardized business processes and use of best practices for all integrated processes. It will also provide increased functionality for LCA's customers with an external customer portal, as well as a new internal employee portal.

PRIOR AUTHORIZATION: Raftelis third party consultant services to provide full implementation services support. Staff and contingencies included to cover initial planning, system configuration, business process reviews, and contract negotiation with Tyler Technologies.

THIS AUTHORIZATION: Tyler Technologies technical and project management support for the implementation phase and completion of the project. See attached Board Memo for further project details.

Previous Authorization 9/12/2022	
Raftelis	\$569,076

REQUESTED THIS AUTHORIZATION	
Implementation Phase	
Staff	\$200,000
Professional Services:	
Tyler Technologies	\$595,620
Contingency	\$110,000
Total This Authorization	\$905,620

REVIEW AND APPROVALS:

_____ Project Manager	_____ Date	_____ Chief Executive Officer	_____ Date
_____ Chief Capital Works Officer	_____ Date	_____ Chairman	_____ Date



Lehigh County Authority

1053 Spruce Road * P.O. Box 3348 * Allentown, PA 18106-0348
(610)398-2503 * FAX (610)398-8413

PROFESSIONAL SERVICES AUTHORIZATION

Professional: Tyler Technologies
PO BOX 203556
DALLAS TX 75320-3556

Date: October 23rd, 2023
Requested By: Christopher Moughan

Approvals
Department Head: _____
Chief Executive
Officer: _____

Tyler Technologies – Tyler EERP Re-Implementation

This Authorization – \$595,620

Tyler Technologies will provide technical support and project management support for the Tyler EERP software package that will be responsible for, but not limited to, LCA's financial, human resources, inventory, billing, and project accounting process improvements per proposal titled "Software as a Service Agreement" delivered on August 24th, 2023.

Professional Services
1. Attend kick off meeting
2. Design project plan for 2024/2025
3. Assist with information gathering for module upgrades
4. Assist with new module implementation
5. Assist with training and rollout
6. Provide technical support post roll out

Cost Estimate (not to be exceeded without further authorization): **\$ 595,620**

Timetable and Completion Deadline: July 1, 2025

(For Authority Use Only)

Authorization Completion:

Approval: _____ **Actual Cost:** _____ **Date:** _____

THE PIDCOCK COMPANY

CIVIL ENGINEERING AND LAND PLANNING

ARCHITECTURE

LAND SURVEYING

Oxford Drive at Fish Hatchery Road
2451 Parkwood Drive Allentown, Pennsylvania 18103-9608
Telephone: 610-791-2252
Telefacsimile: 610-791-1256
E-mail: info@pidcockcompany.com
Website: www.pidcockcompany.com

Established 1924
J. Scott Pidcock, P.E., R.A.

Bruce E. Anderson, P.E., LEED AP
Brian A. Dillman, P.E.
Ronald J. Gawlik, P.E.
Brian E. Harman, P.E., PTOE
James A. Rothdeutsch, P.E., LEED AP
John R. Russek, Jr., P.E.
Brent C. Tucker, P.E.

Douglas E. Haberbosch, P.E.
William G. Kmetz, P.L.S.
Jeffrey R. Matyus
John M. McRoberts, P.E.
Brent D. Shriver, P.E.
Todd L. Sonntag, R.A., LEED AP
Anthony F. Tallarida, P.E.
Ryan R. Troutman, P.E.

G. Edwin Pidcock, P.E., P.L.S. 1924-1967
John S. Pidcock, P.E., P.L.S. 1954-1999
Ralph M. Pidcock, P.L.S. 1952-2000 (Retired)

MEMORANDUM

TO: Ms. Nicole M. Galio, P.E.
Director of Engineering & Design

FROM: Mr. John M. McRoberts, P.E.
Manager, Land Planning and Development

SUBJECT: Fallbrooke Residential Subdivision, Upper Macungie Township, Lehigh County

DATE: October 16, 2023

REPORT:

Project Information: The proposed Fallbrooke residential subdivision consists of 90 single-family residential lots and 40 acres of open space on a 102-acre tract, located south of Schantz Road, north of Long Lane, and west of Twin Ponds Road in Upper Macungie Township, Lehigh County. The project location map is depicted below, see **Figure 1**.

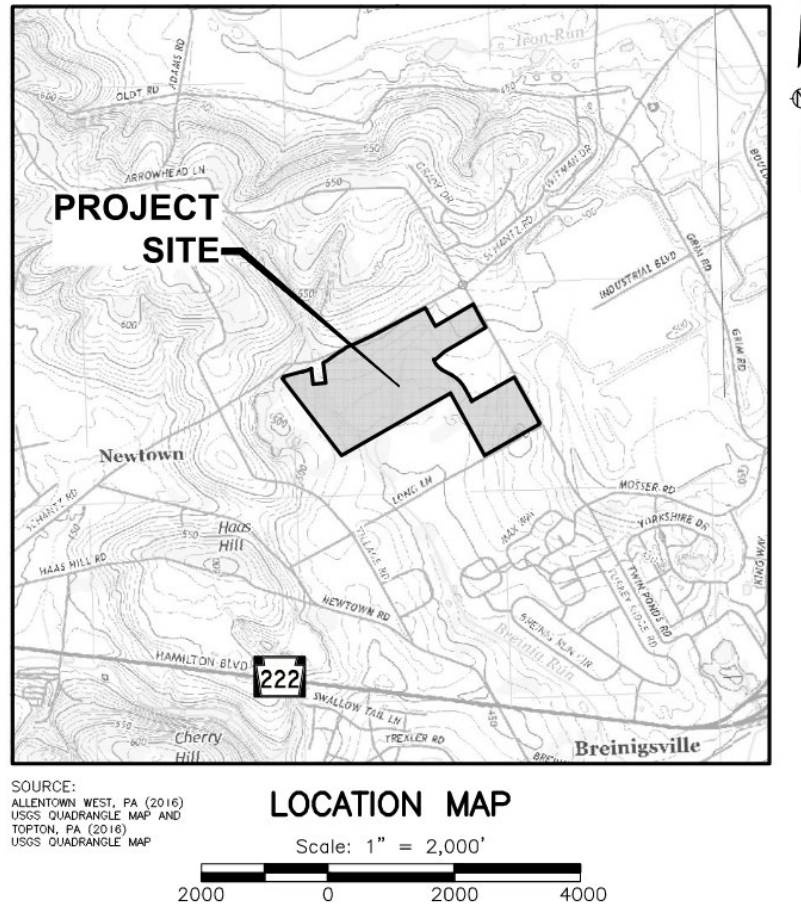


Figure 1: Project Location Map

Design Information: As part of the LCA review process, we were asked to design 1,550' of water main along the entire frontage of Schantz Road, through the undeveloped open space, in accordance with the LCA Water Main Extension Policy, adopted August 22, 2022, to serve potential future development to the west of the site. The current design proposes the immediate installation of a 12" DIP water main that is approximately 770 LF. This section of the proposed main traverses the project between proposed Lots 51 and 52, and then west along Schantz Road along Lots 52 through 56 and ending in Lot 502, as shown in light blue in **Figure 2** (also attached to this memo). Additionally, this section of the proposed main as well as a portion of the main traversing the development (3,300 LF in total) was upgraded to a 12" DIP main from an 8" DIP main at LCA's request. The remaining 780 LF of the main extension is proposed to be deferred until future development to the west, which deferred water main traverses Lot 502 (open space) in two separate and distinct locations that surround the central piece within the Schantz Road right-of-way, as shown in dark blue in **Figure 2**. It was necessary to locate the central portion of the deferred section of this main extension within Schantz Road, in order to avoid impacting the existing PennDOT wetland mitigation area, depicted in red on **Figure 2**.

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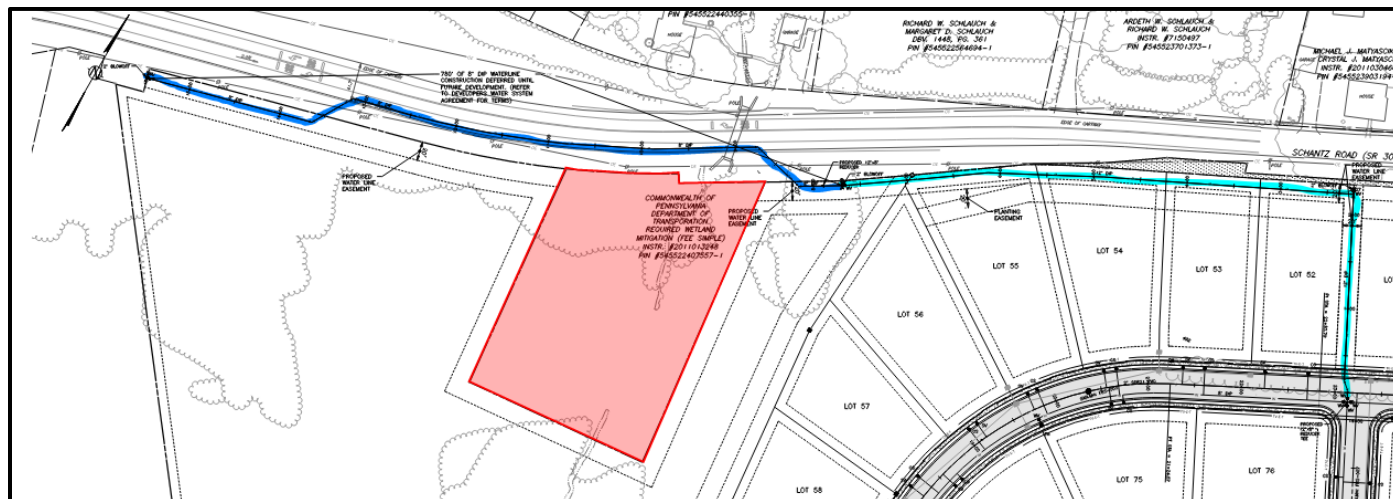


Figure 2: Utility Plan 2

Future Development Potential:

The Fallbrooke development as well as the developable area to the west of the project along Schantz Road are located in the R1 zoning district in Upper Macungie Township. Fallbrooke is the last parcel that is within the approved Act 537 sewage planning area. We understand the Act 537 plan does not pertain to the extension of water, but it does significantly impact the permitted minimum lot size for future development.

Section 27-307.2.A. of the Upper Macungie Zoning Ordinance, see **Table 1**, lists the minimum lot area for single-family dwellings (SFD) based on the available utilities. The minimum lot area in the R1 zoning district for a lot that doesn't contain public sewer or public water is 43,560 SF, while the minimum lot area for a lot that doesn't contain public sewer, but does contain public water is 39,000 SF.

Type of Requirement (See definition of terms in Part 2)	R1 District
a. Minimum Lot Area (per dwelling unit for residential purposes (square feet))	
SFD without either public sewer or public water	43,560
SFD with public sewer but not public water	30,000
SFD with public water but not public sewer	39,000
SFD with both public sewer and public water	20,000
Other permitted principal uses	43,560

Table 1: Excerpt from Section 27-307.2A. of the Upper Macungie Zoning Ordinance

Given the inconsequential difference of 4,560 SF in minimum lot area, we do not believe it will be financially viable for a developer to cover the cost to extend public water to these parcels. The

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minimal increase in lot density will not cover the cost to construct the main extension to their property as well as the main throughout their proposed development. As such, we think the installation of this water main extension will remain unused, thereby creating a maintenance burden for the LCA.

We reached out to the Township to confirm that they agreed with our assessment regarding future development. We received an email from Dave Alban (Township Engineer), regarding the LCA water main extension along Schantz Road. Below is an excerpt from Dave's email, where he notes that future development to the west has a very low probability for construction due to the absence of public sewer:

The area which the deferred waterline would be intended to serve is located outside of the approved Act 537 public sewer service area and we would support this deferral. Based upon the Township's strong inclination not to further extend the current Act 537 public sewer service boundary, we believe that the future development potential of this area to the west of the Fallbrook property, with on-lot sewage disposal systems, remains relatively low within the next 10 years.

The current design shows the installation of this main extension through the future development lots in order to avoid disturbing land within the future residents, and it ends at a plug. This section of main will remain unused until the full extension is designed and constructed, which requires special maintenance, including frequent system flushes for the dead-end main. As such, we are requesting to defer the entire 1,550 LF water main extension (as shown in dark and light blue in **Figure 2**).

Financial Implications:

The LCA Water Main Extension Policy includes financial obligations for both LCA and the Developer. The Developer is responsible for extending public water mains along the entire site frontage and LCA provides reimbursement for additional costs to increase pipe sizes to provide capacity for future development.

The approved cost estimate, dated 8/18/23, indicated that the total security required to be posted for onsite water system installation is \$1,424,720.00. This estimate does not include the cost of the deferred section of the water main extension along Schantz Road. Assuming the same unit prices as noted above, the cost of the deferred main would be approximately \$69,750 (775 LF of 8" DIP), not including engineering fees or pavement restoration (~200 SY). Including engineering fees and pavement restoration, the total costs for the deferred section would amount to approximately \$100,000, which is very close to the reimbursement from the LCA for the main extension size upgrade.

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In accordance with Section 10.b of the LCA Water Main Extension Policy, adopted August 22, 2022, LCA would be responsible to reimburse the developer for the 3,300 LF water main size upgrade from 8" DIP to 12" DIP. Based on the DWS Agreement, the developer will be reimbursed for the fees to increase the main size, as estimated below:

- Size increase from 8" to 12" main for 3,300 LF (\$20 per LF) - \$66,000
- Gate valve size increase from 8" to 12" for 9 valves (\$3,000 per valve) - \$27,000
- Other fees: contingencies, bonds and insurance, etc. (10% of construction cost) - \$9,300
- Total = \$102,300

CONCLUSION:

We request that the Board review the need to install this water main extension and to consider an alternative funding arrangement that benefits LCA.

The anticipated reimbursement to the developer for the main size upgrade is approximately \$102,300 for an extension that is highly unlikely to provide service to any future lots. Additionally, this section of main will remain unused until the full extension is designed and constructed, which carries an ongoing maintenance and manpower obligation to perform frequent system flushes due to the lack of use. We don't believe that this extension is in the best interest of the LCA, and we request to defer the full 1,550 LF water main extension along Schantz Road.

In accordance with Section 4 of the LCA Water Main Extension Policy, we request that LCA hold a fee in lieu of constructing the main extension. However, rather than posting security for the cost of the 1,550' extension, we propose that LCA hold the reimbursement amount of approximately \$102,300 as security for the deferred main. We request to reduce the time limitations from ten (10) years to four (4) years, because this coincides with the completion of the development construction and takes into consideration the very low probability for future development. At the expiration of the four year period, if the extension to the west is still unnecessary, the security/reimbursement amount would then be returned to the Developer. We believe this alternative provides LCA with the security to construct the main within the proposed development's construction timeline, while also saving the LCA outlaying funds for a main extension that may never provide the returns for the installation. Lastly, it also eliminates a potential long-term maintenance issue for the LCA.

**Jaindl Land Company
Fallbrooke Residential Subdivision
Upper Macungie Township
August 18, 2023**

Improvements Cost Estimate - LCA Water System

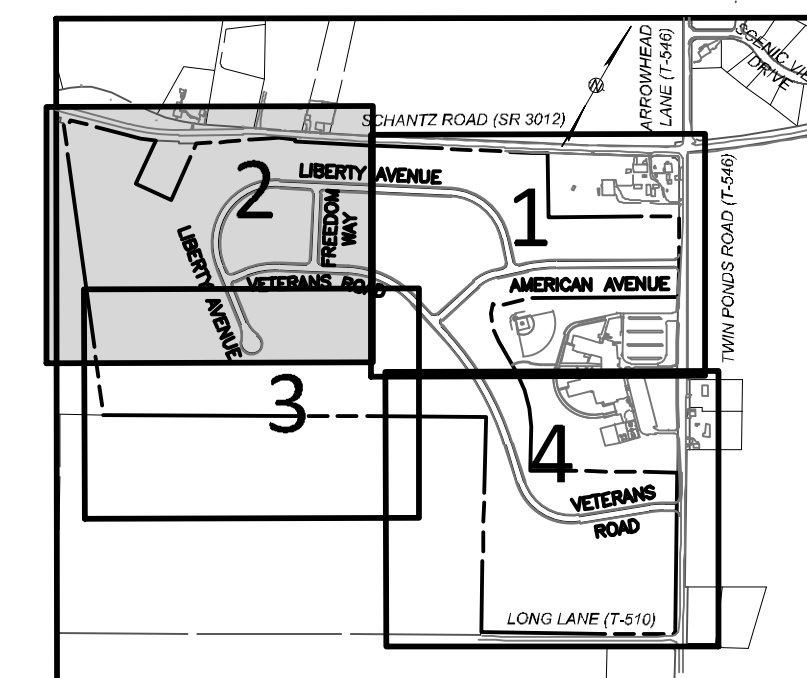
		IMPROVEMENTS			
ITEM NO.	DESCRIPTION	AGREEMENT	QUANTITY	UNIT PRICE	ITEM TOTAL
A.	<u>WATER LINE SYSTEM</u>				
1	CONNECT TO EXISTING WATERLINE	EA.	2	\$2,000.00	\$4,000.00
2	REMOVE PLUG	EA.	1	\$500.00	\$500.00
3	8" DUCTILE IRON PIPE (Includes Bends, Joint Restraints and Concrete Thrust Blocking, and Tees)	L.F.	5,350	\$90.00	\$481,500.00
4	12" DUCTILE IRON PIPE (Includes Bends, Joint Restraints and Concrete Thrust Blocking, and Tees)	L.F.	3,300	\$110.00	\$363,000.00
5	FIRE HYDRANT (Includes 8x6 Tee, 6" DIP, 6" Gate Valve, Valve Box and Concrete Thrust Blocking)	EA.	9	\$6,000.00	\$54,000.00
6	FIRE HYDRANT (Includes 12x6 Tee, 6" DIP, 6" Gate Valve, Valve Box and Concrete Thrust Blocking)	EA.	4	\$7,000.00	\$28,000.00
7	1" AIR RELEASE VALVE AND MANHOLE	EA.	7	\$5,000.00	\$35,000.00
8	SAMPLING STATION	EA.	1	\$5,000.00	\$5,000.00
9	2" BLOWOFF ASSEMBLY	EA.	2	\$1,600.00	\$3,200.00
10	8" GATE VALVE & VALVE BOX	EA.	13	\$2,000.00	\$26,000.00
11	12" GATE VALVE & VALVE BOX	EA.	9	\$5,000.00	\$45,000.00
12	3/4" SERVICE LATERAL	EA.	90	\$2,500.00	\$225,000.00
13	UNCLASSIFIED FITTINGS	L.S.	JOB	\$25,000.00	\$25,000.00
				SUBTOTAL	\$1,295,200.00
				CONTINGENCIES (@ 10% OF SUBTOTAL)	\$129,520.00
				TOTAL SECURITY REQUIRED TO BE POSTED	\$1,424,720.00

THE
PIDCOCK
COMPANY

CIVIL ENGINEERING AND LAND PLANNING
ARCHITECTURE
LAND SURVEYING

Oxford Drive at Fish Hatchery Road
2451 Parkwood Drive Allentown, Pennsylvania 18103-9608
Telephone: 610-791-2252
Telefax: 610-791-1256
E-mail: info@pidcockcompany.com

PROFESSIONAL SEAL



NOTES:
1. THIS PLAN HAS BEEN PREPARED IN CONJUNCTION WITH MUNICIPAL REGULATIONS AND ORDINANCES RELATING TO LAND USAGE AND DIMENSIONAL REQUIREMENTS OF ZONING AND RELATED PERMITS. HOWEVER, NOT CONSIDERED ARE PERIPHERAL ISSUES SUCH AS CLARITY OF TITLE, SUBSURFACE CONDITIONS INCLUDING BUT NOT LIMITED TO SOIL AND WATER CONTAMINATION, SINGLE-HOLE ACTIVITY AND HISTORICAL AND ARCHAEOLOGICAL ISSUES, OR OTHER SUCH ISSUES AS MAY AFFECT THE MERCHANTABILITY OF THE LAND. THE PIDCOCK COMPANY MAKES NO REPRESENTATION OR WARRANTY CONCERNING THESE ISSUES WHICH SHOULD BE ADDRESSED BY QUALIFIED PROFESSIONALS ENGAGED IN THE APPROPRIATE FIELDS OF PRACTICE.
2. THESE DOCUMENTS ARE PROVIDED FOR MUNICIPAL REVIEW ONLY AND ARE NOT TO BE UTILIZED FOR ANY OTHER PURPOSE. THE DOCUMENTS ARE NOT ISSUED FOR CONSTRUCTION UNLESS SPECIFICALLY NOTED AS SUCH BELOW.

CONTRACTOR'S OBLIGATION REGARDING COORDINATION OF DOCUMENTS AND FIELD CONDITIONS
THE CONTRACT DOCUMENTS PRESENT THE DESIGN INTENT. IT SHALL BE THE CONTRACTOR'S RESPONSIBILITY TO REVIEW ALL PLANS, SPECIFICATIONS, ADDENDA, CONSTRUCTION SKETCHES AND OTHER CONTRACT DOCUMENTS FOR CONSISTENCY. SIMILARLY, IT SHALL BE THE CONTRACTOR'S RESPONSIBILITY TO REVIEW FIELD CONDITIONS, INCLUDING COORDINATION WITH ALL UTILITIES. THE CONTRACTOR SHALL COMPLETE ANY TEST EXCAVATIONS IN ADVANCE OF ORDERING MATERIALS OR OF CONSTRUCTION IN AN AREA OF UTILITY CROSSINGS OR POTENTIAL INVOLVEMENT. IT SHALL BE THE CONTRACTOR'S RESPONSIBILITY TO BRING ANY INCONSISTENCIES IN THE DOCUMENTS OR ANY APPARENT CONFLICTS TO THE ATTENTION OF THE ENGINEER BEFORE ORDERING MATERIALS AND BEFORE PROCEEDING WITH CONSTRUCTION IN THE AREA SO THAT THE ENGINEER MAY REVIEW THE CONDITIONS AND RECOMMEND ANY ADJUSTMENTS TO THE DOCUMENTS THAT MAY BE NECESSARY, OR TO RECOMMEND RELOCATION OF A UTILITY OR OTHER REMEDIAL WORK THAT MAY BE REQUIRED.

REFER TO THE GENERAL NOTES PLAN ON SHEET 03 OF 48 FOR ALL PLAN NOTES.

7 SEPT. 20, 2023	REVISED PER TOWNSHIP COMMENTS
6 JUNE 20, 2023	REVISED PER TOWNSHIP COMMENTS
5 JANUARY 12, 2023	REVISED PER TOWNSHIP COMMENTS
4 DECEMBER 8, 2022	REVISED PER LCA COMMENTS
3 NOVEMBER 21, 2022	REVISED PER TOWNSHIP COMMENTS
2 SEPTEMBER 21, 2022	REVISED PER TOWNSHIP REVIEW OF SEWAGE PLANNING MODULE
1 FEBRUARY 23, 2022	REVISED PER TOWNSHIP COMMENTS
DATE	DESCRIPTION
	REVISIONS

FINAL PLAN SUBMISSION

SCALE: 1"=50'
DATE: NOVEMBER 15, 2021
CHECKED BY: WRT
DRAWN BY: JLB, JGU
CAD FILE: UTILITY.dwg
PROJECT NUMBER: 21040

GRAPHIC SCALE: 50' 25' 0' 50' 100'



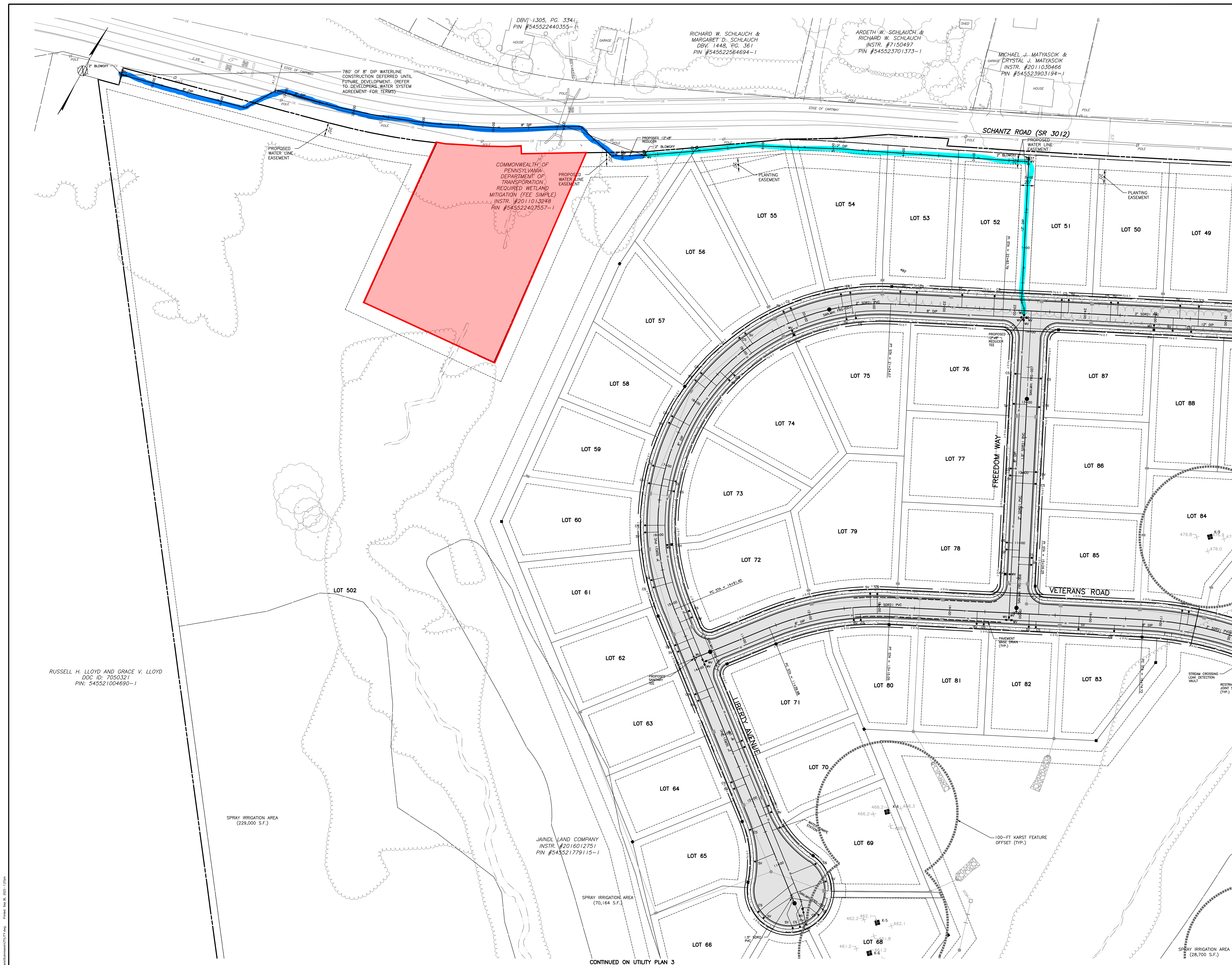
FALLBROOKE RESIDENTIAL
SUBDIVISION
UPPER MACUNGIE TOWNSHIP, LEHIGH COUNTY,
PENNSYLVANIA

UTILITY PLAN 2

FILE NUMBER
S-12196

SHEET NUMBER
26 OF 48

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LCA WATER SYSTEM NOTES

1. ALL WATERLINES WITHIN THE 100-FT KARST BUFFER AREA SHALL BE CONSTRUCTED UTILIZING DUCTILE IRON PIPE WITH RESTRAINED JOINTS.
2. ALL FIRE HYDRANTS WITHIN THE KARST BUFFER AREA SHALL BE A MINIMUM OF 50-FT FROM ANY KARST FEATURE.

UMT SANITARY SEWER NOTES

1. ALL TRENCHES WITHIN TOWNSHIP RIGHT-OF-WAY MUST BE BACKFILLED WITH PENNDOT 2A STONE.
2. FINAL ROAD RESTORATION FOR WORK ON TWIN POND'S ROAD SHALL BE AS REQUIRED BY THE TOWNSHIP ROAD-OPENING PERMIT.
3. THE PROPOSED GRINDER PUMP SHALL BE REVENDED BY UPPER MACUNGIE TOWNSHIP PRIOR TO INSTALLATION TO ENSURE PROPER OPERATION OF THE TOWNSHIP LPSS SYSTEM IN ACCORDANCE WITH THE DESIGN CALCULATIONS AND REQUIREMENTS.

CONTINUED ON UTILITY PLAN 3

CONTINUED ON UTILITY PLAN 1

RUSSELL H. LLOYD AND GRACE V. LLOYD
DOC ID: 7050321
PIN: 545521004690-1

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION
REQUIRED WETLAND
MITIGATION (FEE SIMPLE)
INSTR. #2011013248
PIN #545522407557-1

JAINDL LAND COMPANY
INSTR. #2016012751
PIN #545521779115-1

SPRAY IRRIGATION AREA
(229,000 S.F.)

SPRAY IRRIGATION AREA
(70,164 S.F.)

SPRAY IRRIGATION AREA
(28,700 S.F.)

Plot Information: S:\Fallbrook\Utility\26-Utility.dwg, Project: 26-02, 2021, 12:29pm, Printed: 26-02, 2021, 12:29pm



Lehigh County Authority

1053 Spruce Street * P.O. Box 3348 * Allentown, PA 18106-0348
(610)398-2503 * FAX (610)398-8413 * Email: service@lehighcountyauthority.org

MEMORANDUM

Date: October 23, 2023

To: Lehigh County Authority Board of Directors

From: Jason Peters, Capital Works Linear Asset Project Manager

Subject: Suburban Division – Western Lehigh Interceptor Manhole Rehabilitation Project (Phase 4)

MOTIONS /APPROVALS REQUESTED:

No.	Item	Amount
1	<u>Capital Project Authorization – Construction Phase</u>	\$519,363
2	<u>Contract Award (construction):</u>	\$219,925
*	General Construction – Scheuermann Excavating, Inc.	
3	<u>Contract Award (MH frames and covers):</u>	\$221,438
*	Materials Procurement – Ferguson Supply	
4	<u>Professional Services Authorization:</u>	\$48,000
*	<u>Construction Phase Services – Keystone Consulting Engineers</u>	

() Included in the Capital Project Authorization*

PROJECT BACKGROUND:

Lehigh County Authority (LCA) and its sewer signatories are working to reduce infiltration and inflow (I & I) into the Western Lehigh Interceptor (WLI) system and eliminate sanitary sewer overflows. This project involves the fourth phase of manhole rehabilitation along the WLI to upgrade and seal manholes externally to prevent inflow caused by floodwater inundation.

PROJECT OVERVIEW:

An annual updated field inspection and report of the WLI manholes was performed by LCA staff and Keystone Consulting Engineers in early 2023. The inspection preceded the prior year's flooding events throughout the region, and indicated numerous deficiencies including:

- Offset, displaced and/or loose frames and covers
- Damaged frames and covers

- Damaged/cracked/missing exterior concrete
- Manhole tops with evidence of prior floodwater inundation

The rehabilitation work proposed in this project includes the following:

- Raise manhole tops to at or above the floodplain elevation (up to 2' elevation adjustment) and repair concrete – 8 each
- Install new composite water-tight frames and covers – 160 each

The work to be performed as part of this project should have a continued positive impact on reducing inflow from manholes and help mitigate sanitary sewer overflows in the Western Lehigh Interceptor service area. It was identified during the 2023 field inspection that prior WLI manhole rehabilitation efforts in 2020, 2021 and 2022 have provided continued inflow reduction during peak storm events.

FINANCIAL:

The Phase 4 WLI Manhole Rehabilitation Project will be funded by the LCA Suburban Division, with a \$200,000 contribution from the Local Share Account Grant that LCA received in 2023 for this project.

PROJECT STATUS:

Design phase was completed in late Summer 2023, the project was advertised for bid September 13, 2023, and bids were opened on October 6, 2023.

THIS APPROVAL: Construction Phase

BIDS:

Five contractors submitted a bid for this project; results are summarized as follows in Table 1 below:

Table 1 – Bid Results	
Construction Phase	
Contractor	Total Bid Amount
Scheuermann Excavating, Inc.	\$219,925
PIM Corporation	\$239,885
Performance Pipelining	\$357,797
Joao & Bradley Construction Co., Inc.	\$424,425
Barrasso Excavation, Inc.	\$693,000

Scheuermann Excavating, Inc., based in Whitehall PA, successfully completed the prior Phase 2 and Phase 3 of the WLI Manhole Rehabilitation Project, and is currently utilized by LCA's Operations Department for emergency repairs. The bid documents are in order and complete. LCA recommends awarding the WLI Manhole Rehabilitation Project Phase 4 to Scheuermann Excavating, Inc., subject to the receipt of the necessary Performance Bonds, Insurance, and other required documentation.

MATERIAL PROCUREMENT:

LCA sought quotes through Pennsylvania's COSTARS program and entered into an agreement with Ferguson (Supplier) of Whitehall PA pending Board authorization. The Supplier will provide all manhole frames and covers for the phase 4 rehabilitation project.

PROFESSIONAL SERVICES:

Keystone Consulting Engineers will provide the following construction phase services:

- Prepare contract documents and issue notice to proceed
- Provide clarifications to contract documents

- Attend preconstruction conference
- Provide part-time inspection services
- Prepare daily inspection reports
- Verify daily job quantities, application for payment
- Document installation (post construction photos)
- Attend progress meetings as required
- Prepare and verify punch list completion

SCHEDULE:

Assuming approval at the October 23, 2023 Board meeting, the work is anticipated to begin in December and will be completed by Spring 2024.

FUTURE AUTHORIZATIONS:

It is anticipated that the fifth phase of WLI manhole rehabilitation work will be bid and constructed in 2025.

CAPITAL PROJECT AUTHORIZATION

PROJECT NO.:	<u>SD-S-3</u>	BUDGET FUND:	<u>Suburban Div\Wastewater\Capital</u>
PROJECT TITLE:	<u>Suburban Division – Western Lehigh Interceptor Manhole Rehabilitation Project (Phase 4)</u>	PROJECT TYPE:	<input checked="" type="checkbox"/> Construction <input type="checkbox"/> Engineering Study <input type="checkbox"/> Equipment Purchase <input type="checkbox"/> Amendment
THIS AUTHORIZATION:	<u>\$519,363</u>		
TO DATE (W/ ABOVE)	<u>\$546,863</u>		

DESCRIPTION AND BENEFITS:

WLI Manhole Rehabilitation Project (Phase 4):

This project is part of the continuing effort to reduce inflow and infiltration and mitigate SSOs in the Western Lehigh Interceptor service area and involves performing flood-proofing and leak repairs at key deficient manholes along the WLI. The rehabilitation work proposed in this project includes the following:

- Raise manhole tops to at or above the floodplain elevation (up to 2' elevation adjustment)
- Install new water-tight bolt down frames and covers
- Miscellaneous concrete repairs

The work to be performed in this project will have a positive impact on reducing inflow and leakage from manholes in the Western Lehigh Interceptor.

Previous Authorizations	
Design Phase (Phase 4)	\$27,500

REQUESTED THIS AUTHORIZATION	
Construction Phase	
Construction Contract - Scheuermann Excavating, inc.	\$219,925
Material Procurement – Fergeson (Costars 16-E22-246)	\$221,438
Construction Phase Services - Keystone Consulting Engineers	\$48,000
Staff	\$10,000
Contingency	\$20,000
Total This Authorization	\$519,363

Future Authorization	
Phase 5 WLI manhole rehabilitation project	TBD

REVIEW AND APPROVALS:

_____	_____	_____	_____
Project Manager	Date	Chief Executive Officer	Date
_____	_____	_____	_____
Chief Capital Works Officer	Date	Chairman	Date



Lehigh County Authority

1053 Spruce Street * P.O. Box 3348 * Allentown, PA 18106-0348
(610)398-2503 * FAX (610)398-8413 * Email: service@lehighcountyauthority.org

PROFESSIONAL SERVICES AUTHORIZATION

Professional: KEYSTONE CONSULTING
ENGINEERS, INC.
5012 Medical Circle Center
Allentown, PA 18106

Date: October 23, 2023

Requested By: Jason Peters

Approvals

Department Head: _____

Chief Executive

Officer: _____

Description of Services:

WLI Manhole Rehabilitation Project Phase 4: Construction Inspection Services

Keystone Consulting Engineers, Inc. will perform construction phase management and inspection services for the construction of the WLI Manhole Rehabilitation Project Phase 4, in accordance with their proposal dated October 12, 2023. The scope of services includes the following:

Professional Services
1. Prepare contract documents and issue notice to proceed
2. Provide clarifications to contract documents
3. Attend pre-construction conference
4. Perform part time construction inspection & verification
5. Prepare daily inspection reports
6. Verify daily job quantities, application for payment
7. Maintain post construction photo documentation
8. Attend progress meetings
9. Prepare and verify punch list completion
10. Perform substantial & final completion inspections

Cost Estimate (not to be exceeded without further authorization): \$48,000

Time Table and Completion Deadline: Assumes work will be substantially complete by early Spring 2024.

(For Authority Use Only)

Authorization Completion:

Approval: _____ Actual Cost: _____ Date: _____



Lehigh County Authority

1053 Spruce Road * P.O. Box 3348 * Allentown, PA 18106-0348
(610)398-2503 * FAX (610)398-8413 * Email: service@lehighcountyauthority.org

MEMORANDUM

Date: October 23, 2023

To: Lehigh County Authority Board of Directors

From: Amy Kunkel, P.E., Project Engineer and Charles Volk, P.E.

Subject: Suburban Division – Park Pump Station Phase 2 Upgrade -
Construction Phase

MOTIONS /APPROVALS REQUESTED:

No.	Item	Amount
1	Capital Project Authorization – Construction Phase – Amendment No. 1	\$319,308.00
2	Construction Contract – General*: Albarell Electric, Inc.	\$294,308.00

**Included in the Capital Project Authorization*

PROJECT BACKGROUND:

The Park Pump Station was constructed in the early 1980s and is located in Little Lehigh Parkway within the City of Allentown. The station conveys wastewater from ten municipalities to just upstream of Kline's Island Wastewater Treatment Plant and is a critical component of the sewerage infrastructure network. Phase 1 of the project was completed in 2020 and included replacement of the pumps and other mechanical, electrical and structural upgrades.

Phase 2 of the project will replace the existing original backup generator which has reached the end of its useful life and is slightly undersized for the upgraded station. Work includes the installation of a new natural gas sound attenuated generator, including the construction of a new concrete pad, retaining wall, fencing, demolition of the existing interior generator and appurtenances (including the demolition of the roof mounted radiator system), exhaust system, day tank, 8000-gallon fuel tank, concrete pad and fuel lines. The contractor will coordinate with UGI for bringing natural gas service to the site.

Specific responsibilities of the General Contract include construction of the generator pad and retaining wall, installation of the temporary fuel tank system, miscellaneous gas line installation and fuel line demolition, and site work.

PROJECT OBJECTIVE:

The purpose of this project is to replace the existing generator and perform other related upgrade work in order to allow the station to perform uninterrupted at its full capacity in the event of a power outage, enhancing station reliability, preventing catastrophic failure, and thereby preventing sanitary sewer overflows in the Little Lehigh Parkway.

FINANCIAL:

The Project will be funded by the LCA Suburban Division.

PROJECT STATUS:

Construction Phase will begin upon Board approval.

THIS APPROVAL – CONSTRUCTION PHASE

BIDDING SUMMARY:

The project was originally bid in June 2022 with two contracts, General and Electrical Construction. For this project the Electrical Contract was considered the prime contract since most of the work falls under that contract scope. Three bids were received for the Electrical Contract with Albarell Electric, Inc. being the low bidder. No bids were received for the General Contract, the reason being given that cost volatility and a one-year lead time on the generator made pricing difficult and risky. It was decided at that time to award the Electrical Contract and rebid the General Contract closer to the date of delivery of the generator. The project was re-advertised for bid on September 7, 2023. A mandatory pre-bid meeting was held on September 19, 2023. Bids were received via PennBid on October 5, 2023, the results of which are as follows:

General Contract	
Bidder	Bid Amount
Albarell Electric, Inc.	\$294,308.00
Eastern Environmental Contractors, Inc.	\$532,500.00
Mohawk Contracting & Development	\$581,000.00

Albarell Electric, Inc. is the low bidder and is also the electrical contractor for this project. Their bid is below the \$510,000 Engineer's construction cost opinion and reflects savings on mobilization, insurance, and coordination efforts by having a single contractor complete both contracts. Albarell Electric, Inc. has completed numerous projects of similar scope and appears well qualified to perform the work.

MATERIAL PROCUREMENT: N/A

PROFESSIONAL SERVICES:

Construction engineering is to be performed by Whitman, Requardt & Associates, LLP, the design engineer for the project. Part-time inspection services are to be performed by Cowan Associates, Inc, who inspected Phase 1 of the Park Pump Station project. These professional

services were obtained with the original Capital Project Authorization and cover both construction contracts.

SCHEDULE:

With approval at the October 23, 2023 Board meeting, it is anticipated that the project will be completed by July 2024, assuming that the expected generator delivery date of March 2024 holds.

FUTURE AUTHORIZATIONS:

None anticipated.

CAPITAL PROJECT AUTHORIZATION

Amendment No. 1

PROJECT NO.:	<u>SD-S-21-1</u>	BUDGET FUND:	<u>Suburban Div\Wastewater\Capital</u>
PROJECT TITLE:	<u>Park Pump Station Phase 2 Upgrade</u>	PROJECT TYPE:	
		<input checked="" type="checkbox"/>	Construction
		<input type="checkbox"/>	Engineering Design
THIS AUTHORIZATION:	<u>\$ 319,308.00</u>	<input type="checkbox"/>	Equipment Purchase
TO DATE (W/ ABOVE)	<u>\$ 2,745,238.25</u>	<input type="checkbox"/>	Amendment

DESCRIPTION AND BENEFITS:

Park Pump Station Phase 2 Upgrade - Construction Phase:

This Capital Project Authorization is for construction phase of the Phase 2 Upgrade Project for the replacement of the original backup generator system and associated equipment. This project includes removal of the existing generator, fuel tank and slab, construction of a new concrete pad and retaining wall, installation of a natural gas generator, temporary bypass pumping and ancillary work. The objective of the project is to ensure station reliability and enhance resiliency of the pump station in the event of a power outage. This Authorization includes only the General Contract (see Board Memo for details).

Previous Authorizations	
Design Phase	\$248,454
Construction Phase	\$2,177,476.25

REQUESTED THIS AUTHORIZATION	
Construction Phase	
Contract 2 – General Construction – Albarell Electric, Inc.	\$294,308.00
Contingency	\$25,000.00
Total This Authorization	\$319,308.00

Future Authorization	
N/A	

Total Estimated Project	\$2,745,238.25

REVIEW AND APPROVALS:

_____ Project Manager	_____ Date	_____ Chief Executive Officer	_____ Date
_____ Chief Capital Works Officer	_____ Date	_____ Chairman	_____ Date

MEMORANDUM

Date: October 23, 2023

To: Lehigh County Authority Board of Directors
From: Amy Rohrbach, Project Manager
Subject: Allentown Division – KIWWTP: 2023-2024 Architectural & Structural Upgrades Project - Construction Phase

MOTIONS / APPROVALS REQUESTED:

No.	Item	Amount
1	Capital Project Authorization – Construction Phase	\$336,190
2 ⁽¹⁾	Professional Services Authorization – D’Huy Engineering, Inc.	\$16,900
3 ⁽¹⁾	General Contract Award – Mar-Allen Concrete Products, Inc.	\$299,290

(1) Included in the Capital Project Authorization.

PROJECT BACKGROUND:

As a condition of the Trust Indenture with the Manufacturers and Traders Trust Company for the Allentown Water & Sewer Lease bonds, an annual Consulting Engineer’s Report is prepared to document the condition of the water and wastewater treatment plants in the City. Based on physical inspections by the engineer, required repairs and upgrades are outlined in the report. Lehigh County Authority (LCA) staff have worked to address minor deficiencies outlined in the annual reports, and capital projects are developed to address more significant needs. This project represents the third round of a capital improvements to address deficiencies identified through this process at Kline’s Island Wastewater Treatment Plant (KIWWTP).

PROJECT SCOPE:

This project consists of addressing primarily structural deficiencies at KIWWTP, with most of the work located at the Plastic Media Trickling Filters and the Primary Settling Basins. Work includes concrete crack repair and structural repairs, related concrete repairs on the primary settling basins, and effluent piping upgrades in the Primary Settling Basement.

FINANCIAL:

This Project will be funded by the LCA Allentown Division.

PROJECT STATUS:

D’Huy Engineering completed design in August 2023. The project was originally advertised for bid as a multi-year project in August, but no bids were received. The project was then repackaged and modified to eliminate the multi-year bid and advertised again on 9/18/2023 with a virtual pre-bid meeting held on 9/21/2023 and bids opened on 10/3/2023. Three bids were received as summarized below.

THIS APPROVAL – CONSTRUCTION PHASE:

The contract time for this work is 330 days from Notice to Proceed to substantial completion. Assuming construction phase authorization at the 10/23/2023 Board meeting, construction is anticipated to conclude by the end of 2024.

BIDDING SUMMARY:

The project consists of a single General Construction Contract. The bid results are summarized below:

Bidder	Base Bid Results
Mar-Allen Concrete Products, Inc.	\$299,290
LB Industries, Inc.	\$476,933
Mohawk Contracting and Development	\$599,963

The 2023 budget for this project is \$300,000. The Base Bid reflects concrete and reinforcing repairs at Plastic Media Trickling Filter #4, replacement of the effluent flushing pipe in the primary sludge pump station basement from 3” to 4” PVC, exterior concrete repairs to one primary settling basin, steel pipe bollards as requested, pavement restoration, and additional concrete repairs.

The low bidder is Mar-Allen Concrete Products, Inc. (Mar-Allen) based in Ephrata, PA. Mar-Allen is currently under contract with LCA for the 2022 WFP Architectural & Structural Upgrades and has done quality work on those structural repairs. Mar-Allen has significant experience in concrete repair work and has completed numerous similar projects at the DELCORA Wastewater Treatment Plant in Chester, PA. Based upon the review of the bids, we recommend award of a contract to Mar-Allen, subject to the receipt of the necessary Performance Bonds, Insurance, and other required documentation.

PROFESSIONAL SERVICES:

D’Huy Engineering has been LCA’s design consultant on this project and will provide construction engineering services for the project. Their work will include:

1. Facilitate with LCA, the completion of Construction Agreement
2. Prepare for, attend and facilitate pre-construction conference, issue meeting minutes.
3. Prepare for and conduct job conference meetings.
4. Review and approve contractor’s submittals.
5. Respond to Contractor requests for information (RFIs).
6. Review applications for payment and draft any necessary change orders.
7. Conduct site visits to review progress and issues raised during construction.
8. Prepare punch list, final project close-out and certify final payment to contractor

PROJECT SCHEDULE:

Based on construction phase authorization following the 10/23/2023 Board meeting, the project should conclude by the end of 2024.

FUTURE AUTHORIZATIONS:

Future projects will be developed based on required upgrades outlined in the annual bond indenture engineering reports.



September 8, 2023

Mr. Charles Volk, P.E.
Chief Capital Works Officer
Lehigh County Authority
1053 Spruce Road
Wescosville, PA 18106

Subject: KIWWTP Structural Repairs Project 2023-2024
Proposal for Construction Administration Services

Dear Mr. Volk:

We would like to thank you for the opportunity to submit a proposal to provide construction administration services to Lehigh County Authority (LCA) for the subject project, as detailed below.

PROJECT DESCRIPTION

On-call construction administration services during miscellaneous concrete repairs at the LCA Kline's Island WWTP. This proposal assumes the work will be completed between October 2023 and January 2025.

SCOPE OF SERVICES

D'Huy Engineering, Inc. will provide construction administration services for the project as follows:

1. Facilitate completion of the Agreement and other elements of the Contract with Owner (4 hours)
2. Prepare for, attend and facilitate a pre-construction conference (6 hours).
3. Prepare for and attend job conference meetings (12 hours).
4. Review and approve contractor's submittals and respond to RFIs (24 hours).
5. Process applications for payment (10 hours).
6. Process any necessary change orders (6 hours).
7. Provide limited construction observation when requested by LCA. Our estimate is based on 20 three-hour visits (60 hours).

EXCLUSIONS & ADDITIONAL SCOPE CONSIDERATIONS

The following scope of services is not included in the fee proposal:

1. Testing, additional detailed field investigations or probes, additional studies.
2. Reproduction of contract documents.
3. Fees for required municipal permits.
4. Full-time site representation during construction
5. Scope of work parameters not listed above.

PROPOSED FEE:

D'Huy Engineering, Inc.'s not-to-exceed fee for performing the above is \$16,900. In the event additional construction administration services are necessary, DEI will proceed only upon the written agreement of LCA.

We are prepared to begin work on this project immediately upon authorization. We thank you for the opportunity to help LCA with the rehabilitation of its physical assets.

Respectfully submitted,

D'HUY ENGINEERING, INC.

A handwritten signature in blue ink, reading "Craig W. Murray".

Craig W. Murray, PE
Principal



CAPITAL PROJECT AUTHORIZATION

PROJECT NO.:	AD-S-I	BUDGET FUND:	Allentown Div\WW\Capital
PROJECT TITLE:	Allentown Division – KIWWTP 2023-2024 Architectural & Structural Upgrades Construction Phase		PROJECT TYPE:
THIS AUTHORIZATION:	\$336,190	<input checked="" type="checkbox"/>	Construction
TO DATE (W/ ABOVE)	\$345,090	<input type="checkbox"/>	Engineering Study
		<input type="checkbox"/>	Equipment Purchase
		<input type="checkbox"/>	Amendment No. 1

DESCRIPTION AND BENEFITS:

This project consists of addressing deficiencies identified in the annual Indenture Report, and consists primarily of structural repairs at KIWWTP, with work located at the Plastic Media Trickling Filters and the Primary Settling Basins. Work includes structural repairs, concrete crack repair and resurfacing, and effluent process water piping replacement. The project consists of a single General Contract.

AUTHORIZATION STATUS:

Prior Authorizations	
<i>Design Phase – D’Huy Engineering</i>	<i>\$14,900</i>
Requested This Authorization – Construction Phase	
General Contract: Mar-Allen Concrete Products, Inc.	\$299,290
Construction Phase Engineering Services: D’ Huy Engineering	\$16,900
Staff	\$10,000
Contingencies	\$10,000
Total This Authorization	\$336,190

REVIEW AND APPROVALS:

_____	_____	_____	_____
Project Manager	Date	Chief Executive Officer	Date
_____	_____	_____	_____
Chief Capital Works Officer	Date	Chairman	Date



Lehigh County Authority

1053 Spruce Street * P.O. Box 3348 * Allentown, PA 18106-0348
(610)398-2503 * FAX (610)398-8413 * Email: service@lehighcountyauthority.org

PROFESSIONAL SERVICES AUTHORIZATION

Professional: D;HUY ENGINEERING, INC.
One East Broad St., Suite 310
Bethlehem, PA 18018

Date: October 23, 2023

Requested By: Amy Rohrbach

Approvals

Department Head: _____

Chief Executive

Officer: _____

Allentown Division – KIWWTP 2023-2024 Architectural & Structural Upgrades - Construction Phase

D'Huy Engineering, Inc. will perform construction administration and engineering support for the KIWWTP Architectural & Structural Upgrade Project. Professional services will include the following:

Professional Services ⁽¹⁾
1. Facilitate completion of agreement and other elements of the contract.
2. Pre-construction meeting coordination, attendance and follow-up
3. Prepare for and attend job conference meetings
4. Review and approve contractor submittals
5. Respond to Requests for Information (RFI) from contractor
6. Process contractor applications for payment
7. Process any necessary change orders
8. Provide limited construction inspection
9. Perform substantial completion inspection & punchlist preparation
10. Contract closeout administration

Cost Estimate (not to be exceeded without further authorization): \$16,900

Time Table and Completion Deadline: As required to meet deadlines as set forth in the construction contract.











































(For Authority Use Only)

Authorization Completion:

Approval: _____ **Actual Cost:** _____ **Date:** _____

**LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS
SEPTEMBER 2023**

**LEHIGH COUNTY AUTHORITY
YTD SUMMARY SCORESHEET
SEPTEMBER 2023**

	<u>Sub W</u>	<u>Sub WW</u>	<u>City</u>
YTD Net income >0			
YTD Net income >= FC			
YTD Cash Flow >0			
YTD Cash Flow >= FC			
YTD DSCR >= FC			
YTD DSCR >= 1.20			
YTD Operating Ratio >= 1.00			
YTD Operating Ratio >= Budget Target			
YTD Days Cash on Hand >= 180.0			
YTD Operating Revenues >= FC			
YTD Operating Expenses <= FC			
FY FC Net Income >= Budget			
FY FC Cash Flows >=Budget			
FY FC DSCR >= Budget			
TOTAL GREEN	<u><u>13</u></u>	<u><u>8</u></u>	<u><u>13</u></u>

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUMMARY
For the Period Ended September 30, 2023

	Consolidated Financial Statements														
	Month					Year To Date					FULL YEAR				
	Actual	Q3 FC	Prior Year	FC Var	PY Var	Actual	Q3 FC	Prior Year	FC Var	PY Var	Q3 FC	Budget	Prior Year	Bud Var	PY Var
Income Statement															
Suburban Water	387,327	313,001	433,390	74,326	(46,064)	2,701,607	2,523,831	2,993,031	177,777	(291,424)	2,970,991	2,169,036	4,138,513	801,955	(1,167,522)
Suburban Wastewater	(74,135)	(473,029)	(291,517)	398,894	217,382	(192,718)	(1,299,659)	(912,677)	1,106,941	719,959	(807,779)	2,150,192	(455,127)	(2,957,971)	(352,652)
City Division	1,962,543	(180,648)	2,369,262	2,143,192	(406,719)	14,292,069	10,102,952	8,055,696	4,189,117	6,236,373	4,336,857	4,780,898	6,545,431	(444,041)	(2,208,574)
Total LCA	2,275,735	(340,676)	2,511,135	2,616,411	(235,400)	16,800,958	11,327,124	10,136,050	5,473,835	6,664,908	6,500,069	9,100,126	10,228,817	(2,600,057)	(3,728,749)
Cash Flow Statement															
Suburban Water	560,242	485,047	298,555	75,196	261,688	5,517,231	5,305,363	2,414,008	211,868	3,103,222	4,449,955	46,653	760,443	4,403,302	3,689,512
Suburban Wastewater	(310,860)	(699,219)	(29,712)	388,360	(281,147)	3,117,257	2,012,356	(1,662,727)	1,104,901	4,779,984	1,835,199	762,612	1,359,980	1,072,587	475,219
City Division	1,826,975	815,348	1,476,996	1,011,627	349,979	19,082,746	15,250,311	8,478,964	3,832,435	10,603,783	3,347,472	2,671,275	2,841,305	676,198	506,167
Total LCA	2,076,357	601,175	1,745,838	1,475,182	330,519	27,717,235	22,568,030	9,230,245	5,149,204	18,486,989	9,632,626	3,480,540	4,961,728	6,152,086	4,670,898
Debt Service Coverage Ratio															
Suburban Water	2.61	2.35	3.03	0.26	(0.42)	2.31	2.24	2.63	0.07	(0.32)	2.24	1.83	2.77	0.41	(0.52)
Suburban Wastewater	7.36	0.98	4.09	6.39	3.27	8.37	6.40	7.34	1.97	1.04	8.66	11.69	9.69	(3.03)	(1.04)
City Division	3.00	1.39	3.54	1.60	(0.54)	2.70	2.37	2.29	0.33	0.41	2.19	2.10	2.62	0.08	(0.43)

LEHIGH COUNTY AUTHORITY
CONSOLIDATED FINANCIAL STATEMENTS
For the Period Ended September 30, 2023

Consolidated Financial Statements																		
Month					Year To Date					Q3 FULL YEAR FORECAST					Full Year Budget			
STATEMENTS OF ACTIVITIES																		
Operating Revenues:																		
User Charges	1,461,866	1,557,294	4,308,513	7,327,672	12,313,186	13,616,328	40,512,428	66,441,941	16,590,215	18,280,608	50,634,280	85,505,102	16,287,500	21,822,513	50,680,860	88,790,873		
Connection & System Charges	89,101	37,441	1,029,367	1,155,909	410,083	1,204,488	3,769,368	5,383,938	796,419	1,541,094	4,421,699	6,759,211	680,700	875,600	4,096,600	5,652,900		
Other Miscellaneous Revenues	1,995	75	3,440	5,510	43,173	450	84,497	128,121	64,026	2,450	121,197	187,673	31,800	2,300	69,300	103,400		
Total Operating Revenues	1,552,962	1,594,809	5,341,320	8,489,091	12,766,442	14,821,265	44,366,293	71,954,000	17,450,661	19,824,151	55,177,175	92,451,987	17,000,000	22,700,413	54,846,760	94,547,173		
Operating Expenses:																		
Personnel	332,146	133,759	933,699	1,399,605	2,853,982	1,272,524	8,378,988	12,505,494	3,763,942	1,565,021	11,992,187	17,321,150	3,838,376	1,739,145	12,818,583	18,396,104		
Shared Services - General & Administrative	54,639	21,528	173,746	249,913	552,966	246,487	1,531,475	2,330,928	704,795	291,653	2,309,112	3,305,561	847,837	353,525	2,197,452	3,398,813		
Utilities	39,858	17,790	187,425	245,072	361,209	183,422	1,490,783	2,035,414	447,491	287,233	2,135,769	2,870,493	516,389	312,787	2,018,173	2,847,348		
Materials and Supplies	54,195	37,354	316,188	407,737	444,420	308,781	2,230,106	2,983,307	961,564	435,313	3,159,541	4,556,417	887,370	324,100	2,621,000	3,832,470		
Miscellaneous Services	363,625	648,981	149,900	1,162,505	2,910,583	5,380,168	1,315,212	9,605,963	4,103,489	7,287,795	2,193,511	13,584,795	4,610,690	7,212,206	2,112,700	13,935,596		
Treatment and Transportation	-	335,270	-	335,270	-	3,226,329	5,220	3,231,549	-	3,864,746	14,330	3,879,076	-	4,293,345	14,318	4,307,663		
Depreciation and Amortization	258,365	508,303	519,750	1,286,418	2,318,307	4,645,163	4,662,710	11,626,181	3,480,534	6,955,318	6,384,824	16,820,676	3,023,000	6,221,900	6,160,000	15,404,900		
Major Maintenance Expenses	-	19	7,763	7,782	-	2,683	186,684	189,367	-	-	4,000,000	4,000,000	-	25,200	4,000,000	4,025,200		
Other Miscellaneous	-	-	-	-	-	-	-	-	41,600	21,003	-	62,603	41,600	-	-	41,600		
Total Operating Expenses	1,102,828	1,703,004	2,288,471	5,094,303	9,441,467	15,265,557	19,801,178	44,508,203	13,503,415	20,708,082	32,189,274	66,400,771	13,765,262	20,482,207	31,942,225	66,189,694		
Net Operating Profit	450,134	(108,195)	3,052,849	3,394,788	3,324,975	(444,292)	24,565,114	27,445,798	3,947,246	(883,931)	22,987,901	26,051,216	3,234,738	2,218,206	22,904,535	28,357,479		
Non-Operating Income (Expense)																		
Interest Income	32,335	41,744	326,258	400,337	247,018	319,841	2,423,916	2,990,775	173,004	195,541	1,052,599	1,421,144	64,782	85,128	128,661	278,572		
Interest (Expense)	(95,432)	(12,574)	(1,411,364)	(1,519,370)	(883,667)	(117,970)	(12,691,762)	(13,693,399)	(1,161,335)	(155,495)	(19,703,643)	(21,020,473)	(1,130,484)	(153,143)	(18,252,298)	(19,535,925)		
Other Miscellaneous	290	4,890	(5,200)	(20)	13,282	49,702	(5,200)	57,784	12,076	36,105	-	48,181	-	-	-	-		
Net Non-Operating Income (Expense)	(62,807)	34,060	(1,090,306)	(1,119,053)	(623,368)	251,574	(10,273,046)	(10,644,840)	(976,255)	76,151	(18,651,044)	(19,551,147)	(1,065,702)	(68,015)	(18,123,637)	(19,257,353)		
Net Income (Loss)	387,327	(74,135)	1,962,543	2,275,735	2,701,607	(192,718)	14,292,069	16,800,958	2,970,991	(807,779)	4,336,857	6,500,069	2,169,036	2,150,192	4,780,898	9,100,126		
CASH FLOW STATEMENT																		
Cash Flows From Operating Activities																		
Operating Revenues	1,552,962	1,594,809	5,341,320	8,489,091	12,766,442	14,821,265	44,366,293	71,954,000	17,450,661	19,824,151	55,177,175	92,451,987	17,000,000	22,700,413	54,846,760	94,547,173		
Operating Expenses (ex D&A)	(844,464)	(1,194,682)	(1,760,957)	(3,800,103)	(7,123,160)	(10,617,711)	(14,951,784)	(32,692,654)	(10,022,881)	(13,752,764)	(21,804,450)	(45,580,095)	(10,742,262)	(14,235,107)	(21,782,225)	(46,759,594)		
Non-Cash Working Capital Changes	272,688	(105,265)	(363,882)	(196,458)	(2,683,644)	(1,058,646)	(1,232,607)	(4,974,897)	30,540	(24,728)	(800,000)	(794,188)	(0)	(25,200)	0	(25,200)		
Net Cash Provided by (Used in) Operating Activities	981,187	294,862	3,216,481	4,492,530	2,959,639	3,144,908	28,181,902	34,286,449	7,458,319	6,046,659	32,572,725	46,077,703	6,257,738	8,440,106	33,064,535	47,762,379		
Cash Flows From Financing Activities																		
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Proceeds New Borrowing	-	-	-	-	6,950,000	-	1,371,118	8,321,118	6,950,000	-	1,400,000	8,350,000	3,950,000	-	1,200,000	5,150,000		
Interest Payments	(928)	(11,903)	(1,134)	(13,965)	(594,183)	(111,509)	(5,742,099)	(6,447,791)	(1,156,207)	(151,832)	(11,788,844)	(13,096,883)	(1,130,484)	(153,143)	(11,788,844)	(13,072,471)		
Principal Payments	(6,315)	(48,273)	(5,172)	(59,759)	(56,548)	(430,931)	(10,283)	(497,763)	(2,255,468)	(576,096)	(3,342,077)	(6,173,641)	(2,344,383)	(575,980)	(3,342,077)	(6,262,440)		
Net Cash Provided by (Used in) Financing Activities	(7,243)	(60,176)	(6,306)	(73,724)	6,299,269	(542,440)	(4,381,264)	1,375,565	3,538,325	(727,928)	(13,730,921)	(10,920,524)	475,133	(729,123)	(13,930,921)	(14,184,911)		
Cash Flows from Capital and Related Activities																		
Non-Operating Income (Expenses)	290	4,890	(685,790)	(680,610)	13,282	49,702	(1,366,380)	(1,303,396)	12,076	36,105	(1,361,180)	(1,312,999)	-	-	(1,400,000)	(1,400,000)		
Capital Expenditures, net	(446,326)	(347,181)	(1,023,669)	(1,817,176)	(4,006,976)	(1,636,929)	(5,717,427)	(11,419,332)	(6,736,771)	(5,497,352)	(15,185,750)	(27,419,873)	(6,751,000)	(7,033,500)	(15,191,000)	(28,975,500)		
Net Cash Provided By (Used In) Capital and Related Activities	(446,036)	(342,291)	(1,709,459)	(2,497,786)	(3,993,694)	(1,587,227)	(7,141,807)	(12,722,728)	(6,724,694)	(5,461,247)	(16,546,930)	(28,732,872)	(6,751,000)	(7,033,500)	(16,591,000)	(30,375,500)		
Cash Flows From Investing Activities																		
Investments Converting To Cash	-	249,000	-	249,000	739,000	5,381,174	-	6,120,174	739,000	5,381,174	-	6,120,174	-	-	-	-		
Purchased Investments	-	(494,000)	-	(494,000)	(734,000)	(3,599,000)	-	(4,333,000)	(734,000)	(3,599,000)	-	(4,333,000)	-	-	-	-		
Interest Income	32,335	41,744	326,258	400,337	247,018	319,841	2,423,916	2,990,775	173,004	195,541	1,052,599	1,421,144	64,782	85,128	128,661	278,572		
Net Cash Provided By (Used In) Investing Activities	32,335	(203,256)	326,258	155,337	252,018	2,102,015	2,423,916	4,777,949	178,004	1,977,715	1,052,599	3,208,318	64,782	85,128	128,661	278,572		
FUND NET CASH FLOWS	560,242	(310,860)	1,826,975	2,076,357	5,517,231	3,117,257	19,082,746	27,717,235	4,449,955	1,835,199	3,347,472	9,632,626	46,653	762,612	2,671,275	3,480,540		
DEBT SERVICE RATIO																		
Debt Service Ratio (Indenture Based)																		
Total Operating Revenues	1,461,866	1,557,294	4,308,513	7,327,672	12,313,186	13,616,328	40,512,428	66,441,941	16,590,215	18,280,608	50,634,280	85,505,102	16,287,500	21,822,513	50,680,860	88,790,873		
Total Operating Expenses (Cash Based)	(844,464)	(1,194,701)	(1,768,720)	(3,807,885)	(7,123,160)	(10,620,394)	(15,138,468)	(32,882,022)	(10,022,881)	(13,752,764)	(21,804,450)	(45,580,095)	(10,742,262)	(14,260,307)	(21,782,225)	(46,784,794)		
Interest Income	32,335	41,744	326,258	400,337	247,018	319,841	2,423,916	2,990,775	173,004	195,541	1,052,599	1,421,144	64,782	85,128	128,661	278,572		
Annual Lease Payment (City)	-	-	(113,432)	(113,432)	-	-	(1,020,885)	(1,020,885)	-	-	(1,361,180)	(1,361,180)	-	-	(1,400,000)	(1,400,000)		
Total Non-Operating Revenues (Expenses)	91,386	42,406	1,027,607	1,161,399	466,538	1,254,640	3,848,665	5,569,843	914,122	1,579,648	4,542,895	7,036,665	754,100	877,900	4,165,900	5,797,900		
Cash Available For Debt Service	741,123	446,742	3,780,226	4,968,092	5,903,582	4,570,415	30,625,656	41,099,653	7,654,460	6,303,033	33,064,144	47,021,637	6,364,120	8,525,235	31,793,196	46,682,551		
Interest Paid	96,351	12,653	982,404	1,091,407	867,155	113,874	8,841,633	9,822,662	1,156,207	151,832	11,788,844	13,096,883	1,130,484	153,143	11,788,844	13,072,471		
Debt Retirement (Principal Payments)	187,956	48,008	278,506	514,470	1,691,601	432,072	2,506,557	4,630,231	2,255,468	576,096	3,342,077	6,173,641	2,344,383	575,980	3,342,077	6,262,440		
Total Debt Service	284,306	60,661	1,260,910	1,605,877	2,558,756	545,946	11,348,191	14,452,893	3,411,675	727,928	15,130,921	19,270,524	3,474,867	729,123	15,130,921	19,334,911		
Debt Service Ratio	2.61	7.36	3.00	3.09	2.31	8.37	2.70	2.84	2.24	8.66	2.19	2.44	1.83	11.69	2.10	2.41		

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WATER
For the Period Ended September 30, 2023

STATEMENTS OF ACTIVITIES	Suburban - Water														
	Month					Year To Date					Full Year				
	Actual	Q3 FC	Prior Year	FC Var	PY Var	Actual	Q3 FC	Prior Year	FC Var	PY Var	Q3 FC	Budget	Prior Year	Bud Var	PY Var
Operating Revenues:															
User Charges	1,461,866	1,400,640	1,369,967	61,226	91,900	12,313,186	12,242,951	11,479,653	70,235	833,533	16,590,215	16,287,500	16,317,932	302,715	272,283
Connection & System Charges	89,101	146,660	128,290	(57,559)	(39,189)	410,083	504,436	496,019	(94,353)	(85,936)	796,419	680,700	653,032	115,719	143,387
Other Miscellaneous Revenues	1,995	4,170	22,685	(2,175)	(20,690)	43,173	144,518	597,253	(101,345)	(554,350)	64,026	31,800	173,318	32,226	(109,292)
Total Operating Revenues	1,552,962	1,551,470	1,520,942	1,492	32,020	12,766,442	12,891,905	12,573,195	(125,463)	193,247	17,450,661	17,000,000	17,144,282	450,661	306,379
Operating Expenses:															
Personnel	332,146	322,183	301,406	(9,964)	(30,741)	2,853,982	2,859,233	2,443,888	5,251	(410,095)	3,763,942	3,838,376	3,020,805	74,434	(743,137)
Shared Services - General & Administrative	54,639	59,990	39,173	5,351	(15,466)	552,966	592,858	436,685	39,892	(116,280)	704,795	847,837	553,636	143,041	(151,159)
Utilities	39,858	40,990	38,254	1,132	(1,605)	361,209	370,100	386,493	8,891	25,283	447,491	516,389	481,997	68,898	34,506
Materials and Supplies	54,195	79,750	42,446	25,555	(11,749)	444,420	557,588	573,569	113,169	129,150	961,564	887,370	860,080	(74,194)	(101,484)
Miscellaneous Services	363,625	389,170	303,404	25,545	(60,220)	2,910,583	2,994,361	2,504,258	83,779	(406,325)	4,103,489	4,610,690	3,664,554	507,201	(438,935)
Treatment and Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization	258,365	258,527	255,161	162	(3,204)	2,318,307	2,318,632	2,263,839	325	(54,468)	3,480,534	3,023,000	3,665,628	(457,534)	185,294
Major Maintenance Expenses	-	-	749	-	749	-	-	6,937	-	6,937	-	-	-	-	-
Other Miscellaneous	-	-	-	-	-	-	66	250	66	250	41,600	41,600	156,699	-	115,099
Total Operating Expenses	1,102,828	1,150,610	980,593	47,782	(122,236)	9,441,467	9,692,840	8,615,919	251,372	(825,548)	13,503,415	13,765,262	12,403,599	261,847	(1,099,816)
Net Operating Profit	450,134	400,860	540,349	49,274	(90,215)	3,324,975	3,199,066	3,957,276	125,910	(632,301)	3,947,246	3,234,738	4,740,683	712,508	(793,437)
Non-Operating Income (Expense)															
Interest Income	32,335	7,590	12,117	24,745	20,218	247,018	195,982	55,156	51,036	191,861	173,004	64,782	103,451	108,222	69,554
Interest (Expense)	(95,432)	(95,449)	(100,829)	18	5,397	(883,667)	(883,695)	(901,985)	28	18,318	(1,161,335)	(1,130,484)	(847,133)	(30,851)	(314,202)
Other Miscellaneous	290	-	(18,247)	290	18,537	13,282	12,478	(117,416)	803	130,698	12,076	-	141,512	12,076	(129,436)
Net Non-Operating Income (Expense)	(62,807)	(87,859)	(106,959)	25,052	44,152	(623,368)	(675,235)	(964,245)	51,867	340,877	(976,255)	(1,065,702)	(602,170)	89,447	(374,085)
Net Income (Loss)	387,327	313,001	433,390	74,326	(46,064)	2,701,607	2,523,831	2,993,031	177,777	(291,424)	2,970,991	2,169,036	4,138,513	801,955	(1,167,522)
CASH FLOW STATEMENT															
Cash Flows From Operating Activities															
Operating Revenues	1,552,962	1,551,470	1,520,942	1,492	32,020	12,766,442	12,891,905	12,573,195	(125,463)	193,247	17,450,661	17,000,000	17,144,282	450,661	306,379
Operating Expenses (ex D&A)	(844,464)	(892,083)	(725,432)	47,619	(119,032)	(7,123,160)	(7,374,207)	(6,352,080)	251,048	(771,080)	(10,022,881)	(10,742,262)	(8,737,771)	719,381	(1,285,111)
Non-Cash Working Capital Changes	272,688	272,715	(423,343)	(27)	696,031	(2,683,644)	(2,683,422)	(1,347,652)	(222)	(1,335,991)	30,540	(0)	675,196	30,540	(644,656)
Net Cash Provided by (Used in) Operating Activities	981,187	932,103	372,167	49,084	609,019	2,959,639	2,834,276	4,873,463	125,363	(1,913,824)	7,458,319	6,257,738	9,081,707	1,200,581	(1,623,387)
Cash Flows From Financing Activities															
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds New Borrowing	-	-	-	-	-	6,950,000	6,950,000	-	-	6,950,000	6,950,000	3,950,000	-	3,000,000	6,950,000
Interest Payments	(928)	(963)	(1,022)	35	95	(594,183)	(594,253)	(603,559)	70	9,376	(1,156,207)	(1,130,484)	(1,200,136)	(25,723)	43,929
Principal Payments	(6,315)	(7,575)	(6,220)	1,260	(95)	(56,548)	(59,066)	(121,523)	2,518	64,975	(2,255,468)	(2,344,383)	(1,925,231)	88,915	(330,237)
Net Cash Provided by (Used in) Financing Activities	(7,243)	(8,537)	(7,243)	1,295	-	6,299,269	6,296,681	(725,082)	2,588	7,024,351	3,538,325	475,133	(3,125,367)	3,063,192	6,663,693
Cash Flows from Capital and Related Activities															
Non-Operating Income (Expenses)	290	-	(18,247)	290	18,537	13,282	12,478	(117,416)	803	130,698	12,076	-	(112,090)	12,076	124,166
Capital Expenditures, net	(446,326)	(446,108)	(60,240)	(218)	(386,086)	(4,006,976)	(4,039,054)	(1,678,112)	32,078	(2,328,864)	(6,736,771)	(6,751,000)	(5,193,258)	14,229	(1,543,513)
Net Cash Provided By (Used In) Capital and Related Activities	(446,036)	(446,108)	(78,487)	72	(367,549)	(3,993,694)	(4,026,575)	(1,795,528)	32,881	(2,198,166)	(6,724,694)	(6,751,000)	(5,305,347)	26,306	(1,419,347)
Cash Flows From Investing Activities															
Investments Converting To Cash	-	-	-	-	-	739,000	739,000	990,000	-	(251,000)	739,000	-	990,000	739,000	(251,000)
Purchased Investments	-	-	-	-	-	(734,000)	(734,000)	(984,000)	-	250,000	(734,000)	-	(984,000)	(734,000)	250,000
Interest Income	32,335	7,590	12,117	24,745	20,218	247,018	195,982	55,156	51,036	191,861	173,004	64,782	103,451	108,222	69,554
Net Cash Provided By (Used In) Investing Activities	32,335	7,590	12,117	24,745	20,218	252,018	200,982	61,156	51,036	190,861	178,004	64,782	109,451	113,222	68,554
FUND NET CASH FLOWS	560,242	485,047	298,555	75,196	261,688	5,517,231	5,305,363	2,414,008	211,868	3,103,222	4,449,955	46,653	760,443	4,403,302	3,689,512
DEBT SERVICE RATIO															
Debt Service Ratio (Indenture Based)															
User Charges	1,461,866	1,400,640	1,369,967	61,226	91,900	12,313,186	12,242,951	11,479,653	70,235	833,533	16,590,215	16,287,500	16,317,932	302,715	272,283
Operating Expenses (Cash Based)	(844,464)	(892,083)	(725,432)	47,619	(119,032)	(7,123,160)	(7,374,207)	(6,352,080)	251,048	(771,080)	(10,022,881)	(10,742,262)	(8,737,771)	719,381	(1,285,111)
Interest Income	32,335	7,590	12,117	24,745	20,218	247,018	195,982	55,156	51,036	191,861	173,004	64,782	103,451	108,222	69,554
Annual Lease Payment (City)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Revenues (Expenses)	91,386	150,830	132,728	(59,444)	(41,342)	466,538	661,433	976,125	(194,895)	(509,587)	914,122	754,100	967,862	160,022	(53,741)
Cash Available For Debt Service	741,123	666,977	789,380	74,146	(48,256)	5,903,582	5,726,158	6,158,855	177,424	(255,273)	7,654,460	6,364,120	8,651,474	1,290,340	(997,014)
Interest Paid	96,351	96,351	100,011	-	(3,661)	867,155	867,155	900,102	-	(32,947)	1,156,207	1,130,484	1,200,136	25,723	(43,929)
Debt Retirement (Principal Payments)	187,956	187,956	160,436	-	27,520	1,691,601	1,691,601	1,443,923	-	247,678	2,255,468	2,344,383	1,925,231	(88,915)	330,237
Total Debt Service	284,306	284,306	260,447	-	23,859	2,558,756	2,558,756	2,344,025	-	214,731	3,411,675	3,474,867	3,125,367	(63,192)	286,307
Debt Service Ratio	2.61	2.35	3.03	0.26	(0.42)	2.31	2.24	2.63	0.07	(0.32)	2.24	1.83	2.77	0.41	(0.52)

LEHIGH COUNTY AUTHORITY
VARIANCE ANALYSIS - YTD
For the Period Ended September 30, 2023

STATEMENTS OF ACTIVITIES

Operating Revenues:

User Charges
Connection & System Charges
Other Miscellaneous Revenues

Total Operating Revenues

Operating Expenses:

Personnel
Shared Services - General & Administrative
Utilities
Materials and Supplies
Miscellaneous Services
Treatment and Transportation
Depreciation and Amortization
Major Maintenance Expenses
Other Miscellaneous

Total Operating Expenses

Net Operating Profit

Non-Operating Income (Expense)

Interest Income
Interest (Expense)
Other Miscellaneous

Net Non-Operating Income (Expense)

Net Income (Loss)

CASH FLOW STATEMENT

Cash Flows From Operating Activities

Operating Revenues
Operating Expenses (ex D&A)
Non-Cash Working Capital Changes

Net Cash Provided by (Used in) Operating Activities

Cash Flows From Financing Activities

Capital Contributions
Proceeds New Borrowing
Interest Payments
Principal Payments

Net Cash Provided by (Used in) Financing Activities

Cash Flows from Capital and Related Activities

Non-Operating Income (Expenses)
Capital Expenditures, net

Net Cash Provided By (Used In) Capital and Related Activities

Cash Flows From Investing Activities

Investments Converting To Cash
Purchased Investments
Interest Income

Net Cash Provided By (Used In) Investing Activities

FUND NET CASH FLOWS

Suburban - Water			
Actual	Q3 FC	FC Var	Comments
12,313,186	12,242,951	70,235	Lower tapping fees and developer reimbursement
410,083	504,436	(94,353)	
43,173	144,518	(101,345)	
12,766,442	12,891,905	(125,463)	Lower system and other revenues
2,853,982	2,859,233	5,251	
552,966	592,858	39,892	
361,209	370,100	8,891	
444,420	557,588	113,169	
2,910,583	2,994,361	83,779	
-	-	-	
2,318,307	2,318,632	325	
-	-	-	
-	66	66	
9,441,467	9,692,840	251,372	
3,324,975	3,199,066	125,910	Lower operating expenses partially offset by lower operating revenues
247,018	195,982	51,036	
(883,667)	(883,695)	28	
13,282	12,478	803	
(623,368)	(675,235)	51,867	Higher interest income
2,701,607	2,523,831	177,777	Higher net operating income aided by higher interest income

Cash Flows From Operating Activities	12,766,442	12,891,905	(125,463)	
Operating Revenues	(7,123,160)	(7,374,207)	251,048	
Operating Expenses (ex D&A)	(2,683,644)	(2,683,422)	(222)	
Net Cash Provided by (Used in) Operating Activities	2,959,639	2,834,276	125,363	Lower operating expenses partially offset by lower operating revenues
Cash Flows From Financing Activities	-	-	-	
Capital Contributions	6,950,000	6,950,000	-	
Proceeds New Borrowing	(594,183)	(594,253)	70	
Interest Payments	(56,548)	(59,066)	2,518	
Principal Payments	6,299,269	6,296,681	2,588	
Net Cash Provided by (Used in) Financing Activities	13,282	12,478	803	
Cash Flows from Capital and Related Activities	(4,006,976)	(4,039,054)	32,078	
Non-Operating Income (Expenses)	(3,993,694)	(4,026,575)	32,881	
Capital Expenditures, net	739,000	739,000	-	
Net Cash Provided By (Used In) Capital and Related Activities	(734,000)	(734,000)	-	
Cash Flows From Investing Activities	247,018	195,982	51,036	
Investments Converting To Cash	252,018	200,982	51,036	
Purchased Investments				
Interest Income				
Net Cash Provided By (Used In) Investing Activities				
FUND NET CASH FLOWS	5,517,231	5,305,363	211,868	Higher cash from operations and higher interest income

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER
For the Period Ended September 30, 2023

STATEMENTS OF ACTIVITIES	Suburban - Wastewater														
	Month					Year To Date					Full Year				
	Actual	Q3 FC	Prior Year	FC Var	PY Var	Actual	Q3 FC	Prior Year	FC Var	PY Var	Q3 FC	Budget	Prior Year	Bud Var	PY Var
Operating Revenues:															
User Charges	1,557,294	1,215,365	1,195,590	341,928	361,703	13,616,328	12,434,355	11,067,342	1,181,973	2,548,986	18,280,608	21,822,513	15,021,652	(3,541,905)	3,258,956
Connection & System Charges	37,441	13,420	51,726	24,021	(14,285)	1,204,488	980,894	1,150,664	223,594	53,824	1,541,094	875,600	3,319,169	665,494	(1,778,075)
Other Miscellaneous Revenues	75	90	60	(15)	15	450	520	255	(70)	195	2,450	2,300	1,585	150	865
Total Operating Revenues	1,594,809	1,228,875	1,247,376	365,934	347,433	14,821,265	13,415,769	12,218,261	1,405,497	2,603,005	19,824,151	22,700,413	18,342,406	(2,876,262)	1,481,745
Operating Expenses:															
Personnel	133,759	136,060	110,944	2,300	(22,815)	1,272,524	1,303,039	991,773	30,515	(280,750)	1,565,021	1,739,145	1,245,134	174,124	(319,887)
Shared Services - General & Administrative	21,528	21,660	13,785	132	(7,743)	246,487	279,674	177,129	33,187	(69,357)	291,653	353,525	225,034	61,871	(66,619)
Utilities	17,790	25,040	18,760	7,250	971	183,422	207,963	212,474	24,541	29,052	287,233	312,787	271,866	25,554	(15,367)
Materials and Supplies	37,354	32,030	25,069	(5,324)	(12,285)	308,781	277,403	208,984	(31,378)	(99,797)	435,313	324,100	339,120	(111,213)	(96,193)
Miscellaneous Services	648,981	606,440	550,807	(42,541)	(98,174)	5,380,168	5,237,435	4,809,330	(142,733)	(570,838)	7,287,795	7,212,206	6,503,137	(75,589)	(784,658)
Treatment and Transportation	335,270	357,779	245,000	22,509	(90,270)	3,226,329	2,791,410	1,831,397	(434,919)	(1,394,932)	3,864,746	4,293,345	2,846,176	428,599	(1,018,570)
Depreciation and Amortization	508,303	519,616	516,262	11,313	7,959	4,645,163	4,677,115	4,646,314	31,952	1,151	6,955,318	6,221,900	7,090,828	(733,418)	135,510
Major Maintenance Expenses	19	466	465	446	446	2,683	18,284	22,456	15,601	19,773	-	25,200	-	25,200	-
Other Miscellaneous	-	-	-	-	-	-	-	-	-	-	21,003	-	86,525	(21,003)	65,522
Total Operating Expenses	1,703,004	1,699,091	1,481,092	(3,914)	(221,912)	15,265,557	14,792,323	12,899,858	(473,234)	(2,365,699)	20,708,082	20,482,207	18,607,820	(225,875)	(2,100,262)
Net Operating Profit	(108,195)	(470,216)	(233,716)	362,020	125,521	(444,292)	(1,376,554)	(681,598)	932,263	237,306	(883,931)	2,218,206	(265,414)	(3,102,137)	(618,517)
Non-Operating Income (Expense)															
Interest Income	41,744	9,840	15,052	31,904	26,693	319,841	156,381	70,371	163,460	249,471	195,541	85,128	130,269	110,413	65,273
Interest (Expense)	(12,574)	(12,653)	(15,362)	79	2,788	(117,970)	(116,037)	(138,028)	(1,933)	20,059	(155,495)	(153,143)	(185,935)	(2,352)	30,440
Other Miscellaneous	4,890	-	(57,490)	4,890	62,381	49,702	36,551	(163,422)	13,151	213,124	36,105	-	(134,047)	36,105	170,151
Net Non-Operating Income (Expense)	34,060	(2,813)	(57,801)	36,873	91,861	251,574	76,896	(231,080)	174,678	482,654	76,151	(68,015)	(189,713)	144,166	265,864
Net Income (Loss)	(74,135)	(473,029)	(291,517)	398,894	217,382	(192,718)	(1,299,659)	(912,677)	1,106,941	719,959	(807,779)	2,150,192	(455,127)	(2,957,971)	(352,652)
CASH FLOW STATEMENT															
Cash Flows From Operating Activities															
Operating Revenues	1,594,809	1,228,875	1,247,376	365,934	347,433	14,821,265	13,415,769	12,218,261	1,405,497	2,603,005	19,824,151	22,700,413	18,342,406	(2,876,262)	1,481,745
Operating Expenses (ex D&A)	(1,194,682)	(1,179,009)	(964,365)	(15,673)	(230,316)	(10,617,711)	(10,096,924)	(8,231,088)	(520,787)	(2,386,623)	(13,752,764)	(14,235,107)	(11,516,992)	482,342	(2,235,772)
Non-Cash Working Capital Changes	(105,265)	(106,000)	115,729	735	(220,993)	(1,058,646)	(1,060,536)	(707,103)	1,890	(351,544)	(24,728)	(25,200)	907,512	472	(932,241)
Net Cash Provided by (Used in) Operating Activities	294,862	(56,134)	398,740	350,996	(103,871)	3,144,908	2,258,309	3,280,070	886,599	(135,162)	6,046,659	8,440,106	7,732,926	(2,393,448)	(1,686,268)
Cash Flows From Financing Activities															
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds New Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Payments	(11,903)	(12,303)	(11,350)	400	(553)	(111,509)	(113,282)	(105,709)	1,773	(5,799)	(151,832)	(153,143)	(141,271)	1,311	(10,561)
Principal Payments	(48,273)	(48,242)	(47,107)	(31)	(1,166)	(430,931)	(430,779)	(420,532)	(152)	(10,399)	(576,096)	(575,980)	(562,430)	(116)	(13,666)
Net Cash Provided by (Used in) Financing Activities	(60,176)	(60,545)	(58,457)	370	(1,719)	(542,440)	(544,061)	(526,242)	1,621	(16,198)	(727,928)	(729,123)	(703,701)	1,195	(24,227)
Cash Flows from Capital and Related Activities															
Non-Operating Income (Expenses)	4,890	-	(57,490)	4,890	62,381	49,702	36,551	(163,422)	13,151	213,124	36,105	-	(134,047)	36,105	170,151
Capital Expenditures, net	(347,181)	(347,381)	(82,557)	199	(264,624)	(1,636,929)	(1,676,999)	(2,331,504)	40,069	694,575	(5,497,352)	(7,033,500)	(3,673,467)	1,536,148	(1,823,885)
Net Cash Provided By (Used In) Capital and Related Activities	(342,291)	(347,381)	(140,047)	5,090	(202,244)	(1,587,227)	(1,640,447)	(2,494,926)	53,220	907,699	(5,461,247)	(7,033,500)	(3,807,514)	1,572,253	(1,653,733)
Cash Flows From Investing Activities															
Investments Converting To Cash	249,000	-	-	249,000	249,000	5,381,174	4,887,174	2,906,000	494,000	2,475,174	5,381,174	-	2,906,000	5,381,174	2,475,174
Purchased Investments	(494,000)	(245,000)	(245,000)	(249,000)	(249,000)	(3,599,000)	(3,105,000)	(4,898,000)	(494,000)	1,299,000	(3,599,000)	-	(4,898,000)	(3,599,000)	1,299,000
Interest Income	41,744	9,840	15,052	31,904	26,693	319,841	156,381	70,371	163,460	249,471	195,541	85,128	130,269	110,413	65,273
Net Cash Provided By (Used In) Investing Activities	(203,256)	(235,160)	(229,948)	31,904	26,693	2,102,015	1,938,555	(1,921,630)	163,460	4,023,645	1,977,715	85,128	(1,861,731)	1,892,587	3,839,447
FUND NET CASH FLOWS	(310,860)	(699,219)	(29,712)	388,360	(281,147)	3,117,257	2,012,356	(1,662,727)	1,104,901	4,779,984	1,835,199	762,612	1,359,980	1,072,587	475,219
DEBT SERVICE RATIO															
Debt Service Ratio (Indenture Based)															
User Charges	1,557,294	1,215,365	1,195,590	341,928	361,703	13,616,328	12,434,355	11,067,342	1,181,973	2,548,986	18,280,608	21,822,513	15,021,652	(3,541,905)	3,258,956
Operating Expenses (Cash Based)	(1,194,701)	(1,179,474)	(964,831)	(15,227)	(229,871)	(10,620,394)	(10,115,208)	(8,253,544)	(505,186)	(2,366,850)	(13,752,764)	(14,260,307)	(11,516,992)	507,542	(2,235,772)
Interest Income	41,744	9,840	15,052	31,904	26,693	319,841	156,381	70,371	163,460	249,471	195,541	85,128	130,269	110,413	65,273
Annual Lease Payment (City)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Revenues (Expenses)	42,406	13,510	(5,704)	28,896	48,110	1,254,640	1,017,965	987,497	236,675	267,143	1,579,648	877,900	3,186,707	701,748	(1,607,059)
Cash Available For Debt Service	446,742	59,241	240,107	387,502	206,635	4,570,415	3,493,493	3,871,665	1,076,922	698,750	6,303,033	8,525,235	6,821,636	(2,222,202)	(518,603)
Interest Paid	12,653	12,653	11,773	-	880	113,874	113,874	105,953	-	7,921	151,832	153,143	141,271	(1,311)	10,561
Debt Retirement (Principal Payments)	48,008	48,008	46,869	-	1,139	432,072	432,072	421,823	-	10,249	576,096	575,980	562,430	116	13,666
Total Debt Service	60,661	60,661	58,642	-	2,019	545,946	545,946	527,776	-	18,170	727,928	729,123	703,701	(1,195)	24,227
Debt Service Ratio	7.36	0.98	4.09	6.39	3.27	8.37	6.40	7.34	1.97	1.04	8.66	11.69	9.69	(3.03)	(1.04)

LEHIGH COUNTY AUTHORITY
VARIANCE ANALYSIS - YTD
For the Period Ended September 30, 2023

STATEMENTS OF ACTIVITIES

Operating Revenues:

User Charges
Connection & System Charges
Other Miscellaneous Revenues

Total Operating Revenues

Operating Expenses:

Personnel
Shared Services - General & Administrative
Utilities
Materials and Supplies
Miscellaneous Services
Treatment and Transportation
Depreciation and Amortization
Major Maintenance Expenses
Other Miscellaneous

Total Operating Expenses

Net Operating Profit

Non-Operating Income (Expense)

Interest Income
Interest (Expense)
Other Miscellaneous

Net Non-Operating Income (Expense)

Net Income (Loss)

CASH FLOW STATEMENT

Cash Flows From Operating Activities

Operating Revenues
Operating Expenses (ex D&A)
Non-Cash Working Capital Changes

Net Cash Provided by (Used in) Operating Activities

Cash Flows From Financing Activities

Capital Contributions
Proceeds New Borrowing
Interest Payments
Principal Payments

Net Cash Provided by (Used in) Financing Activities

Cash Flows from Capital and Related Activities

Non-Operating Income (Expenses)
Capital Expenditures, net

Net Cash Provided By (Used In) Capital and Related Activities

Cash Flows From Investing Activities

Investments Converting To Cash
Purchased Investments
Interest Income

Net Cash Provided By (Used In) Investing Activities

FUND NET CASH FLOWS

Suburban - Wastewater			
Actual	Q3 FC	FC Var	Comments
13,616,328	12,434,355	1,181,973	Higher municipal revenues and higher hauler fees
1,204,488	980,894	223,594	Higher tapping fees
450	520	(70)	
14,821,265	13,415,769	1,405,497	Higher user charges and higher tapping fees
1,272,524	1,303,039	30,515	Higher flow/load volumes
246,487	279,674	33,187	
183,422	207,963	24,541	
308,781	277,403	(31,378)	
5,380,168	5,237,435	(142,733)	
3,226,329	2,791,410	(434,919)	
4,645,163	4,677,115	31,952	
2,683	18,284	15,601	
-	-	-	
15,265,557	14,792,323	(473,234)	Mostly due to higher T&T costs
(444,292)	(1,376,554)	932,263	Higher operating revenues partially offset by higher Treatment & Transportation costs
319,841	156,381	163,460	
(117,970)	(116,037)	(1,933)	
49,702	36,551	13,151	
251,574	76,896	174,678	Higher interest income
(192,718)	(1,299,659)	1,106,941	Higher net operating income aided by higher interest income
14,821,265	13,415,769	1,405,497	
(10,617,711)	(10,096,924)	(520,787)	
(1,058,646)	(1,060,536)	1,890	
3,144,908	2,258,309	886,599	Higher operating revenues partially offset by higher Treatment & Transportation costs
-	-	-	
-	-	-	
(111,509)	(113,282)	1,773	
(430,931)	(430,779)	(152)	
(542,440)	(544,061)	1,621	
49,702	36,551	13,151	
(1,636,929)	(1,676,999)	40,069	
(1,587,227)	(1,640,447)	53,220	
5,381,174	4,887,174	494,000	
(3,599,000)	(3,105,000)	(494,000)	
319,841	156,381	163,460	
2,102,015	1,938,555	163,460	Higher interest income
3,117,257	2,012,356	1,104,901	Higher cash from operations and higher interest income

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
For the Period Ended September 30, 2023

STATEMENTS OF ACTIVITIES	City Division														
	Month					Year To Date					Full Year				
	Actual	Q3 FC	Prior Year	FC Var	PY Var	Actual	Q3 FC	Prior Year	FC Var	PY Var	Q3 FC	Budget	Prior Year	Bud Var	PY Var
Operating Revenues:															
User Charges	4,308,513	4,077,257	4,726,055	231,255	(417,542)	40,512,428	40,258,663	35,251,173	253,764	5,261,255	50,634,280	50,680,860	46,757,244	(46,580)	3,877,036
Connection & System Charges	1,029,367	478,290	1,006,675	551,077	22,692	3,769,368	2,964,479	3,552,571	804,889	216,796	4,421,699	4,096,600	8,334,971	325,099	(3,913,272)
Other Miscellaneous Revenues	3,440	24,810	76,830	(21,370)	(73,390)	84,497	89,487	116,500	(4,989)	(32,003)	121,197	69,300	214,662	51,897	(93,465)
Total Operating Revenues	5,341,320	4,580,357	5,809,559	760,962	(468,240)	44,366,293	43,312,629	38,920,244	1,053,664	5,446,049	55,177,175	54,846,760	55,306,877	330,415	(129,702)
Operating Expenses:															
Personnel	933,699	1,033,969	905,220	100,270	(28,479)	8,378,988	8,684,677	8,329,557	305,689	(49,431)	11,992,187	12,818,583	10,317,615	826,396	(1,674,572)
Shared Services - General & Administrative	173,746	180,670	132,020	6,924	(41,726)	1,531,475	1,741,153	1,234,804	209,677	(296,671)	2,309,112	2,197,452	1,605,755	(111,661)	(703,357)
Utilities	187,425	147,820	131,999	(39,605)	(55,426)	1,490,783	1,453,929	1,290,730	(36,854)	(200,053)	2,135,769	2,018,173	1,802,290	(117,596)	(333,479)
Materials and Supplies	316,188	188,160	138,026	(128,028)	(178,162)	2,230,106	2,244,441	1,549,454	14,334	(680,652)	3,159,541	2,621,000	2,227,858	(538,541)	(931,683)
Miscellaneous Services	149,900	147,470	99,211	(2,430)	(50,689)	1,315,212	1,378,964	1,113,247	63,752	(201,966)	2,193,511	2,112,700	1,807,096	(80,811)	(386,415)
Treatment and Transportation	-	-	-	-	-	5,220	6,950	5,625	1,730	405	14,330	14,318	11,594	(12)	(2,736)
Depreciation and Amortization	519,750	517,210	529,042	(2,540)	9,292	4,662,710	4,649,454	4,701,062	(13,256)	38,352	6,384,824	6,160,000	6,492,068	(224,824)	107,244
Major Maintenance Expenses	7,763	1,027,348	226,070	1,019,585	218,306	186,684	1,397,795	429,734	1,211,111	243,049	4,000,000	4,000,000	5,708,208	-	1,708,208
Other Miscellaneous	-	-	2,963	-	2,963	-	-	13,363	-	13,363	-	-	-	-	-
Total Operating Expenses	2,288,471	3,242,647	2,164,551	954,177	(123,920)	19,801,178	21,557,362	18,667,576	1,756,183	(1,133,603)	32,189,274	31,942,225	29,972,483	(247,049)	(2,216,791)
Net Operating Profit	3,052,849	1,337,710	3,645,008	1,715,139	(592,159)	24,565,114	21,755,267	20,252,668	2,809,847	4,312,446	22,987,901	22,904,535	25,334,393	83,366	(2,346,493)
Non-Operating Income (Expense)															
Interest Income	326,258	16,830	119,621	309,428	206,637	2,423,916	1,530,224	351,038	893,692	2,072,878	1,052,599	128,661	914,680	923,937	137,918
Interest (Expense)	(1,411,364)	(1,535,189)	(1,395,368)	123,825	(15,997)	(12,691,762)	(13,182,540)	(12,548,010)	490,778	(143,751)	(19,703,643)	(18,252,298)	(19,703,643)	(1,451,345)	-
Other Miscellaneous	(5,200)	-	-	(5,200)	(5,200)	(5,200)	-	-	(5,200)	(5,200)	-	-	-	-	-
Net Non-Operating Income (Expense)	(1,090,306)	(1,518,359)	(1,275,747)	428,053	185,441	(10,273,046)	(11,652,315)	(12,196,972)	1,379,270	1,923,927	(18,651,044)	(18,123,637)	(18,788,962)	(527,407)	137,918
Net Income (Loss)	1,962,543	(180,648)	2,369,262	2,143,192	(406,719)	14,292,069	10,102,952	8,055,696	4,189,117	6,236,373	4,336,857	4,780,898	6,545,431	(444,041)	(2,208,574)
CASH FLOW STATEMENT															
Cash Flows From Operating Activities															
Operating Revenues	5,341,320	4,580,357	5,809,559	760,962	(468,240)	44,366,293	43,312,629	38,920,244	1,053,664	5,446,049	55,177,175	54,846,760	55,306,877	330,415	(129,702)
Operating Expenses (ex D&A)	(1,760,957)	(1,698,089)	(1,409,439)	(62,868)	(351,518)	(14,951,784)	(15,510,113)	(13,536,780)	558,329	(1,415,004)	(21,804,450)	(21,782,225)	(23,480,415)	(22,224)	1,675,965
Non-Cash Working Capital Changes	(363,882)	(363,070)	(1,078,806)	(812)	714,925	(1,232,607)	(1,232,835)	(4,287,959)	228	3,055,352	(800,000)	0	(2,481,565)	(800,000)	1,681,565
Net Cash Provided by (Used in) Operating Activities	3,216,481	2,519,199	3,321,314	697,282	(104,833)	28,181,902	26,569,681	21,095,505	1,612,221	7,086,397	32,572,725	33,064,535	29,344,897	(491,809)	3,227,828
Cash Flows From Financing Activities															
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds New Borrowing	-	-	-	-	-	1,371,118	1,400,000	-	(28,882)	1,371,118	1,400,000	1,200,000	-	200,000	1,400,000
Interest Payments	(1,134)	-	-	(1,134)	(1,134)	(5,742,099)	(5,813,938)	(5,755,505)	71,839	13,406	(11,788,844)	(11,788,844)	(11,670,361)	-	(118,483)
Principal Payments	(5,172)	-	-	(5,172)	(5,172)	(10,283)	-	-	(10,283)	(10,283)	(3,342,077)	(3,342,077)	(2,514,642)	0	(827,435)
Net Cash Provided by (Used in) Financing Activities	(6,306)	-	-	(6,306)	(6,306)	(4,381,264)	(4,413,938)	(5,755,505)	32,674	1,374,241	(13,730,921)	(13,930,921)	(14,185,003)	200,000	454,082
Cash Flows from Capital and Related Activities															
Non-Operating Income (Expenses)	(685,790)	(680,590)	(643,326)	(5,200)	(42,464)	(1,366,380)	(1,361,180)	(1,286,651)	(5,200)	(79,729)	(1,361,180)	(1,400,000)	(1,286,651)	38,820	(74,529)
Capital Expenditures, net	(1,023,669)	(1,040,091)	(1,320,613)	16,422	296,944	(5,775,427)	(7,074,476)	(5,925,424)	1,299,048	149,996	(15,185,750)	(15,191,000)	(11,946,618)	5,250	(3,239,132)
Net Cash Provided By (Used In) Capital and Related Activities	(1,709,459)	(1,720,681)	(1,963,939)	11,222	254,480	(7,141,807)	(8,435,656)	(7,212,075)	1,293,848	70,267	(16,546,930)	(16,591,000)	(13,233,269)	44,070	(3,313,661)
Cash Flows From Investing Activities															
Investments Converting To Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchased Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	326,258	16,830	119,621	309,428	206,637	2,423,916	1,530,224	351,038	893,692	2,072,878	1,052,599	128,661	914,680	923,937	137,918
Net Cash Provided By (Used In) Investing Activities	326,258	16,830	119,621	309,428	206,637	2,423,916	1,530,224	351,038	893,692	2,072,878	1,052,599	128,661	914,680	923,937	137,918
FUND NET CASH FLOWS	1,826,975	815,348	1,476,996	1,011,627	349,979	19,082,746	15,250,311	8,478,964	3,832,435	10,603,783	3,347,472	2,671,275	2,841,305	676,198	506,167
DEBT SERVICE RATIO															
Debt Service Ratio (Indenture Based)															
User Charges	4,308,513	4,077,257	4,726,055	231,255	(417,542)	40,512,428	40,258,663	35,251,173	253,764	5,261,255	50,634,280	50,680,860	46,757,244	(46,580)	3,877,036
Operating Expenses (Cash Based)	(1,768,720)	(2,725,437)	(1,635,508)	956,717	(133,212)	(15,138,468)	(16,907,908)	(13,966,513)	1,769,440	(1,171,955)	(21,804,450)	(21,782,225)	(17,772,207)	(22,224)	(4,032,243)
Interest Income	326,258	16,830	119,621	309,428	206,637	2,423,916	1,530,224	351,038	893,692	2,072,878	1,052,599	128,661	914,680	923,937	137,918
Annual Lease Payment (City)	(113,432)	(113,432)	(107,221)	-	(6,211)	(1,020,885)	(1,020,885)	(964,988)	-	(55,897)	(1,361,180)	(1,400,000)	(1,286,651)	38,820	(74,529)
Non-Operating Revenues (Expenses)	1,027,607	503,100	1,083,505	524,507	(55,898)	3,848,665	3,053,965	3,669,071	794,700	179,593	4,542,895	4,165,900	8,549,633	376,995	(4,006,738)
Cash Available For Debt Service	3,780,226	1,758,319	4,186,451	2,021,907	(406,225)	30,625,656	26,914,060	24,339,781	3,711,596	6,285,875	33,064,144	31,793,196	37,162,699	1,270,948	(4,098,555)
Interest Paid	982,404	982,404	972,530	-	9,874	8,841,633	8,841,633	8,752,771	-	88,863	11,788,844	11,788,844	11,670,361	-	118,483
Debt Retirement (Principal Payments)	278,506	278,506	209,554	-	68,953	2,506,557	2,506,557	1,885,982	-	620,576	3,342,077	3,342,077	2,514,642	(0)	827,435
Total Debt Service	1,260,910	1,260,910	1,182,084	-	78,827	11,348,191	11,348,191	10,638,752	-	709,439	15,130,921	15,130,921	14,185,003	(0)	945,918
Debt Service Ratio	3.00	1.39	3.54	1.60	(0.54)	2.70	2.37	2.29	0.33	0.41	2.19	2.10	2.62	0.08	(0.43)

LEHIGH COUNTY AUTHORITY
VARIANCE ANALYSIS - YTD
For the Period Ended September 30, 2023

STATEMENTS OF ACTIVITIES

Operating Revenues:

User Charges
Connection & System Charges
Other Miscellaneous Revenues

Total Operating Revenues

Operating Expenses:

Personnel
Shared Services - General & Administrative
Utilities
Materials and Supplies
Miscellaneous Services
Treatment and Transportation
Depreciation and Amortization
Major Maintenance Expenses
Other Miscellaneous

Total Operating Expenses

Net Operating Profit

Non-Operating Income (Expense)

Interest Income
Interest (Expense)
Other Miscellaneous

Net Non-Operating Income (Expense)

Net Income (Loss)

CASH FLOW STATEMENT

Cash Flows From Operating Activities

Operating Revenues
Operating Expenses (ex D&A)
Non-Cash Working Capital Changes

Net Cash Provided by (Used in) Operating Activities

Cash Flows From Financing Activities

Capital Contributions
Proceeds New Borrowing
Interest Payments
Principal Payments

Net Cash Provided by (Used in) Financing Activities

Cash Flows from Capital and Related Activities

Non-Operating Income (Expenses)
Capital Expenditures, net

Net Cash Provided By (Used In) Capital and Related Activities

Cash Flows From Investing Activities

Investments Converting To Cash
Purchased Investments
Interest Income

Net Cash Provided By (Used In) Investing Activities

FUND NET CASH FLOWS

City Division			
Actual	Q3 FC	FC Var	Comments
40,512,428	40,258,663	253,764	Higher revenues from residential/commercial segments
3,769,368	2,964,479	804,889	Higher tapping fees
84,497	89,487	(4,989)	
44,366,293	43,312,629	1,053,664	Higher user charges and higher system charges
8,378,988	8,684,677	305,689	
1,531,475	1,741,153	209,677	
1,490,783	1,453,929	(36,854)	
2,230,106	2,244,441	14,334	
1,315,212	1,378,964	63,752	
5,220	6,950	1,730	
4,662,710	4,649,454	(13,256)	
186,684	1,397,795	1,211,111	
-	-	-	
19,801,178	21,557,362	1,756,183	Lower major maintenance costs
24,565,114	21,755,267	2,809,847	Higher operating revenues along with lower operating expenses
2,423,916	1,530,224	893,692	
(12,691,762)	(13,182,540)	490,778	
(5,200)	-	(5,200)	
(10,273,046)	(11,652,315)	1,379,270	Higher interest income and lower interest expense
14,292,069	10,102,952	4,189,117	Higher net operating income along with higher interest income
44,366,293	43,312,629	1,053,664	
(14,951,784)	(15,510,113)	558,329	
(1,232,607)	(1,232,835)	228	
28,181,902	26,569,681	1,612,221	Higher operating revenues along with lower operating expenses
-	-	-	
1,371,118	1,400,000	(28,882)	
(5,742,099)	(5,813,938)	71,839	
-	-	-	
(4,370,981)	(4,413,938)	42,957	
(10,283)	-	(10,283)	
(5,775,427)	(7,074,476)	1,299,048	
(5,785,710)	(7,074,476)	1,288,765	Lower capex
-	-	-	
-	-	-	
2,423,916	1,530,224	893,692	
2,423,916	1,530,224	893,692	Higher interest income
20,449,126	16,611,491	3,837,635	Higher cash from operations aided by lower capex and higher interest income

LEHIGH COUNTY AUTHORITY
CASH & INVESTMENT SUMMARY
For the Period Ended September 30, 2023

	Suburban Water				Suburban Wastewater				City Division				Total			
	9/30/2023 Actual	2023 Forecast	2023 Budget	2022 Actual	9/30/2023 Actual	2023 Forecast	2023 Budget	2022 Actual	9/30/2023 Actual	2023 Forecast	2023 Budget	2022 Actual	9/30/2023 Actual	2023 Forecast	2023 Budget	2022 Actual
Cash																
Operating																
Unrestricted	3,462,779	9,657,050	7,075,935	5,207,096	592,346	2,735,653	4,964,460	900,454	17,632,673	11,895,684	23,660,027	8,682,833	21,173,937	24,288,388	35,700,423	14,790,383
Restricted	-	-	-	-	-	-	-	-	28,534,854	25,406,775	18,916,156	25,418,086	28,534,854	25,406,775	18,916,156	25,418,086
Total Operating	3,462,779	9,657,050	7,075,935	5,207,096	592,346	2,735,653	4,964,460	900,454	46,167,527	37,302,459	42,576,183	34,100,919	49,708,791	49,695,163	54,616,578	40,208,469
Capital																
Unrestricted	7,313,667	321,054	319,718	321,054	10,229,440	6,862,722	5,955,385	6,862,722	3,482,404	3,482,404	3,022,601	3,347,783	21,025,511	10,666,180	9,297,704	10,531,560
Restricted	-	-	-	-	340,654	338,677	338,360	338,677	7,531,873	7,531,873	7,500,035	7,520,562	7,872,527	7,870,550	7,838,396	7,859,239
Total Capital	7,313,667	321,054	319,718	321,054	10,570,094	7,201,399	6,293,745	7,201,399	11,014,277	11,014,277	10,522,636	10,868,345	28,898,038	18,536,731	17,136,099	18,390,798
Other Restricted																
Debt Reserves	1,678,052	1,656,568	1,648,569	1,656,568	-	-	-	-	35,205,676	28,335,482	28,976,677	28,335,482	36,883,728	29,992,050	30,625,246	29,992,050
Escrow - Developer Deposits	466,339	218,888	295,372	218,888	56,670	-	-	-	32,102	32,090	-	32,090	555,111	250,978	295,372	250,978
Total Other Restricted	2,144,391	1,875,456	1,943,942	1,875,456	56,670	-	-	-	35,237,778	28,367,571	28,976,677	28,367,571	37,438,839	30,243,027	30,920,619	30,243,027
Total Cash	12,920,837	11,853,561	9,339,595	7,403,606	11,219,110	9,937,052	11,258,205	8,101,853	92,419,582	76,684,308	82,075,496	73,336,835	116,045,668	98,474,921	102,673,296	88,842,294
Investments																
Operating																
Unrestricted	1,943,657	1,944,885	1,975,123	1,944,885	7,148,203	7,084,624	6,977,548	8,866,269	-	-	-	-	9,091,861	9,029,509	8,952,671	10,811,154
Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating	1,943,657	1,944,885	1,975,123	1,944,885	7,148,203	7,084,624	6,977,548	8,866,269	-	-	-	-	9,091,861	9,029,509	8,952,671	10,811,154
Capital																
Unrestricted	1,052,751	1,000,184	1,000,000	1,000,184	-	-	-	-	-	-	-	-	1,052,751	1,000,184	1,000,000	1,000,184
Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital	1,052,751	1,000,184	1,000,000	1,000,184	-	-	-	-	-	-	-	-	1,052,751	1,000,184	1,000,000	1,000,184
Other Restricted																
Debt Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Escrow	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	2,996,408	2,945,069	2,975,123	2,945,069	7,148,203	7,084,624	6,977,548	8,866,269	-	-	-	-	10,144,611	10,029,693	9,952,671	11,811,338
Total Cash and Investments	15,917,245	14,798,630	12,314,718	10,348,675	18,367,314	17,021,676	18,235,753	16,968,122	92,419,582	76,684,308	82,075,496	73,336,835	126,190,279	108,504,614	112,625,967	100,653,633
Summary																
Cash																
Unrestricted	10,776,446	9,978,105	7,395,653	5,528,150	10,821,786	9,598,375	10,919,845	7,763,176	21,115,077	15,378,088	26,682,628	12,030,616	42,199,448	34,954,568	44,998,126	25,321,942
Restricted	2,144,391	1,875,456	1,943,942	1,875,456	397,325	338,677	338,360	338,677	71,304,505	61,306,220	55,392,868	61,306,220	73,846,220	63,520,352	57,675,170	63,520,352
Total Cash	12,920,837	11,853,561	9,339,595	7,403,606	11,219,110	9,937,052	11,258,205	8,101,853	92,419,582	76,684,308	82,075,496	73,336,835	116,045,668	98,474,921	102,673,296	88,842,294
Investments																
Unrestricted	2,996,408	2,945,069	2,975,123	2,945,069	7,148,203	7,084,624	6,977,548	8,866,269	-	-	-	-	10,144,611	10,029,693	9,952,671	11,811,338
Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	2,996,408	2,945,069	2,975,123	2,945,069	7,148,203	7,084,624	6,977,548	8,866,269	-	-	-	-	10,144,611	10,029,693	9,952,671	11,811,338
Total Cash and Investments	15,917,245	14,798,630	12,314,718	10,348,675	18,367,314	17,021,676	18,235,753	16,968,122	92,419,582	76,684,308	82,075,496	73,336,835	126,190,279	108,504,614	112,625,967	100,653,633

CERTIFICATES OF DEPOSIT

September 2023

Fund	Bank	Location	Gross Amount	Date of Purchase	Date Due	Net Rate %
WW Capac	Essential FCU	Plaquemine, LA	249,000.00	9/20/23	9/2/25	5.500

DEVELOPMENT ACTIVITY

Water system construction is occurring in the following developments:

7034 Ambassador Drive -Warehouse, UMT
 8323/8449 Congdon Hill Drive, 2 industrial lots with warehouses, LMT
 ABE Doors & Windows Redevelopment, 1 commercial lot, LMT
 Chick-Fil-A Building redesign existing water line staying
 Estates at Maple Ridge, Water main extension-UMiLT
 Fields at Indian Creek, Phases 4 & 5, 86 residential units (sfd), water and sewer, UMiLT & Emmaus
 Home Depot Sub Lot Condo unit LMT
 Kohler Tract, 123 residential lots (sfa), water and sewer, UMiLT
 Lehigh Hills, Lot 5 Phase 2, 240 residential units (sfd.), UMT
 Lehigh Hills Townhouses, 24 townhouse units (sfa), UMT
 Madison Village at Penn's View, 66 manufactured homes, 1 lot, water and sewer, LynnT
 Mosser Road 10 Townhouses,UMT
 Mountain View Estates, 27 residential units (sfd), LMT
 Parkland Crossings Main Extension 144 Town homes UMT
 Raising Canes 1 commercial lot LMT water
 Sauerkraut Lane Extension, Roadway & water line extension, LMT
 Spring Creek Properties, Lot 12, 1 lot, warehouse, LMT
 Trexler Point (Towns at Schaefer Run) 128 Townhouses UMT
 Trexler Center Unit 5-Wawa water,-LMT
 Wrenfield Townhouses 98 Townhomes UMT
 3369 Rt 100 Neighborhood Hospital & Medical Offices, 1 commercial lot, LMT
 7991 Quarry Road 1 lot, Warehouse,LMT

Water system plans are being reviewed for the following developments:

2024 Elbow lane single home,LMT
 2619 Grove Street Sewer Main Extension,Washington Township
 3400 Brookside Road, Indian Creek- 26 Single family homes-Main extension, LMT
 3952 Independence Drive,NW
 4002 Chestnut Street water main extension,Umilford
 4054 Chestnut Street Single connection,Umilford
 Valley at Indian Creek 3510 Macungie Road 22 Single family homes-LMT
 5329-5347-5357 Hamilton Blvd., 1 commercial lot, LMT
 Advanced Health Care of Allentown, 1 commercial lot, LMT
 Air Products & Chemicals-Cetronia Road, 1 commercial lot, UMT
 ATAS International, 1 industrial lot, UMT
 Bandit Truck Stop Sewer Main Extension, WT
 Carriage East Residential Development, 11 residential units, (sfd), UMT
 Chick-Fil-A Redevelopment, LMT
 Fallbrooke Residential Subdivision, 90 sf residential units, UMT
 Fields at Emmaus 78 Town Homes, UMT
 Glenlivet Drive West Main extension and subdivision
 Grant Street Townes, 18 Townhouse, WT
 Heidelberg Heights 10 Townhouses water ext on lot septic, HH
 Hidden Meadows - Phase 3, 20 townhouse units, UMT
 Lehigh Valley Town Center, Mixed use development, UMT
 Madison Village at Penn's View, 66 manufactured homes, 1 lot, water and sewer, LynnT
 Mertztown Residential Subdivision, 264 sf units & 136 townhouse units, LMT
 Schoeneck Road, Lot 1, 1 lot, warehouse, LMT
 Self-Storage Facility, Cedarbrook Road – 1 Commercial Lot, LMT
 Spring Creek Estates 2022 LMT 2 lots, 2 6 unit Apt, 8 single family homes, water
 The Annex at Fields at Indian Creek, 22 sf residential units, Emmaus Borough
 Towneplace Suites by Marriott, 91-room hotel, UMT
 Towns At Schaefer Run, 128 townhouse unit (sfa), UMT
 Trexlertown Retail Center-UMT gas station, carwash
 Twin Ponds 8739 Hamilton Blvd 22 Apts and 1 Daycare UMT
 Upper Macungie Community Center UMT commercial lot, water and Main Extension
 Woodmont Valley 2, 129 apartment units (former Allen Organ Co.) LMT-New
 V Parkland 9230 Long Lane, 16 Single family homes, UMT.

Sewage Facilities Planning Modules Reviewed in Prior Month:

Outback Steakhouse Restaurant	1300 Grape St	CWSA (Whitehall)	GPD 2,865
9230 Hamilton Blvd	9230 Hamilton Blvd	U Mac	223
MacArthur Commons Redevelopment 2	2601 / 2631 MacArthur Rd	CWSA	2,936
Parikh Network Popeyes	701 N 19th St	Allentown	1,428
25-27 North 10th St	25-27 North 10th St	Allentown	3,570

Lehigh County Authority
System Operations Review - September 2023
Presented: October 23, 2023

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System Operations Review - September 2023
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System Operations Review - September 2023
Presented: October 23, 2023

Critical Activities	System	Description	Sep-23	2023 Totals	2022 Totals	Permit
			Daily Avg (MGD)	Daily Avg (MGD)	Daily Avg (MGD)	Daily Max (MGD)
Water Production	Allentown	Total	23.28	22.75	22.47	39.0
		Schantz Spring	6.90	7.08	6.90	9.0
		Crystal Spring	3.90	3.89	3.87	4.0
		Little Lehigh Creek	12.41	11.75	11.68	30.0
		Lehigh River	0.07	0.03	0.03	28.0
	Central Lehigh	Total	11.75	11.51	11.30	19.04 MGD Avg
		Feed from Allentown	7.36	7.38	7.20	7.0 MGD Avg 10.5 MGD Max
		Well Production (CLD)	4.39	4.13	4.10	8.54 MGD Avg
		Sum of all (12) other Suburban Water Systems	0.14	0.13	0.14	1.71 Sum of all wells
Wastewater Treatment		Kline's Island	32.83	31.89	32.61	40.0
		Pretreatment Plant	4.82	4.84	5.06	5.75 (design capacity)
		Sum of all (5) other Suburban WW Systems	0.22	0.18	0.20	0.36
			Sep-23	2023 Totals	2022 Totals	2021 Totals
Precipitation Totals (inches)			4.03	33.20	46.47	44.67
Compliance Reports Submitted to Allentown			17	220	277	280
Notices of Violation (NOVs)		(Allentown + Suburban)	0	0	4	3
Sanitary Sewer Overflows (SSOs)/Bypasses		(Allentown + Suburban)	0	9	18	26
Main Breaks Repaired		Allentown	1	5	34	20
		Suburban	1	7	15	14
Customer Service Phone Inquiries		(Allentown + Suburban)	1191	8635	10,539	15,857
Water Shutoffs for Non-Payment		(Allentown + Suburban)	180	1523	1,975	1,773
Injury Accidents		(Allentown + Suburban)	2	15	7	8
Emergency Declarations		Allentown	1	2	(3) @ \$386,225.43	0
		Suburban	0	0	(4) @ \$933,077.1	(1) @ \$48,000

Significant Repairs/Upgrades:

In early September, an emergency declaration was authorized to remove and dewater solids from a build up within the Kline's Island Wastewater Treatment Plant primary settling tanks. The work was completed over a two-week period, which allowed the plant's treatment to stabilize and achieve compliance with all NPDES parameters.

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In early September, an emergency declaration was authorized to remove and dewater solids from a build up within the Kline's Island Wastewater Treatment Plant primary settling tanks. The work was completed over a two-week period, which allowed the plant's treatment to stabilize and achieve compliance with all NPDES parameters.

<u>Description of Non-Compliance Events:</u>
A Boil Water Advisory was issued in the Central Lehigh Division for 28 customers within the Far View Farms Development The notice was issued due to a main break on 09/25/23 and was lifted on 09/27/2023, after two consecutive days of coliform testing.

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<p><u>Injury Report:</u></p> <p>Two injuries were reported in September. One incident was recorded when an employee injured his shoulder while turning a valve. A second incident occurred when an employee struck his knee on a trailer door. Corrective measures are being taken for both incidents, which include updating SOPs and retraining employees.</p>

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Lehigh County Authority
System Operations Review - September 2023
Presented: October 23, 2023

Page 2

<u>Critical Activities</u>	<u>System</u>	<u>Description</u>	<u>Sep-23</u>	<u>2023 Totals</u>	<u>2022 Totals</u>
Wastewater Compliance	Allentown	Bypass	0	1	2
		Bypass Volume	0	1,595	369,704
		Permit Exceedances	0	0	1
		Sanitary Sewer Overflows	0	1	3
		COA Issued NOVs	0	0	1
		Regulatory Agency issued NOVs	0	0	0
	Arcadia	Bypass	0	0	0
		Bypass Volume	0	0	0
		Permit Exceedances	0	2	7
		Sanitary Sewer Overflows	0	0	0
		NOVs	0	0	0
	Heidelberg Heights	Bypass	0	5	8
		Bypass Volume	0	475,882	1,392,261
		Permit Exceedances	0	11	16
		Sanitary Sewer Overflows	0	0	0
		NOVs	0	0	0
	Lynn	Bypass	0	0	2
		Bypass Volume	0	0	472,000
		Permit Exceedances	0	0	7
		Sanitary Sewer Overflows	0	0	1
		NOVs	0	0	0
	Sand Spring	Bypass	0	0	0
		Bypass Volume	0	0	0
		Permit Exceedances	2	30	77
		Sanitary Sewer Overflows	0	0	0
		NOVs	0	0	1
	Wynnewood	Bypass	0	0	0
		Bypass Volume	0	0	0
		Permit Exceedances	0	3	4
		Sanitary Sewer Overflows	0	2	0
		NOVs	0	0	0
Water Compliance	Allentown	Boil Water Advisories	0	2	1
	Central Lehigh	Boil Water Advisories	1	1	2
	Suburban Water Systems	Boil Water Advisories	0	2	4