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Agendas & Minutes Posted:
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LEHIGH COUNTY AUTHORITY

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BOARD MEETING AGENDA – October 27, 2025 – 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 the 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 13, 2025 Board Meeting minutes*

4. Committee Reports

- *None*

5. Public Comments

6. Action / Discussion Items:

FINANCE AND ADMINISTRATION

- *Resolution 10-2025-1: Authorizing the Authority's Application for Grant Funding, Equipment Purchase (Approval) (blue) (digital Board packet, pages 8-9)*
- *2026 – 2030 Capital Plan (Approval) (white) (digital Board packet, pages 10-31)*
- *2026 Budget (Approval) (yellow) (digital Board packet, pages 32-36)*

WATER

- *Emergency Declaration – Water Main Replacement – 13th Street, Allentown (Approval) (green) (digital Board packet, pages 37-38)*

WASTEWATER

- *Suburban Division – Upper Western Lehigh Pump Station & Force Main Change Order (Approval) (pink) (digital Board packet, pages 39-43)*

7. Monthly Project Updates / Information Items (1st Board meeting per month)
8. Monthly Financial Review (2nd Board meeting per month) (digital Board packet, pages 44-57) – **September 2025 report attached**
9. Monthly System Operations Overview (2nd Board meeting per month) (digital Board packet, pages 58-65) – **September 2025 report attached**
10. Staff Comments
11. Solicitor's Comments
12. Public Comments / Other Comments
13. Board Member Comments
14. Executive Sessions
15. Adjournment

UPCOMING BOARD MEETINGS		
November 10, 2025	November 24, 2025	December 8, 2025

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 13, 2025

The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:01 p.m. on Monday, October 13, 2025, Chairman Amir Famili 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. Amir Famili, Jeff Morgan, Ted Lyons, Linda Rosenfeld, Kevin Baker, Sean Ziller, and Peter Dent were present for Roll Call and remained for the duration of the meeting.

Attorney Kevin Reid, the Authority's Solicitor, was present along with Authority Staff, Liesel Gross, Ed Klein, Andrew Moore, AJ Capuzzi, Chuck Volk, Phil DePoe, Susan Sampson, and Lisa Miller.

Chairman Famili announced that the Board received their electronic and hard copies of the Board packet in advance. A copy of the packet is also available online.

REVIEW OF AGENDA

Liesel Gross stated there are no changes to the published agenda and no Executive Session is planned.

APPROVAL OF MINUTES

September 22, 2025 Meeting Minutes

On a motion by Jeff Morgan, seconded by Peter Dent, the Board approved the minutes from the September 22, 2025 meeting as presented (6-0). Linda Rosenfeld abstained.

PUBLIC COMMENTS

None.

2026 Final Budget Review

Liesel Gross stated that the Board has been provided with a complete Budget proposal and noted that today's presentation is focused on the changes from the prior presentation and the proposed rates in all divisions. Ms. Gross noted that any final revisions will be made by the October 27 meeting for final approval. The new rates will be presented for approval on November 10 and would become effective on January 1, 2026.

Ms. Gross noted a series of priorities for 2026 that include Regional Leadership, Technology & Data Management, Facilities & Security, Affordability, and Project Management Metrics. The 2026 Budget impacts have not changed from the prior presentation of this information. She provided a staffing update and summary of the new staffing positions for 2026, which is the biggest change from the prior year's budget. Some positions are being repurposed, and some phased hiring will occur throughout the year to help mitigate the impact on the 2026 Budget. Personnel costs will increase by 7.7 percent from the 2025 forecast.

Ed Klein reviewed the key financial metrics and explained operating ratios, debt service coverage ratio, capital coverage ratio, and unrestricted days cash on hand. He then reviewed the 2026 Budget summary noting that there were no changes to operating revenues and expenses.

Liesel Gross provided an overview of the Suburban Water fund explaining the various water systems included in this service area. Ed Klein reviewed the fund financials, noting some changes in the Suburban Water fund capital budget, which decreased slightly as a result of addressing a prior error in the allocation of administrative projects to the various funds. Liesel Gross reviewed the proposed 2026 Suburban Water rates, which will increase in order to meet the revenue requirements. She reviewed each rate component and explained the average residential customer will see an increase of about 4 percent. She noted that the proposed rate structure is based on the rate study completed in 2022 by Keystone Alliance Consulting.

Ms. Gross then provided an overview of the Suburban Wastewater systems, noting the variety of different service arrangements and customer types. She explained that most of the system is geared toward wholesale municipal services with revenues governed by intermunicipal agreements. The Authority lacks a true retail customer base, which is a challenge when setting rates for the small number of retail customers the Authority serves. Ed Klein then reviewed the Suburban Wastewater fund noting the small change in the capital budget, similar to the change presented in the Suburban Water fund. Ms. Gross reviewed the rate increases proposed for the collector systems, with separate rate calculations provided for various systems depending on the services provided. Residential customers will see an increase of 3.5 to 5.5 percent depending on the sewer service area in which they reside.

For the City Division, Ms. Gross reminded the Board that the system includes both water and wastewater services that are managed under the terms of the City Water & Sewer Lease Agreement (Lease). There are also wholesale agreements for the sale of water to surrounding communities as well as receiving wastewater from surrounding communities for treatment. Mr. Klein then reviewed the fund financials, noting again that the only change from prior presentations is in minor capital spending adjustments. Liesel Gross reviewed the proposed water and sewer rates for the City Division, which are controlled by the Lease. She reviewed the components that go into the water and sewer rates including fixed charges, volume and flow charges, capital cost recovery charges, and administrative order fees. The average residential customer will see their water and sewer bill increase by 7.1 percent in 2026 based on various increases in each component of the rate structure.

Ted Lyons asked how a project qualifies for capital cost recovery under the terms of the Lease. Ms. Gross explained that projects over \$1,000,000 are reviewed with the City of Allentown for inclusion in the capital cost recovery charge. Sean Ziller asked about customer bill assistance programs for 2026. Ms. Gross reviewed the Authority's customer grant program that is managed by the Dollar Energy Fund. There was additional discussion regarding the federal and state customer grant programs that have provided assistance in the past. Ms. Gross also noted that the Authority has kicked off a study with Raftelis on affordability in Allentown and funds are included in the 2026 Budget to continue that study.

She then provided a summary of all Authority rates and how they compare to other communities in the Lehigh Valley as well as other urban areas in Pennsylvania. There was some discussion about the costs included in water and sewer rates, which may differ from one community to another. Ms. Gross provided examples including high debt service costs included in Allentown rates due to the Lease payment and high rates in another Pennsylvania urban community due to the rapid pace of lead service line replacement work being completed in that community.

Liesel Gross provided a look ahead for the 2026 Budget process, which includes review of any final budget changes prior to Board approval at the next meeting. She noted that the proposed rate changes presented earlier will be shared with municipalities and customers now, to allow for public comment prior to the new rate effective date of January 1, 2026.

Sean Ziller asked about the duties of the new community canvasser position included in the 2026 Budget. Liesel Gross explained that two community canvasser positions were added in the Allentown Division in 2025 to support the development of the lead service line inventory. The existing community canvassers have a full workload in Allentown and are unable to complete similar work in the Authority's Suburban Division. The new position added to the 2026 Budget will complete lead service line inventory work in the Authority's Suburban Water service areas. Mr. Ziller also asked about the history of the intermunicipal agreements. Ms. Gross explained that the majority of the agreements are from the 1950s through the 1980s. Because the terms of the agreements are interrelated, they cannot be updated individually. However, the Kline's Island Sewer System Act 537 Plan includes a draft term sheet for a new agreement that would replace many of those old agreements. More work will be completed on the agreements in 2026.

Amir Famili acknowledged the staff for their work on the budget and comprehensive presentation of the budget and rates.

Western Lehigh Interceptor (WLI) – User Charge Report

Jennifer Montero, the Authority's Contracts Administrator, presented the 2026 Wastewater User Charge Report, explaining 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 2026 capital spending to be recovered in the calendar year through the rates. For 2026, the rate increases will have the impact of increasing charges to an average residential customer by 6.2% 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 October, and no comments were received.

On a motion by Linda Rosenfeld, seconded by Ted Lyons, the Board gave preliminary approval of the 2026 WLI, LLRI-Phase 1 and Phase 2 User Charges (7-0).

Allentown Division – Sanitary Sewer Collection System: I&I Source Reduction Program (LCA Year 2)

Jason Peters provided an overview of the project that is part of the Authority and City of Allentown Inflow and Infiltration (I&I) Source Reduction Plan. The goal of the work is for the cost-effective reduction of I&I and reduce both dry-day and wet-weather flows in the Kline's Island Sewer System. This authorization is for the construction phase of Contract No. 1 of the I&I Source Reduction Improvements Year 2 Project to be completed within the Trout Creek sewer basin in the City of Allentown.

Mr. Peters explained that under the terms of the City Water & Sewer Lease Agreement, the Authority will provide funding for the project from its City Division revenues or reserves. After the first \$650,000 is spent each year, additional project costs will be recaptured through a Capital Cost Recovery Charge. He noted the key components of the work for Contract 1 that will include: cleaning and CCTV inspection of existing sanitary sewer pipelines and laterals, disposal of materials resulting from cleaning operations, and full-length cured-in-place pipe (CIPP) lining for structural rehabilitation of the sewer mains. He also provided an overview of the Construction Engineering, Management & Field Inspection tasks for Contracts 1, 2, and 3 that will be provided by Kleinfelder. Construction phase approval for Contracts 2 and 3 will be requested at a later date.

There was some discussion regarding the lining work and other methods of pipe repair such as grouting. Amir Famili asked how much of a benefit do we get from the CIPP work for the cost, compared to other methods. Jason Peters stated that data will be collected to answer this question as the program continues.

On a motion by Peter Dent, seconded by Jeff Morgan, the Board approved the Capital Project Authorization for the Construction Phase, Contract 1 CIPP Lining in the amount of \$2,624,001.00 which includes the Professional Services Authorization for Construction Phase Professional Services Contract Nos. 1-3 to Kleinfelder in the amount of \$654,418.00, and the General Construction Contract 1 CIPP Lining to Insituform Technologies USA, LLC in the amount of \$1,784,583.00 (7-0).

Allentown Division – Kline's Island WWTP – Building Renovations

Anton Siekmann provided an overview of the Kline's Island WWTP Building Upgrades as identified in the 2026-2030 Capital Plan. The list of upgrades are for the Main Pump Station building and Dewatering building to fix repairs to damaged areas across both spaces. Some of the high priority improvements to the Dewatering building include demolishing and moving the locker room, replacing a leaking sludge pipe, ceiling penetrations sealed, lighting and drop ceiling throughout, and upgrades to the control and break rooms. The Main Pump Station building will have its office spaces reconfigured to suit current uses, bathroom upgrades will be upgraded to meet ADA standards, the operator's control room will be reoriented with additional SCADA and security monitors added. In addition, the kitchenette will be moved to the break room, walls and floor repairs will be made, the vestibule and entrance area will be repaired to provide ADA access, and a new walk-up visitors window will be added.

On a motion by Sean Ziller, seconded by Linda Rosenfeld, the Board approved the Capital Project Authorization for the KIWWTP Building Upgrades – Design & Bid Phase in the amount of \$187,600.00 which includes the Professional Services Authorization to CHA Consulting for Design & Bid Phase in the amount of \$157,600.00 (7-0).

MONTHLY PROJECT UPDATES / INFORMATION ITEMS

Liesel Gross provided highlights of items for the next Board meeting in October, noting that staff will be seeking approval for the 2026 Budget and the 2026-2030 Capital Plan. She noted that the Kline's Island Sewer System Act 537 Plan has been submitted to DEP. She also noted that the Open Projects listing in the reports shows a few projects in Project Closeout phase, which indicates completion of those projects.

Jeff Morgan asked when to expect comments from DEP regarding the Act 537 plan. Phil DePoe said he expects to hear from DEP in March or April 2026.

STAFF COMMENTS

Liesel Gross congratulated Phil DePoe and the whole team for their work on the Act 537 plan. Ed Klein reported that the majority bondholder consent has been achieved that will allow the language in the Authority's bond indenture documents to be adjusted to support the Authority's use of Pennvest funding for City Division projects.

SOLICITOR'S COMMENTS

None.

PUBLIC COMMENTS / OTHER COMMENTS

None.

BOARD MEMBER COMMENTS

None.

EXECUTIVE SESSION

None.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 2:03 p.m.

Linda A. Rosenfeld
Secretary

RESOLUTION No. 10-2025-1

(Duly adopted 27 October, 2025)

AUTHORIZING THE SUBMISSION OF A PENNSYLVANIA STATEWIDE LOCAL SHARE ASSESSMENT GRANT REQUEST; DESIGNATING LEHIGH COUNTY AUTHORITY OFFICIALS AUTHORIZED TO EXECUTE ALL DOCUMENTS AND AGREEMENTS IN CONNECTION WITH THE REQUESTED GRANT AND ASSIST IN OBTAINING THE REQUESTED GRANT, AND PROVIDING FOR OTHER MISCELLANEOUS MATTERS.

WHEREAS, the Lehigh County Authority (the “Authority”) is a body corporate and politic, organized by the Board of County Commissioners of the County of Lehigh, Pennsylvania (the “County”) under the provisions of the Pennsylvania Municipality Authorities Act, 53 Pa. C.S. §5601 et seq., as amended (the “Act”); and

WHEREAS, the Authority owns, leases, and/or operates public water and sewer systems in the greater Lehigh Valley of Pennsylvania; and

WHEREAS, the Board of the Lehigh County Authority (the “Authority Board”) has determined to request a grant under the Pennsylvania Statewide Local Share Assessment Grant Program (the “LSA Grant Program”) for financial assistance for Replacement of Water System Valves that have been found to be inoperable due to age and condition, to improve reliability and emergency response, in various locations throughout the water system that serves the City of Allentown, in the County of Lehigh (the “Project”); and

WHEREAS, in accordance with the LSA Grant Program requirements, the Board desires to declare its approval of the grant request for Project, and designate an Authority official(s) authorized to execute documents and agreements and assist in obtaining the requested grant.

NOW, THEREFORE, the Authority Board hereby resolves as follows:

SECTION 1. The Lehigh County Authority, of the County of Lehigh, Pennsylvania, hereby requests a Statewide Local Share Assessment grant of One Million Dollars (\$1,000,000) from the Commonwealth Financing Authority to be used for the Project.

SECTION 2. Liesel Gross, Authority Chief Executive Officer and Edward Klein, Authority Chief Financial Officer, individually and collectively, are hereby designated as the official(s) (the “Designated Officials”) to execute all documents and agreements between the Lehigh County Authority and the Commonwealth Financing Authority,

and any other related Commonwealth entities, to facilitate and assist in obtaining the requested grant.

SECTION 3. The Designated Officials, and other Authority officers, individually and collectively, are hereby authorized, empowered and directed on behalf of the Authority to execute any and all papers and documents, and to do and cause to be done any and all acts and things necessary, proper, or convenient, for the execution or carrying out purposes of this Resolution.

On motion of _____, seconded by _____, this resolution was adopted the 27th day of October 2025.

Tally of Votes: Yeas _____ Nays _____



I, Kevin C. Reid, of the law firm of King, Spry, Herman, Freund & Faul, LLC, Solicitor to the Lehigh County Authority, do hereby certify that the foregoing is a true, correct and complete copy of a Resolution No. 10-2025-1 which was duly adopted by the Authority Board at a public meeting of the Authority Board held on October 27, 2025 after notice thereof had been duly given as required by law, at which meeting a quorum was present and voting, and which Resolution has been recorded in the Minutes and is now in full force and effect on the date of this certification.

Kevin C. Reid, Esquire Date
King, Spry, Herman, Freund & Faul, LLC
Lehigh County Authority Solicitor

(SEAL)

Attest:

Lisa J. Miller Date
Executive Administrative Support Specialist

MEMORANDUM

TO: LCA Board of Directors
FROM: Liesel Gross, CEO
DATE: October 20, 2025
RE: Final Draft Capital Plan (2026-2030) – All Divisions

Attached: Public Comments & LCA Response
Capital Plan Financial Justifications – Updated: Suburban Water & Suburban Wastewater
Capital Plan Summary Sheets – All

In August 2025, Lehigh County Authority (LCA) staff presented the draft Capital Plan for the years 2026 to 2030 for Suburban and Allentown Divisions. The plans were also distributed to various external stakeholders including municipalities within LCA's service area, the Lehigh County Board of Commissioners, Lehigh Valley Planning Commission, and the City of Allentown. This memo provides an overview of the Final Draft Capital Plan and summarizes the comments received for Board consideration for approval at the October 27, 2025 meeting.

It is important to note that approval of the Plan by LCA's Board does not indicate authorization for Plan funding. Such authorization occurs through several other mechanisms including:

Annual Budget – The LCA Board approves the capital budget for the upcoming calendar year as part of the annual budget process that is completed in October each year. This approval provides authorization for routine/recurring capital expenses that fall within LCA's purchasing guidelines.

Project Authorizations – The LCA Board approves individual capital projects and expenditures at the time they are more concretely developed with a full project scope, project budget, cost justification and alternatives analysis if required.

Project Financing – The LCA Board approves all new debt issuances including new loans or grant applications that may be secured to fund the capital program.

At each of these approval stages, the LCA staff and Board may discuss and adjust project scope and prioritization. However, this Capital Plan should be viewed as the guiding document for moving forward on system improvements that are required for the provision of safe and reliable service to the communities we serve.

The 2026-2030 Capital Plan also includes financial analysis of the impacts to revenue requirements that will drive annual rate-making decisions. This analysis includes a review of funding sources for all projects, movement toward self-funding annual and recurring asset rehabilitation via operating revenues, expected inflation of operating expenses, and achievement of key financial metrics including debt service coverage ratio and operating cash reserve requirements.

Final Draft Capital Plan (2026-2030) – All Divisions

Board members should refer to the draft Plan documents presented previously. However, the Financial Justification sections and Summary sheets are attached to this memo as a supplement to the prior Plan distribution. Changes to the Plan since the initial Board presentations in August include:

- Small Systems Water Supply Improvements (SD-W-21): New project added with 2026 budget of \$100,000 to fund the exploration of additional water supplies for small systems with limited supply redundancy.
- Buss Acres Water Quality Upgrade (SD-W-16): Adjusted this project with a reduction in 2026 expense from \$600,000 to \$250,000 to reflect likely Pennvest grant application timeline.
- Pretreatment Plant Critical Upgrades (SD-S-11): Reduced the planned 2026 expense from \$2.5 million to \$2.0 million to reflect updated timelines on these projects, which kicked off in 2025.
- Pretreatment Plant Upgrades & Replacement (SD-S-12): Adjusted the 2026 expenses to add an additional \$200,000 for design phase of electrical upgrades. The total 2026 budget for this project is updated to \$400,000.

Plan Summary:

While the presentation and publication of the LCA Capital Plan is divided into budgetary categories of Administrative, Suburban Water, Suburban Wastewater and Allentown Division, implementation is viewed holistically in the summary below to illustrate the categories and breadth of investment required to maintain and enhance the large regional water and sewer system that LCA operates.

<u>Project Category</u>	<u>Plan Total</u>
System Planning & Studies	\$ 1,595,000
Small Systems Upgrades	3,885,000
Technology & Workplace Upgrades	5,340,000
Water Metering Upgrades	6,400,000
Major Water Facility Upgrades	22,105,000
Water Main Replacements	22,850,000
Annual Maintenance & Rehab Projects	45,296,000
Sewer Wet-Weather Projects	53,200,000
Major Wastewater Facility Upgrades	58,775,000
Regulatory Driven Projects	116,000,000
TOTAL	\$ 335,446,000
 Prior 5-Year Plan Total	 \$ 356,299,500

This information reflects a modest decrease in capital requirements when compared to the prior five-year plan presented in 2024. Drivers for this reduction relate to the following changes:

- Updated phasing of Pretreatment Plant upgrades to spread costs over a longer period of time, extending beyond the end of this plan period.
- Completion, or near completion, of large upgrade projects at the Kline's Island Wastewater Treatment Plant, including the Electrical Substation Number 1 replacement and the Final Clarifier rehabilitation projects.
- Reduction in planned water main replacements in the City of Allentown, following City and LCA review of prior project completion and system performance.

Offsetting these reductions is a significant increase in planned work required to meet new regulatory requirements for lead in drinking water.

Project Highlights:

System Planning and Studies → The primary cost driver in this category relates to routine master planning and treatment studies that support long-range capital planning and asset management goals. Other projects in this category a sewage facility study in North Whitehall Township and remaining tasks to complete the regional Act 537 Plan for the Kline's Island Sewer System.

Small Systems Upgrades → Ten important projects to upgrade smaller water and wastewater systems that LCA has acquired over the past several decades. These are important upgrades to address environmental and regulatory compliance issues in these under-served areas of the County.

Technology & Workplace Upgrades → As LCA's workforce grows, future expansion and upgrades to employee workspaces will be required, and specific health and safety issues have been identified that must be resolved. In addition, with the constant evolution of technology, annual projects are required to keep pace.

Major Water Facility Upgrades → Projects in this category are larger upgrades that will have broad system benefit to LCA water customers. Examples include completing the filter system upgrade and developing a redundant power supply at the Allentown Water Filtration Plant, and planned water supply capacity projects to increase reliability within LCA's Central Lehigh and North Whitehall divisions.

Major Wastewater Facility Upgrades → Projects in this category are larger wastewater system upgrades that will have broad system benefit to LCA, focusing primarily on repairing or replacing aging systems. Examples include replacing aging electrical equipment and rehabilitating the plastic medial trickling filters at the Allentown Kline's Island Wastewater Treatment Plant and completing important upgrades at the Spring Creek Pump Station. Also included in this category is an important project to upgrade and replace the Industrial Pretreatment Plant in Fogelsville.

Sewer Wet-Weather Projects → This category of projects includes seven major programs or projects to address the impact of wet weather on LCA's sewer system. These projects fall into two major categories: A) addressing inflow and infiltration (I&I) in the sewer collection systems (\$29.5 million); and B) completing major projects to increase capacity at the Allentown Kline's Island Wastewater Treatment Plant and within the interceptor system to address peak wet-weather flows (\$30.4 million).

Annual Projects, Metering Upgrades & Water Main Replacements → Combined, projects in these categories make up 22 percent of the LCA’s planned capital investment over the next five years. This work represents the ongoing system rehabilitation and maintenance work that is required to maintain an aging system.

Regulatory-Driven Projects → New programs have been added to the Plan over the last few years to address new regulatory requirements. In the years ahead, including the years captured by this Plan, LCA will be required to address per-/poly-fluoroalkyl substances (PFAS) in drinking water and wastewater. In addition, the removal of all lead service lines from the water system will become a new requirement. These programs will be the focus of LCA’s efforts to seek grant funding over the next five years.

Capital Financing:

Over the past several years, LCA has shifted its capital financing strategy to reflect the realities of an aging utility with significant ongoing system rehabilitation work that will be required for the foreseeable future. The updated strategy has included a series of rate increases to boost LCA’s capacity to fund its ongoing capital program, and a target of limiting borrowing for selected projects based on economic or other factors. LCA staff are pleased to present a plan that includes funding from current revenues and reserves covering 55 percent of the total plan cost. This strategy will continue to be refined as additional large-scale projects are phased into future capital plans.

Sources of funding planned to support the 2026-2030 Capital Plan are:

Operating Revenues / Current Cash Flows	\$ 183,674,242	54.8%
Prior or New Borrowing	\$ 122,751,758	36.6%
Grants	\$ 29,020,000	8.6%
TOTAL	\$ 335,446,000	

Grants include:

- \$6.3 million from Pennvest awarded in 2024 for the planned Lead Service Line Replacement Cycle 2 project, which will commence in 2026
- \$3.0 million from the H2O PA program awarded in 2023 for the planned 2025-2026 inflow and infiltration source reduction projects
- \$19.6 million in estimated future Pennvest grants for additional lead service line replacements and PFAS remediation projects

NOTE: Grant opportunities will be pursued proactively for other projects throughout the Plan period. In addition, if grants are not awarded, LCA staff may recommend scaling projects differently, or adjustment implementation schedules to lessen customer rate burden of these projects.

To complete the projects included in the Plan in accordance with the financial strategy described above, the following annual revenue increases will be required:

LCA's Suburban Water systems → 3.0% to 5.0% per year
LCA's Suburban Wastewater systems → 2.5% to 5.0% per year, via intermunicipal agreements
LCA's Allentown Division water and sewer systems → Current lease rates increase by inflation (CPI-U) plus 2.5%, with additional rate increases for capital cost recovery for selected projects.

Public Comments Received

LCA's 2026-2030 Capital Plan was presented to the Board of Directors in August 2025 and sent to municipalities served by LCA water and/or sewer systems. The Plan was also posted on LCA's website with a 30-day window available for public comment. The Plan was sent to various other organizations and agencies who were expected to have an interest in LCA's upcoming plans and programs.

Lehigh Valley Planning Commission: The planning commission reviews LCA's Capital Plan annually and provides comment. The Commission's letter for LCA's draft 2026-2030 Capital Plan is attached noting that the new projects included in the plan are consistent with the regional comprehensive plan.

City of Allentown: City officials review the Allentown Division Capital Plan annually and provide comments, primarily on upcoming projects that may have an impact on user rates, or considerations for sequencing or scope of certain projects. The City's letter for LCA's draft 2026-2030 Capital Plan is attached along with LCA's staff response to the City.



Lehigh Valley Planning Commission

DR. CHRISTOPHER R. AMATO
Chair

CHRISTINA V. MORGAN
Vice Chair

ARMANDO MORITZ-CHAPELLIQUEN
Treasurer

BECKY A. BRADLEY, AICP
Executive Director

September 29, 2025

Mr. Charles Volk, PE
Chief Capital Works Officer
Lehigh County Authority
P.O. Box 3348
Allentown, Pennsylvania 18106-0348

Re: LCA Preliminary Capital Plans - Allentown and Suburban Divisions 2026-2030

Dear Mr. Volk:

The Lehigh Valley Planning Commission (LVPC), at its regular monthly meeting on September 25, 2025, reviewed the above-referenced plans and offer the following comments. The comments, as shown on the attached page, are provided for both water and wastewater projects appearing for the first time and significantly modified projects from previous Capital Plans. The Allentown Division Plan includes seven new projects and one significantly modified project, and the Suburban Division Plan includes five new projects and three significantly modified projects for which comments are provided.

Please call me if you have any questions.

Sincerely,

Corinne Ruggiero, SEO
Environmental Planner

Attachment

cc: Lehigh County Commissioners

LCA New and Significantly Modified Projects 2026-2030

Project	Municipality	Statement of Purpose	LVPC Comment
Lehigh County Authority - Preliminary Capital Plan (2026-2030)	ALLENTOWN DIVISION	<p style="text-align: center;"><u>Water</u></p> <ul style="list-style-type: none"> • Schantz Spring Water Treatment Upgrades: Perform a study and design for the treatment of the raw water at Schantz Spring due to preliminary evaluations indicating the source may be groundwater under direct influence of surface water (GUDI). If the source is designated as GUDI, treatment is required. • City Leak Detection Program: Installation of leak loggers and pressure sensors in strategic locations throughout the City water system to improve leak detection monitoring capability. The data obtained through this effort will be used to target and prioritize system repairs and main replacements. • City Annual Water Main Replacements: Review of the lease agreement program was performed by LCA and the City in 2024, where approval was given by the City that allows for the continuation of annual replacement of one mile of water main starting in 2025 up to and including 2028. Replacement of 4 miles of water main to be replaced by 2028 (one mile per year). • WFP Facility Electrical Upgrades: Electrical upgrades at the City Water Filtration Plant such as main switchgear, 480v zone house and substation, as existing equipment has reached the end of its useful life. • WFP Little Lehigh Intake Modifications: Replacement of the Little Lehigh 1953 intake structure as well as a new screening building and mechanical screen. <p style="text-align: center;"><u>Wastewater</u></p> <ul style="list-style-type: none"> • WWTP OCU #24 Building Replacement: Replacement of Odor Control Unit #24 building due to the existing OCU building being in poor condition and requires replacement to protect odor control equipment and ensure regulatory compliance. • WWTP Facility Electrical Upgrades: Replacement of electrical equipment throughout the facility, specifically the aging Motor Control Centers (MCCs) as the equipment has reached the end of its service life. • WWTP Effluent Pump Station Upgrades: Replacement of the existing effluent pumps and electrical equipment at the effluent pump station to provide adequate capacity during peak wet weather events. With the proposed 100 MGD hydraulic capacity upgrades, the effluent pump station will require all five pumps to be in operation to convey high flows of 100 MGD. These upgrades are recommended to provide redundancy during high flow conditions. 	Evaluating/providing system improvements to provide safe, reliable and efficient service supports <i>FutureLV: The Regional Plan</i> actions to 'improve the utility and mobility infrastructure of the region' and 'integrate efficiency measures and emerging technologies' (of Policy 1.1) and 'protect the quality and quantity of surface water and groundwater' (of Policy 3.2).

LCA New and Significantly Modified Projects 2026-2030

Project	Municipality	Statement of Purpose	LVPC Comment
Lehigh County Authority - Preliminary Capital Plan (2026-2030)	SUBURBAN DIVISION	<p style="text-align: center;"><u>Water</u></p> <ul style="list-style-type: none"> • SD Water Small Systems Generator Replacement: A multi-year project that focuses on LCA owned small water systems that presently have an existing generator that has reached the end of its service life or that do not have backup power. • Suburban Leak Detection Program: Installation of leak loggers and pressure sensors in strategic locations throughout LCA Suburban water system to improve leak detection monitoring capability. The data obtained through this effort will be used to target and prioritize system repairs and main replacements. • Suburban Lead Service Inventory Program: Investigation of water service materials in LCA Suburban water system to identify and inventory lead pipe on the public and private sides. <p style="text-align: center;"><u>Wastewater</u></p> <ul style="list-style-type: none"> • Pretreatment Plant Long Term Upgrade/Replacement: This project assumes only 3 major industries are participating in the pretreatment replacement (Keurig/Dr.Pepper, Sunopta and Coca-Cola). Boston Beer and Ocean Spray will treat their wastewater on-site with their own facilities and bypass the PTP via existing sewer interceptors to Kline's Island WWTP. A portion or all of the domestic water from Upper Macungie Township will also bypass the PTP via existing sewer interceptors. The upgraded or new plant will continue to treat hauled-in waste; however, overall loadings will be greatly reduced. The replacement/upgraded treatment plant alternatives assume the abandonment of the existing cryogenic (pure oxygen) plant. Upgraded processes include: new hauled waste receiving station, new solids dewatering and conveyance equipment, new solids load-out equipment and aeration basin conversion from pure oxygen to ambient air. • Spring Creek Pump Station Upgrades: Upgrades consist of an in-kind replacement of the three 230 HP submersible pumps which have reached the end of their useful service life. 	Evaluating/providing system improvements to provide safe, reliable and efficient service supports <i>FutureLV</i> actions to 'improve the utility and mobility infrastructure of the region' and 'integrate efficiency measures and emerging technologies' (of Policy 1.1) and 'protect the quality and quantity of surface water and groundwater' (of Policy 3.2).



LCA New and Significantly Modified Projects 2026-2030

Project	Municipality	Statement of Purpose	LVPC Comment
Lehigh County Authority - Preliminary Capital Plan (2026-2030)	SUBURBAN DIVISION	<p style="text-align: center;"><u>Wastewater Continued</u></p> <ul style="list-style-type: none">• <i>Signatory I&I Investigation & Remediation Program:</i> Project efforts in 2026 include the planning for a new LCA Meter Station 4, continued temporary flow metering and manhole rehab as needed and finalizing plans for the existing Western Lehigh Interceptor (WLI) rehab from Spring Creek Pump Station to Park Pump Station. Preliminary work on the proposed parallel WLI is anticipated to start. Ongoing lateral tap grouting Phase 2 project work for Upper Macungie and Upper Milford Townships are also included in this effort.• <i>Lynn Township WWTP Improvements:</i> In 2025, a second final clarifier was constructed to provide redundancy and improve plant performance. Future projects include aeration tank rehabilitation, chlorine contact tank relocation, operations performance optimization and asset management driven upgrades.• <i>SD Wastewater Small Systems Generator Replacement:</i> A multi-year project that is focused on LCA owned small systems that presently have an existing generator that is at the end of its service life or do not have back up power.	Evaluating/providing system improvements to provide safe, reliable and efficient service supports <i>FutureLV</i> actions to 'improve the utility and mobility infrastructure of the region' and 'integrate efficiency measures and emerging technologies' (of Policy 1.1) and 'protect the quality and quantity of surface water and groundwater' (of Policy 3.2).



David Petrik
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September 9, 2024

Charles Volk, P.E.
Chief Capital Works Officer
Lehigh County Authority
P.O. Box 3348
1053 Spruce Street
Allentown, PA 18106-0348

RE: Draft 5-Year Capital Plan, Allentown Division, 2026-2030

Dear Mr. Volk,

Pursuant to Article 4 of the *Allentown Water and Sewer Utility System Amended and Restated Concession and Lease Agreement* (Lease), the City of Allentown (City) is responding to your *Draft 5-Year Capital Plan, Allentown Division, 2026-2030 (Plan)* received August 12, 2025.

WASTEWATER

AD-S-12 City Manhole Inspection and Sealing Program

This project is not in alignment with the Act 537 Plan (Act 537) goals and the developed Source Reduction Program (SRP) (attached *Proposed Manhole Inspection/Repair Program*) that the City and LCA have been developing over the past number of years.

The Act 537 includes these two of six goals:

- significantly reduce the frequency of Kline's Island Wastewater Treatment Plant (KIWWTP) bypasses at Outfall 003
- minimize environmental and public health risks associated with sanitary sewer overflows during storm events

The SRP was developed from the 2021 Flow Characterization Study (FCS) which conclusively determined that sanitary sewer overflows (SSO) at Outfall 003 at KIWWTP were due to inflow from leaking manholes.

The two goals listed above from the Act 537 cannot be achieved without effectively and comprehensively addressing the leaking manholes. Discussions with LCA indicated all City manholes (~7,200) would be addressed as part of the 10-year program. LCA, under advice from their engineer, determined that in addition to actual remediation, manholes should be inspected to see what work needed to be done and construction specifications written to address specific problems. That is a reasonable assertion; however, the City's concern is that this inclusion is effectively hindering or likely abandoning the goal of addressing all manholes. If LCA proceeds with the program as described in the Plan, it will not be enough to impact the number and frequency of SSOs at Outfall 003. A re-evaluation of the priorities within the program is needed to focus on remediation.

The logistics of the Manhole Program are not conducive to achieving SRP goals in the Plan.

- 1,800 manholes are to be inspected but only 200 manholes remediated.
 - Based on the program objectives it will take 36 years to repair all manholes.
 - It will be eight more years before the initially inspected manholes are remediated. It is likely that the condition of manholes will change during that time.
 - The budget estimate of \$1M is insufficient funding to realize the goals included in the Act 537.
- The Act 537 references the 10-Year Plan that the City understood was the basis of the SRP program and includes manhole rehabilitation. The Act 537 states: LCA expects to have 3,532 of the most critical manholes addressed in the first five years (2023-2027). In the next six years (2028-2033), the remaining ~3,700 City manholes will be addressed.
 - How will LCA complete the remaining 3,332 manholes by 2027?
 - How will LCA complete the remaining ~3,700 manholes in 2028-2032?

In summary, the Plan must be in conformance to prior understandings and agreements with the City to specifically address the goals of the Act 537. If there is a change in these projects that will affect meeting the Act 537 goals, then the regional Act 537 partners will need to be notified, and the Act 537 will need to be revised.

AD-S-25 WWTP Solids Processing Improvements

This project is an aggregation of various and multiple projects. As currently presented, this aggregation prevents the City from conducting a review for MCIP/CCRC consideration. To proceed, this project must be broken down into discrete, reviewable components.

In regard to the Chemically Enhanced Primary Treatment (CEPT) plant scale pilot testing, why isn't there some piloting dedicated to wet weather treatment? As part of the Act 537 Plan and KIWWTP Master Plan review discussions for wet weather treatment, CEPT was determined to be a viable inclusion in treating wet weather flows. In fact, if deemed successful, it would eliminate the need for 2 primary clarifiers which would be a very significant capital savings.

It would seem prudent and cost effective to do wet weather piloting with CEPT while all the equipment necessary to do plant scale testing was on site and connected. The piloting is scheduled to take place during hurricane season so there is a decent likelihood that wet weather conditions will occur.

The City assumed wet weather testing would be a fundamental part of the plant scale testing.

As prior practice, the City will anticipate LCA's response to these comments and after receipt of which the City may request a meeting to review the comments and positions of LCA and the City. Thank you for providing your proposed program and for your continued cooperation.

Sincerely,



David Petrik

Deputy Director of Public Works

CC: Liesel Gross, LCA
Ed Klein, LCA

A.J. Capuzzi, LCA
Mark Shahda, COA

Daniel Koplish, COA
Office of Compliance, COA



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October 16, 2026

David Petrik, Deputy Director of Public Works
Department of Public Works
641 S. 10th Street, 3rd floor
Allentown, PA 18103

RE: Draft 2026-2030 Allentown Division Capital Plan City Comments

Dear Mr. Petrik,

Lehigh County Authority (LCA) is in receipt of your letter dated September 9, 2025, that contains the City of Allentown's review comments on the draft 2026-2030 LCA Allentown Division Capital Plan ("Plan"). This submission includes LCA's responses to the City's comments, and we welcome any additional discussion that may be needed. The City's comments are addressed below in the order that they appear in your original comment letter:

1) **AD-S-12 City Manhole Inspection and Sealing Program:**

The City's primary comment is that the project is not in alignment with the Act 537 Plan goals, based on the number of manholes to be remediated. LCA's current projects included targeted remediation based on results of inspection. The City's comments suggest that every single manhole will require some form of remediation, which may not be the case. The Act 537 Plan indicates that all 7,200 manholes will be "addressed" via this program, and LCA is committed to this goal. We assert that a manhole inspection indicating no rehab is required is an adequate confirmation that the subject manhole has been "addressed." Our current assumption based on experience is that 50-80 percent of the manholes will require some form of physical rehabilitation. As LCA's staffing plan is implemented, we expect to develop in-house capacity to rehab 300-350 manholes per year. Over time, with experience, this number will increase to meet the expected work volume required for this program. An important note is that the Act 537 Plan also indicates LCA's commitment of \$1 million per year for this program, which is what we have included in this Plan as well.

As we move forward with the inflow and infiltration source reduction work outlined in the Act 537 Plan, including this manhole rehabilitation program, LCA expects the frequent detailed collaboration we've had with the City over the past several years to continue, ensuring program alignment and adjustment along the way to ensure program goals are met.

2) **AD-S-26 WWTP Solids Process Improvements:**

We acknowledge the City's aggregation assertion. This capital project is a broad program that will ultimately result in several distinct, separate capital improvement projects. Those projects

will appear in future capital plans once the scope of each is better defined, and major capital improvement approval will be pursued where applicable.

LCA agrees it is prudent to evaluate CEPT for wet weather performance while the demonstration equipment is installed onsite, and it has always been expected that wet weather testing will be part of the CEPT demonstration. The test period duration was selected to allow for evaluation of a variety of influent conditions as they occur at the Kline's Island Wastewater Treatment Plant, including wet weather, to allow LCA to understand CEPT performance over a range of typical operating conditions. It is not anticipated that CEPT will be stopped during the test period unless there are mechanical issues requiring a temporary shutdown to address. If significant wet weather events do not occur during the test period, LCA has the option to extend the demonstration past the initial planned test period.

If you have any questions about this response or wish to discuss any project included in the Plan in more detail, please don't hesitate to contact me.

Sincerely,



Charles E. Volk, P.E.
Chief Capital Works Officer

Cc: Liesel Gross, LCA
Edward Klein, LCA
A.J. Capuzzi, LCA

Daniel Koplish, City
Mark Shahda, City
Office of Compliance, City

**LEHIGH COUNTY AUTHORITY
SUBURBAN DIVISION WATER
5-YEAR CAPITAL PLAN
2026–2030**

CAPITAL FINANCING JUSTIFICATION

Capital additions to the Water System are justified by using six revenue sources: user charges, assessments or distribution tapping fees, supply tapping fees, contributions-in-aid of construction, reimbursements from the wastewater funds, and grants. This would comprise the amount of cash available from operations for capital projects.

Beyond the operating cash available, remaining sources are project reserves from previous debt issuance and any new borrowing required.

The table below summarizes the capital project sourcing by year and each major financial sourcing category:

CAPITAL FINANCING SOURCES						
	2026	2027	2028	2029	2030	TOTAL
Project Costs	\$5,785,000	\$12,860,000	\$7,330,000	\$6,240,000	\$5,935,000	\$38,150,000
<i>Sources of Funding:</i>						
Current Cash Flows	\$4,529,076	\$4,472,784	\$3,830,000	\$4,240,000	\$4,335,000	\$21,406,860
Cash Reserves	\$1,255,924	\$1,387,216	-	-	-	\$2,643,140
New Borrowing	-	\$7,000,000	\$3,500,000	\$2,000,000	\$1,600,000	\$14,100,000
TOTAL FUNDING	\$5,785,000	\$12,860,000	\$7,330,000	\$6,240,000	\$5,935,000	\$38,150,000

Total spending on capital projects for the five-year period totals \$38,150,000. Current cash flows and cash reserves over the period will provide \$24,050,000 for capital projects. New borrowing for plan period projects will be in the amount of \$14,100,000 and is expected to occur in Year 2027 through 2030 to fund the projects for the plan period.

The \$14,100,000 borrowing is to fund water main replacement projects, North Whitehall improvement projects, water meter replacements, and Buss Acres water quality upgrade projects. While some grants may be available to support these projects, this plan conservatively assumes no grant funding awarded.

To support the additional debt service, an increase in rates of 3.0% in years 1-5 will be required. Modestly conservative growth of 1% annually is included to reflect expected new customer connections during the plan period.

CONDENSED CASH FLOW - SUBURBAN WATER					
US DOLLARS	2026	2027	2028	2029	2030
User Charges	19,406,541	20,188,625	21,002,227	21,848,617	22,729,116
Other Operating Revenues	289,811	289,811	289,811	289,811	289,811
Non-Operating Revenues	1,287,635	1,287,635	1,287,635	1,287,635	1,287,635
Operating expenses	(12,753,884)	(13,084,072)	(13,423,378)	(13,772,068)	(14,130,419)
Debt Service - Current Debt	(3,346,027)	(3,576,427)	(3,600,227)	(3,599,970)	(3,600,345)
Debt Service - NEW Debt	-	(434,038)	(651,057)	(775,068)	(874,277)
Investing Activity	-	-	-	-	-
Capital Funding From New Debt	-	7,000,000	3,500,000	2,000,000	1,600,000
Capex	(6,140,000)	(13,058,750)	(7,666,250)	(6,506,250)	(6,063,750)
NET FUND FLOWS	(1,255,924)	(1,387,216)	738,761	772,707	1,237,771
Plan Volume Increase %	1.00%	1.00%	1.00%	1.00%	1.00%
User Charge Rate Increase %	3.00%	3.00%	3.00%	3.00%	3.00%
Total User Charge Revenue Increase %	4.03%	4.03%	4.03%	4.03%	4.03%
Unrestricted Cash Balance	8,463,462	7,076,246	7,815,007	8,587,714	9,825,485
Unrestricted Investments	2,846,053	2,846,053	2,846,053	2,846,053	2,846,053
Total Unrestricted Balances	11,309,515	9,922,299	10,661,060	11,433,767	12,671,538
Days Cash on Hand	242	197	213	228	254
DEBT SERVICE COVERAGE RATIO	2.46	2.16	2.15	2.21	2.27

**LEHIGH COUNTY AUTHORITY
SUBURBAN DIVISION
WASTEWATER
5-YEAR CAPITAL PLAN
2026–2030**

CAPITAL FINANCING JUSTIFICATION

Capital additions to the Wastewater System are justified by calculating the operating cash available based upon projections of revenues over the five-year period. Beyond the operating cash available, remaining sources are project reserves from previous debt issuance and any new borrowing required.

The table below summarizes the capital project sourcing by year and each major financial sourcing category:

CAPITAL FINANCING SOURCES						
	2026	2027	2028	2029	2030	TOTAL
Project Costs	\$6,342,500	\$6,927,500	\$6,947,000	\$6,207,500	\$11,327,500	\$37,752,000
<i>Sources of Funding:</i>						
Current Cash Flows	\$2,730,500	\$1,534,387	\$2,303,167	\$1,207,500	\$1,327,500	\$9,103,054
Cash Reserves	\$1,112,000	\$393,113	\$4,643,833	-	-	\$6,148,946
New Borrowing	\$2,500,000	\$5,000,000	-	\$5,000,000	\$10,000,000	\$22,500,000
TOTAL FUNDING	\$6,342,500	\$6,927,500	\$6,947,000	\$6,207,500	\$11,327,500	\$37,752,000

Total spending on capital projects for the five-year period totals \$37,752,000. Current cash flows and cash reserves over the period will provide \$15,252,000 for capital projects. New borrowing will provide \$22,500,000 of project funding. This approach is recommended to allow for continued growth of reserves, which will be needed in the future as additional projects are incorporated into the plan as a result of the regional Act 537 Plan that is currently under development. The regional Act 537 Plan will provide details for sewage facility plans and significant capital improvements in the Suburban Division to address sanitary sewer overflows and overall capacity challenges of the system. The Act 537 Plan is expected to be submitted to state regulators in 2025 for review and approval and will include a separate detailed financial analysis outlining intermunicipal cost-sharing approaches for these projects as well as financing strategies and an analysis of rate impacts. This financial analysis and full plan overview will be presented later in 2025. However, due to the project timing, including some projects commencing in 2025, LCA has incorporated these projects into this Capital Plan to offer a preliminary view of borrowing and rate impacts. This information will be further refined in the Act 537 Plan and subsequent Capital Plans.

Revenue requirements will also be impacted by inflation for both the Western Lehigh Interceptor (WLI) group along with other users of the system. Signatory Revenue increases by year to support the Capital Plan are as shown below, but do not include and analysis of pass-through costs from the Allentown Division projects at this time:

	2026	2027	2028	2029	2030
Projected WLI Rate Increase	4.8%	-11.4%	4.6%	2.6%	8.0%

CONDENSED CASH FLOW - SUBURBAN WASTEWATER					
Dollars	2026	2027	2028	2029	2030
User Charges	20,411,997	19,204,464	18,590,672	18,945,058	19,886,065
Other Operating Revenues	410,203	414,924	419,611	424,253	429,039
Non-Operating Revenues	1,733,496	1,733,496	1,733,496	1,733,496	1,733,496
Operating expenses	(16,472,197)	(16,977,781)	(15,462,397)	(15,873,420)	(16,295,575)
Debt Service - Current Debt	(2,176,924)	(2,176,924)	(2,176,924)	(2,176,924)	(2,176,924)
Debt Service - NEW Debt	(155,014)	(465,041)	(465,041)	(775,068)	(1,395,123)
Investments Converting to Cash	-	-	-	-	-
Proceeds From NEW Debt	2,500,000	5,000,000	-	5,000,000	10,000,000
Capex	(6,697,500)	(7,126,250)	(7,283,250)	(6,473,750)	(11,456,250)
NET FUND FLOWS	(445,939)	(393,113)	(4,643,833)	803,645	724,728
User Charge Revenue Increase %	2.6%	-5.9%	-3.2%	1.9%	5.0%
Unrestricted Cash Balance	10,554,343	10,161,230	5,517,397	6,321,042	7,045,771
Unrestricted Investments	7,278,350	7,278,350	7,278,350	7,278,350	7,278,350
Total Unrestricted Balances	17,832,693	17,439,580	12,795,747	13,599,392	14,324,121
Unrestricted Cash - Days on Hand	234	218	130	145	158
DEBT SERVICE COVERAGE RATIO	2.61	1.66	2.00	1.77	1.61

Sourcing of Projects and Debt Service related to various systems is as follows:

BY SYSTEM	TOTAL	CURRENT CASH FLOWS	RESERVES	NEW DEBT
Annual Projects	\$3,217,000	\$3,217,000	-	-
Western Lehigh Interceptor	\$2,330,000	\$2,330,000	-	-
LCA Wastewater Pretreatment Plant	\$29,300,000	\$651,054	\$6,148,946	\$22,500,000
Common Rate Collector Systems	\$1,475,000	\$1,475,000	-	-
Arcadia West	\$180,000	\$180,000	-	-
Lynn Township	\$1,250,000	\$1,250,000	-	-
Little Lehigh Relief Interceptor System	-	-	-	-
	\$37,752,000	\$9,103,054	\$6,148,946	\$22,500,000

LEHIGH COUNTY AUTHORITY
ADMINISTRATION
2026-2030 CAPITAL PROGRAM

Project #	Name or Title of Proposal	Prj. Category	(1) Prj. Funding	Approvals Stage (1)		This Capital Program					
					2025 Budget Approved	2026 Year 1	2027 Year 2	2028 Year 3	2029 Year 4	2030 Year 5	2026-2030 Total
CON-A-1*	Computer System Hardware & Software Upgrades	AM - High	LCA	A	\$ 50,000	\$ 130,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 530,000
CON-A-2*	Geographic Information System (GIS) Upgrades & Application Development	Efficiency	LCA	V	\$ 50,000	\$ 50,000	\$ 45,000	\$ 45,000	\$ 10,000	\$ 10,000	\$ 160,000
CON-A-3*	Information Technology Master Plan Update	Planning	LCA	A	\$ 50,000	\$ 250,000	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 450,000
CON-A-4*	Document Management	Efficiency	LCA	V	\$ 25,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 5,000	\$ 5,000	\$ 310,000
CON-A-5*	Disaster Recovery/Security Upgrades	Efficiency	LCA	A	\$ 100,000	\$ 440,000	\$ 100,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 740,000
CON-A-6*	CMMS Upgrades	Efficiency	LCA	A	\$ 40,000	\$ 250,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 850,000
CON-A-8*	Main Office Improvements	Efficiency	LCA	P	\$ 950,000	\$ 100,000	\$ 200,000	\$ 750,000	\$ 750,000	\$ 200,000	\$ 2,000,000
CON-A-9*	Distribution and Collections Building Improvements	Efficiency	LCA		\$ -	\$ 100,000	\$ 200,000	\$ -	\$ -	\$ -	\$ 300,000
GRAND TOTAL					\$ 1,265,000	\$ 1,420,000	\$ 995,000	\$ 1,345,000	\$ 1,065,000	\$ 515,000	\$ 5,340,000

(*) CON = a Project that benefits both the Allentown and Suburban Divisions. All projects are LCA funded.
(1) Reference Glossary of Acronyms & Terms found immediately after the Table of Contents
(2) If blank project cost is not applicable (annual project) or to be determined

LEHIGH COUNTY AUTHORITY
SUBURBAN DIVISION
2026-2030 CAPITAL PROGRAM
WATER

Project #	Name or Title of Proposal	Category Prj.	(1) Prj. Funding	Approval Stage (1)		This Capital Program					
					2025 Budget Approved	2026 Year 1	2027 Year 2	2028 Year 3	2029 Year 4	2030 Year 5	2026-2030 Total
SD-W-A	Annual Projects	AM - Varies	LCA	A	\$ 2,492,000	\$ 2,520,000	\$ 2,180,000	\$ 2,030,000	\$ 2,640,000	\$ 2,085,000	\$ 11,455,000
SD-W-10	Water Main Replacement Projects	AM - Varies	LCA	V	\$ -	\$ 100,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,750,000	\$ 10,350,000
SD-W-11	North Whitehall Division Water System Supply Study & Improvements	Sys Imp	LCA	S	\$ 120,000	\$ 700,000	\$ 2,400,000	\$ -	\$ -	\$ -	\$ 3,100,000
SD-W-12	Water Systems Master Planning and Water Quality Studies	Sys Imp	LCA	S	\$ 150,000	\$ 100,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 350,000
SD-W-13	Upper System Pump Station & Water Main Extension	New Cust	LCA	D	\$ 50,000	\$ 50,000	\$ 900,000	\$ 1,100,000	\$ -	\$ -	\$ 2,050,000
SD-W-14	Water Meter Replacement Program	AM-Rev Opprt	LCA	C	\$ 1,000,000	\$ 1,050,000	\$ 1,050,000	\$ 1,050,000	\$ 1,000,000	\$ 1,000,000	\$ 5,150,000
SD-W-15	Central Lehigh System Supply Improvements	Sys Imp	LCA	S	\$ 180,000	\$ 165,000	\$ -	\$ -	\$ -	\$ -	\$ 165,000
SD-W-16	Buss Acres Water Quality Upgrade	Sys Imp	LCA	S	\$ 270,000	\$ 250,000	\$ 2,550,000	\$ -	\$ -	\$ -	\$ 2,800,000
SD-W-17	Applewood Pump Station Upgrade	Sys Imp	LCA	D	\$ 100,000	\$ 400,000	\$ 530,000	\$ -	\$ -	\$ -	\$ 930,000
SD-W-18	Small Systems Generator Replacement	Sys Imp	LCA	D	\$ -	\$ 50,000	\$ 400,000	\$ 450,000	\$ -	\$ -	\$ 900,000
SD-W-19	Leak Detection Program	Efficiency	LCA	C	\$ -	\$ 250,000	\$ 100,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 550,000
SD-W-20	Lead Service Inventory Program	Regulatory	LCA	P	\$ -	\$ 50,000	\$ 100,000	\$ 50,000	\$ -	\$ -	\$ 200,000
SD-W-21	Small Systems Water Supply Improvements	Sys Imp	LCA	P	\$ -	\$ 100,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 150,000
	GRAND TOTAL				\$ 4,362,000	\$ 5,785,000	\$ 12,860,000	\$ 7,330,000	\$ 6,240,000	\$ 5,935,000	\$ 38,150,000

(1) Reference Glossary of Acronyms & Terms found immediately after the Table of Contents. All projects are LCA funded

(2) If blank , cost is not applicable (annual project) or to be determined

LEHIGH COUNTY AUTHORITY
SUBURBAN DIVISION
2026-2030 CAPITAL PROGRAM
WASTEWATER

Project #	Name or Title of Proposal	Prj. Category	(1) Prj. Funding	Approval Stage (1)		This Capital Program					
					2025 Budget Approved	2026 Year 1	2027 Year 2	2028 Year 3	2029 Year 4	2030 Year 5	2026-2030 Total
	<u>Operating/Capital Reserve Funds</u>										
	<u>Annual</u>										
SD-S-A	Annual Projects	AM - Varies	LCA	A	\$ 835,000	\$ 962,500	\$ 442,500	\$ 657,000	\$ 492,500	\$ 662,500	\$ 3,217,000
	Subtotal				\$ 835,000	\$ 962,500	\$ 442,500	\$ 657,000	\$ 492,500	\$ 662,500	\$ 3,217,000
	<u>Pretreatment Plant</u>										
SD-S-10	Pretreatment Plant Improvements	AM - Varies	LCA	A	\$ 600,000	\$ 600,000	\$ 500,000	\$ 500,000	\$ 400,000	\$ 400,000	\$ 2,400,000
SD-S-11	Pretreatment Plant Critical Upgrades	AM - Varies	LCA	A	\$ 4,000,000	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
SD-S-12	Pretreatment Long Term Upgrade/Replacement	AM - Varies	LCA	A	\$ 1,000,000	\$ 400,000	\$ 4,500,000	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000	\$ 24,900,000
	Subtotal				\$ 5,600,000	\$ 3,000,000	\$ 5,000,000	\$ 5,500,000	\$ 5,400,000	\$ 10,400,000	\$ 29,300,000
	<u>Western Lehigh Interceptor</u>										
SD-S-20	Central Lehigh County WW Capacity Planning & Expansion	New Cust	LCA	S	\$ 400,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
SD-S-21	Spring Creek Pump Station Upgrades	AM-High	LCA	C	\$ 1,000,000	\$ 580,000	\$ -	\$ -	\$ -	\$ -	\$ 580,000
SD-S-22	Signatory I & I Investigation & Remediation Program	Regulatory	LCA	V	\$ 500,000	\$ 750,000	\$ 200,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 1,250,000
	Subtotal				\$ 1,900,000	\$ 1,430,000	\$ 300,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 2,330,000
	<u>Satellite Systems</u>										
SD-S-30	Wynnewood I & I Investigation & Remediation Program	AM - Varies	LCA	C	\$ 150,000	\$ 25,000	\$ 150,000	\$ 25,000	\$ 10,000	\$ 10,000	\$ 220,000
SD-S-31	Wynnewood Wastewater Treatment Plant Expansion	New Cust	LCA	D	\$ 50,000	\$ 100,000	\$ 125,000	\$ -	\$ -	\$ -	\$ 225,000
SD-S-32	Arcadia West WWTP Mechanical Screen	Efficiency	LCA	D	\$ 220,000	\$ 170,000	\$ 10,000	\$ -	\$ -	\$ -	\$ 180,000
SD-S-33	North Whitehall Township Act 537 Sewage Facilities Planning	Regulatory	LCA	S	\$ 70,000	\$ 50,000	\$ 20,000	\$ -	\$ -	\$ -	\$ 70,000
SD-S-34	Heidelberg Heights I & I Investigation & Remediation Program	AM - Varies	LCA	D	\$ 300,000	\$ 400,000	\$ 50,000	\$ 20,000	\$ 10,000	\$ 10,000	\$ 490,000
SD-S-35	Sand Spring WWTP improvements	Regulatory	LCA	C	\$ 100,000	\$ 30,000	\$ 30,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 120,000
SD-S-36	Lynn Township WWTP Improvements	AM - High	LCA	C	\$ 900,000	\$ 100,000	\$ 400,000	\$ 400,000	\$ 50,000	\$ -	\$ 950,000
SD-S-37	Lynn Township I & I Investigation & Remediation Program	Regulatory	LCA	P	\$ 25,000	\$ 25,000	\$ 100,000	\$ 125,000	\$ 25,000	\$ 25,000	\$ 300,000
SD-S-38	Small Systems Generator Replacement	Regulatory	LCA	P	\$ -	\$ 50,000	\$ 300,000	\$ -	\$ -	\$ -	\$ 350,000
	Subtotal				\$ 1,815,000	\$ 950,000	\$ 1,185,000	\$ 590,000	\$ 115,000	\$ 65,000	\$ 2,905,000
	GRAND TOTAL WASTEWATER PROJECTS				\$ 10,150,000	\$ 6,342,500	\$ 6,927,500	\$ 6,947,000	\$ 6,207,500	\$ 11,327,500	\$ 37,752,000

(1) Reference Glossary of Acronyms & Terms found immediately after the Table of Contents. All projects are LCA funded.

(2) If blank , cost is not applicable (annual project) or to be determined

LEHIGH COUNTY AUTHORITY
ALLENTOWN DIVISION
2026-20230 CAPITAL PROGRAM
WATER

Project	Name or Title of Proposal	Prj. Category	Funding (1)	Approval Stage (1)	This Capital Program						
					2025 Budget Approved	2026 Year 1	2027 Year 2	2028 Year 3	2029 Year 4	2030 Year 5	2026-2030 Total
	OPERATING/CAPITAL RESERVE FUNDS										
	ANNUAL PROJECTS										
AD-W-A	Annual Projects	AM - Varies	LCA	A	2,555,000	2,685,000	2,695,000	2,435,000	2,380,000	2,160,000	12,355,000
	Sub-total Annual				\$ 2,555,000	\$ 2,685,000	\$ 2,695,000	\$ 2,435,000	\$ 2,380,000	\$ 2,160,000	\$ 12,355,000
	NON-CCRC PROJECTS										
AD-W-10	Indenture Report Improvements	AM-High	LCA	C	\$ 200,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
AD-W-11	Master Plan Studies	CA/OS	LCA	S	\$ -	\$ -	\$ 225,000	\$ -	\$ -	\$ -	\$ 225,000
AD-W-12	Tank and Reservoir Rehabilitation	AM-High	LCA	V	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 1,000,000
AD-W-13	Large Diameter Valve Replacement Project	AM-High	LCA	D	\$ 300,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 300,000	\$ 2,300,000
AD-W-14	WFP Roof Replacement Project	AM-High	LCA	S	\$ -	\$ 50,000	\$ 600,000	\$ 50,000	\$ -	\$ -	\$ 700,000
AD-W-15	Schantz Spring Water Treatment Upgrades	Regulatory	LCA	P	\$ -	\$ 75,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 225,000
AD-W-16	Leak Detection Program	Regulatory	LCA	P	\$ -	\$ 250,000	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 450,000
	TOTAL NON-CCRC PROJECTS				\$ 700,000	\$ 1,175,000	\$ 1,875,000	\$ 950,000	\$ 800,000	\$ 600,000	\$ 5,400,000
	Large Projects and CCRC Projects (3)										
AD-W-20	Annual Water Main Replacements	CA/OS	CCRC	C	\$ 4,800,000	\$ 4,500,000	\$ 1,500,000	\$ 4,500,000	\$ 1,500,000	\$ 500,000	\$ 12,500,000
AD-W-21	PFAS Compliance Planning and Upgrades	Regulatory	CCRC (2)	S	\$ 300,000	\$ 550,000	\$ 13,500,000	\$ 6,450,000	\$ -	\$ -	\$ 20,500,000
AD-W-22	Redundant Raw Water Line	Efficiency	CCRC (2)	S	\$ 100,000	\$ 1,000,000	\$ 2,525,000	\$ -	\$ -	\$ -	\$ 3,525,000
AD-W-23	Water Meter Replacement Project	AM-High	LCA	C	\$ 2,000,000	\$ 500,000	\$ -	\$ 750,000	\$ -	\$ -	\$ 1,250,000
AD-W-24	WFP Filter Upgrades	Master Plan	CCRC/City ARPA	C	\$ 3,600,000	\$ 2,260,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 2,760,000
AD-W-25	Lehigh Intake & Transmission Upgrades	Master Plan	CCRC	S	\$ 100,000	\$ 1,000,000	\$ 1,825,000	\$ -	\$ -	\$ -	\$ 2,825,000
AD-W-26	Lead Service Line Replacement Program	Regulatory	CCRC	C	\$ 15,000,000	\$ 13,000,000	\$ 13,000,000	\$ 18,500,000	\$ 24,000,000	\$ 24,000,000	\$ 92,500,000
AD-W-27	WFP Facility Electrical Upgrades	AM-High	CCRC (3)	P	\$ -	\$ 100,000	\$ 650,000	\$ 2,950,000	\$ -	\$ -	\$ 3,700,000
AD-W-28	Little Lehigh Intake Modifications	System Improvement	CCRC (3)	P	\$ -	\$ -	\$ 60,000	\$ 140,000	\$ -	\$ -	\$ 200,000
AD-W-29	WFP HVAC Upgrade Project	Efficiency	CCRC (3)	C	\$ 500,000	\$ 1,325,000	\$ 600,000	\$ -	\$ -	\$ -	\$ 1,925,000
	TOTAL CCRC PROJECTS				\$ 25,900,000	\$ 24,235,000	\$ 34,160,000	\$ 33,290,000	\$ 25,500,000	\$ 24,500,000	\$ 141,685,000
GRAND TOTAL					\$ 29,155,000	\$ 28,095,000	\$ 38,730,000	\$ 36,675,000	\$ 28,680,000	\$ 27,260,000	\$ 159,440,000

(1) Reference Glossary of Acronyms and Terms found after Table of Contents
(2) Project to be reviewed by the City for Major Capital Improvement/CCRC approval
(3) Includes projects that have not been reviewed by the City for MCI/CCRC approval

LEHIGH COUNTY AUTHORITY
ALLENTOWN DIVISION
2026-2030 CAPITAL PROGRAM
WASTEWATER

Project	Name or Title of Proposal	Prj. Category	Funding (1)	Approval Stage (1)	2025 Budget Approved	This Capital Program					
						2026 Year 1	2027 Year 2	2028 Year 3	2029 Year 4	2030 Year 5	2026-2030 Total
	Operating/Capital Reserve Funds										
	<u>ANNUAL PROJECTS</u>										
AD-S-A	Annual Projects	AM - Varies	LCA	A	\$ 2,715,000	\$ 2,142,000	\$ 2,191,000	\$ 2,170,000	\$ 1,981,000	\$ 1,885,000	\$ 10,369,000
	Sub-total Annual				\$ 2,715,000	\$ 2,142,000	\$ 2,191,000	\$ 2,170,000	\$ 1,981,000	\$ 1,885,000	\$ 10,369,000
	<u>Non-CCRC Projects</u>										
AD-S-10	Indenture Report Improvements	AM - Varies	LCA	C	\$ 200,000	\$ 200,000	\$ 200,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 700,000
AD-S-11	WWTP Master Plan	CA/OS	LCA	S	\$ 160,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000
AD-S-12	Manhole Inspection and Sealing Program	Regulatory	LCA	S	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 5,000,000
AD-S-13	WWTP Redundant Power Supply	Efficiency	LCA	S	\$ -	\$ 70,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,070,000
AD-S-14	WWTP Facilities Improvements	Efficiency	LCA	S	\$ 100,000	\$ 200,000	\$ 600,000	\$ 250,000	\$ -	\$ -	\$ 1,050,000
AD-S-15	WWTP OCU #24 Building Replacement	AM - High	LCA	P	\$ -	\$ 100,000	\$ 700,000	\$ -	\$ -	\$ -	\$ 800,000
AD-S-16	WWTP Facility Electrical Upgrades	AM - High	LCA	P	\$ -	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 650,000
AD-S-17	WWTP Effluent Pump Station	Efficiency	LCA	P	\$ -	\$ -	\$ -	\$ 75,000	\$ 150,000	\$ 500,000	\$ 725,000
	Sub-total Allentown Division Wastewater Capital Funded by LCA				\$ 1,460,000	\$ 1,700,000	\$ 3,630,000	\$ 1,555,000	\$ 1,380,000	\$ 1,980,000	\$ 10,245,000
	<u>Large Projects and CCRC Projects</u>										
AD-S-20	WWTP Electrical Substation Replacement Phase 2	AM - High	CCRC	C	\$ 5,250,000	\$ 825,000	\$ -	\$ -	\$ -	\$ -	\$ 825,000
AD-S-21	WWTP Final Clarifier 1-4 Rehabilitation	AM - High	CCRC	D	\$ 2,500,000	\$ 1,545,000	\$ -	\$ -	\$ -	\$ -	\$ 1,545,000
AD-S-22	WWTP Wet Weather Improvements Project - Phase 1	Regulatory	CCRC	D	\$ 750,000	\$ 6,250,000	\$ 10,750,000	\$ 4,200,000	\$ -	\$ -	\$ 21,200,000
AD-S-23	WWTP Plastic Media Trickling Filter Rehabilitation Project	AM - High	CCRC (3)	S	\$ 200,000	\$ 3,225,000	\$ 2,125,000	\$ 4,250,000	\$ 4,250,000	\$ 2,125,000	\$ 15,975,000
AD-S-24	I/I Reduction Plan	Regulatory	CCRC (2)	V	\$ 3,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,250,000	\$ 5,250,000	\$ 5,250,000	\$ 25,750,000
AD-S-25	WWTP Solids Process Improvements	Regulatory	CCRC (3)	S	\$ 500,000	\$ 1,000,000	\$ 275,000	\$ 2,480,000	\$ 2,675,000	\$ 2,225,000	\$ 8,655,000
	Sub-total Allentown Division Wastewater Large & CCRC Projects				\$ 12,200,000	\$ 17,845,000	\$ 18,150,000	\$ 16,180,000	\$ 12,175,000	\$ 9,600,000	\$ 73,950,000
	<u>Act 537 Plan Development Projects</u>										
AD-S-40	Act 537 Alternative Analyses	Regulatory	City	S	\$ 250,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
AD-S-41	Miscellaneous Act 537 Planning, Financial and Legal Reviews	Regulatory	LCA	V	\$ 200,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
	Sub-total Allentown Division Wastewater Capital Funded by the City				\$ 450,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
	GRAND TOTAL				\$ 16,825,000	\$ 21,887,000	\$ 23,971,000	\$ 19,905,000	\$ 15,536,000	\$ 13,465,000	\$ 94,764,000

(1) Reference Glossary of Acronyms and Terms found after the Table of Contents
(2) Per 2020 Lease Amendment related to sewer collection rehabilitation projects
(3) Project to be reviewed by the City for Major Capital Improvement/CCRC approval

2026 BUDGET – EXECUTIVE SUMMARY

Submitted by: Liesel M. Gross, Chief Executive Officer

October 20, 2025

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 Lehigh County Authority (LCA) looks back on 2024 and 2025, there are many success stories to share as well as indications of the new challenges that lie ahead. As proposed, the 2026 Budget offers support for the organization to continue the momentum achieved in key areas of the 2022-2027 Strategic Plan, and additional resources to address evolving regulatory requirements.

Support will be needed in 2026 to advance LCA's progress in these key areas:

Regional Leadership – Developing trust with customers and community leaders is important. LCA's communications program and community engagement program will expand next year, ensuring that LCA has a seat at the table when decisions are being made about topics like growth, system consolidation, environmental programs, affordability initiatives, and more. Special focus will be placed on starting important conversations about simplifying utility service arrangements, updating intermunicipal agreements, and concluding the decision-making process regarding the future of LCA's industrial pretreatment plant.

Technology & Data Management – Technology is changing rapidly, and LCA has not always kept pace with these advancements. There are so many opportunities to streamline the work, make employees' jobs easier, automate customer service interactions, and integrate systems to help LCA's staff make decisions. In 2026, LCA will create a vision for the next generation of technology, and in the process make sure that employees have the tools needed to work smarter, not harder, as programs grow.

Project Management & Performance – As LCA's capital program has expanded dramatically to address growing regulatory requirements and the infrastructure replacement needs of an aging system, it will be important to have tools and data to illustrate performance on project delivery. Transparent and regular reporting on adherence to project schedule, scope and budget is critical. This heightened attention to project management and performance will support important conversations LCA must have with the public about financing approaches, rate increases, affordability, and more.

Facilities & Security – Employees deserve safe and healthy workspaces. Some of LCA's buildings have not been well maintained over time, and critical upgrades are needed. LCA's team is expanding too, and new space must be created for a growing workforce. Along the way, security must be handled in a consistent way across all LCA's facilities. This represents a new area of work for LCA, that will require dedicated focus and resources.

Affordability – LCA faces rapid growth in costs due to new requirements like the lead replacement program and major sewer system upgrades. As things move forward, rates will need to increase significantly as well. In 2026, a water rate affordability plan will be developed

to support customers who are already having trouble paying their bill. This is an important effort that shows LCA's dedication and service to the community.

Lead Pipe Replacement Program – While a lot of progress has been made on developing LCA's lead program, a lot of work remains. This program affects many different departments here at LCA, and a high level of customer interaction is required for the program to be successful. Plans for next year include advancing LCA's lead service line inventory program and development of a comprehensive plan to remove all lead from the water system by 2037. While these planning activities continue, LCA will be actively working to remove lead pipes, with a target of 1,000 lead pipe replacements in 2026.

Employee Safety – Employees are LCA's greatest resource. Employees must have the ability to work safely every day, and there is always more work to do to support this critical goal. LCA has recently made enhancements in how safety incidents are tracked and investigated, and future work in this area will be focused on providing employees with the right training and tools needed to work safely every day.

While the initiatives described above are called out as top priority focus areas for LCA in 2026, there are many ongoing programs and goals that will continue to capture the team's attention and resources. Examples include ongoing work on projects included in the Kline's Island Sewer System Act 537 Plan, efforts to expand LCA's asset management program, and future phases of system integrations needed following the recent implementation of an updated financial software system.

Despite these expanding demands on the organization, LCA's 2026 Budget offers a balanced approach to adding resources, managing rate increases to customers, and ensuring appropriate levels of support for LCA's dedicated team of water professionals.

Staff Support for Key Strategies

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 and regulatory initiatives in 2026, additional staff support has been incorporated into the 2026 Budget. A new approach has been considered for this budget, which includes hiring additional internal teams to complete planned construction work for key ongoing programs. This strategy will be tested in 2026 as a method to better manage increasing construction contract costs.

Lead Program Staffing – As described above, the new requirements related to the identification and removal of lead services lines in LCA's water systems represent a significant increase in workload that exceeds current staff capacity. Following the success of the first cycle of lead service line replacements completed with in-house teams, LCA seeks to expand its internal capacity to continue this work. A small construction team will be hired to manage in-house lead pipe replacements, providing cost-effective field support for larger annual projects to be completed by contractors. Staffing will also be added to provide programmatic administrative support and community engagement work on this important program.

I&I Program Staffing – A key area of focus for the foreseeable future lies in the effort to remove leakage from the sewer collection system in Allentown and other areas within the Kline's Island Sewer System. This work is highly detailed requiring expertise in flow monitoring and metering, rehab design, construction management, and data management. The success of this I&I source reduction program will be critical to achieving regulatory relief from current restrictions on new connections to the sewer system, and to avoid costly facility expansions in the future due to the reduction in base flow and wet-weather sewage flows. In 2026, a small field team will be hired to

begin completing certain ongoing aspects of this program in-house, to better manage construction costs.

Staffing for Organizational Services – Over the past few years, LCA has expanded its scope of work to meet new regulatory requirements, growing customer demand, and advances in technology. This organizational expansion has resulted in gaps that must be filled in the areas of technology and data management, facilities and security management, and general financial support services. These will be addressed in 2026 with targeted new staff positions.

These proposed staff additions – including a headcount increase of 10 – will support both near-term regulatory requirements and long-term strategies as LCA seeks to increase professionalism and internal capacity across the organization. In addition, work will be completed in 2026 to further refine LCA's review of personnel cost drivers such as overtime cost management and monitoring of contractor pricing to ensure the most efficient approach is in place for managing these large ongoing programs.

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 2026-2030 Capital Plan includes more than \$335 Million in capital projects over the next five years. For 2026, this equates to approximately \$64 Million in project funding.

Projects in LCA's City Division make up a significant portion of capital costs in 2026. Notable projects in Allentown that are included in the 2026 Budget include:

- A second cycle of lead service line replacements will begin in early 2026, with the \$13 million project funded in part by grants from Pennvest.
- Construction will begin in 2026 on wet-weather pumping capacity enhancements at the Kline's Island Wastewater Treatment Plant (WWTP), a \$22 million project that will greatly reduce the frequency of plant bypasses during wet-weather events.
- Annual inflow and infiltration source reduction work will ramp up in 2026, with an estimated \$6 million per year needed to remove extraneous flows from the Allentown sewer collection system network.
- Major treatment plant upgrade projects are already under way or planned to begin in 2026, such as replacement of aging filters at the Allentown Water Filtration Plant and the Kline's Island WWTP, and other upgrades to mechanical and electrical systems at these critical facilities.

In addition, work on the future rehabilitation of LCA's Industrial Pretreatment Plant located in Fogelsville will continue in 2026. This facility provides broad regional benefit in its treatment of high-strength wastewater generated by several major food and beverage manufacturers located in the service area.

These projects, and many more outlined in the 2026-2030 Capital Plan, are required to address aging infrastructure and enhance system performance in all LCA service areas. To support this expanded capital program, approximately \$6 Million in new borrowing is planned in 2026, with the remainder of the projects to be funded via grants, operating revenues, project reserves and prior borrowings.

2026 Rates

This Executive Summary reviews key features of LCA’s 2026 Budget relating to updated strategic initiatives and responses to regulatory challenges. The 2026 Budget proposal also includes nearly \$64 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:

City Division: 7.1% (Average residential customer impact: \$18.58 per quarter, water & sewer)

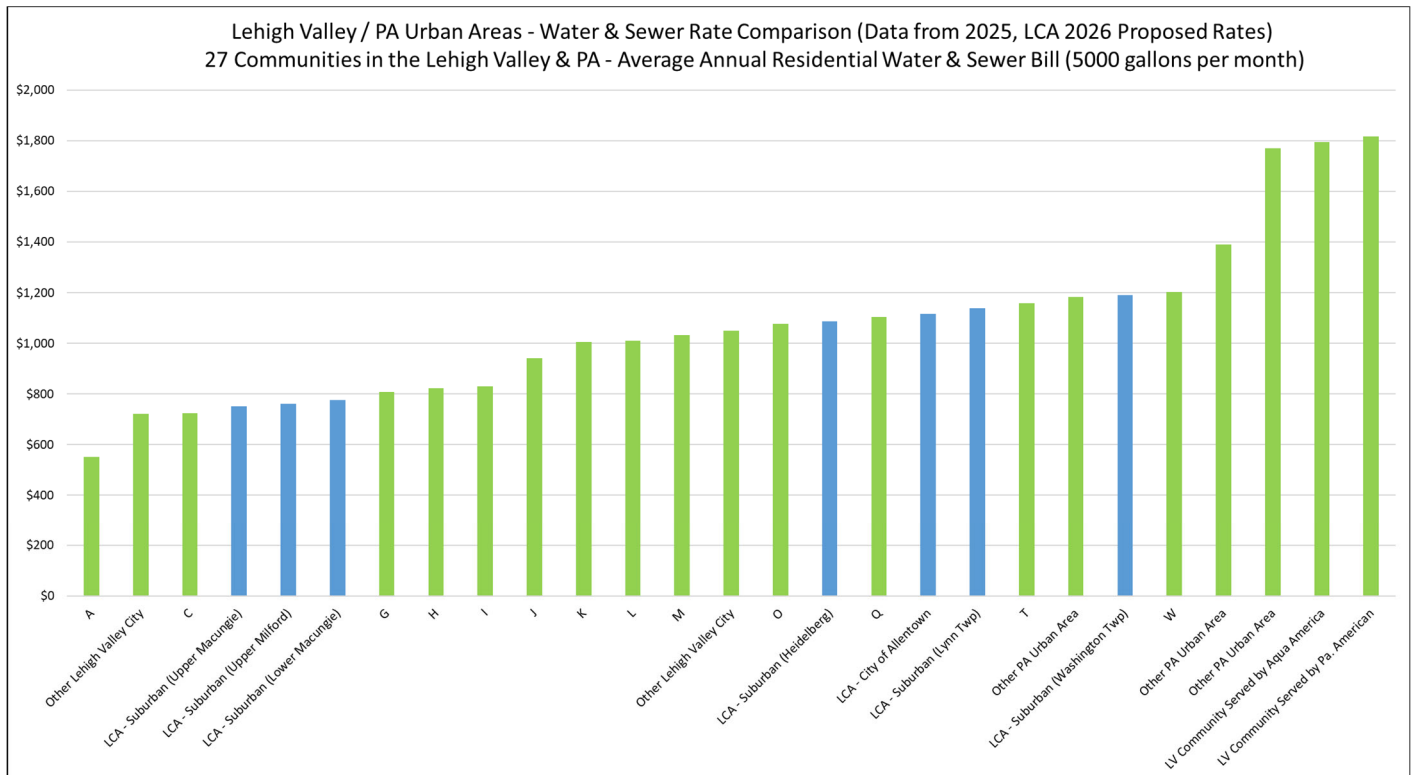
Suburban Water Division: 4.0% (Average residential customer impact: \$3.80 per quarter, water only)

Suburban Wastewater Division: 6.2% (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 to calculate revenue impacts to the 2026 Budget, the proposed water and sewer rates for 2026 will be subject to a separate public input process and approval by LCA’s Board of Directors later in 2025. If approved, new rates will be effective January 1, 2026.

The graph below illustrates how LCA’s 2026 proposed rates compare to other communities in the Lehigh Valley and other urban communities in Pennsylvania. With the 2026 increases included, LCA customers will continue to enjoy reasonable water and sewer rates that are well aligned with the cost of these services across the region and the Commonwealth.



2026 BUDGET – SUMMARY OF EXPECTED RESULTS

The sections above describe the breadth of issues that were evaluated and discussed through the development of the 2026 Budget. The summary below shows that the 2026 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 2026, LCA will maintain 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	\$ 21,727,873	\$ 22,718,896	\$ 75,431,077	\$ 119,877,846
Operating Expenses (net of depreciation)	\$ 13,843,538	\$ 18,014,274	\$ 28,628,713	\$ 60,486,525
Net Revenues Available for Debt Service	\$ 7,884,335	\$ 4,704,622	\$ 46,802,364	\$ 59,391,321
Debt Service	\$ 3,346,027	\$ 2,176,924	\$ 18,079,392	\$ 23,602,343
Debt Service Coverage Ratio (indenture based)	2.36	2.16	2.19	2.21

Capital Budget Overview	Suburban Water	Suburban Wastewater	City Division	Total
Capital Expenses	\$ 6,140,000	\$ 6,697,500	\$ 50,692,000	\$ 63,529,500
Funding from 2026 Revenue & Operating Reserves	\$ 6,140,000	\$ 797,500	\$ 29,685,037	\$ 36,622,537
Funding from Existing Project Reserves	-	\$ 5,900,000	\$ 15,346,033	\$ 21,246,033
Funding from New Borrowing	-	-	\$ 5,660,930	\$ 5,660,930
Year-End Project Reserve Balance	\$ 319,718	\$ 55,385	\$ 3,022,601	\$ 3,397,704

Total Cash Flow	Suburban Water	Suburban Wastewater	City Division	Total
Beginning Operations Cash Balance (2025 forecast)	\$ 8,883,860	\$ 873,315	\$ 25,252,605	\$ 35,009,780
2026 Surplus	\$ 4,538,308	\$ 2,527,698	\$ 28,722,972	\$ 35,788,978
Provided From (To) Capital	\$(6,140,000)	\$(797,500)	\$(29,685,037)	\$(36,622,537)
Ending Operations Cash Balance	\$ 7,282,168	\$ 2,603,513	\$ 24,290,540	\$ 34,176,221
Operating Days Cash on Hand	192	53	310	211
Project Reserve Balance	\$ 319,718	\$ 55,385	\$ 3,022,601	\$ 3,397,704
Other Reserves & Investments (includes restricted)	\$ 4,765,072	\$ 7,634,351	\$ 90,601,701	\$ 103,001,124
Ending Total Fund Balance – 2026 Budget	\$ 12,366,958	\$ 10,293,249	\$ 117,914,842	\$ 140,575,049

MEMORANDUM

Date: October 20, 2025

To: LCA Board of Directors
Liesel Gross, Chief Executive Officer
Edward Klein, Chief Financial Officer
Christopher Moughan, Director of Service & Technology
Patricia Walck, Purchasing Agent

From: Gerald Charvala, Deputy Director, Field Services
Joseph Younes, Field Services Manager

RE: Emergency Water Main Replacement – 13th Street, Allentown

On Wednesday, October 15, 2025 at approximately 12:30 p.m., Lehigh County Authority (LCA) received a report of a water main break on 13th Street between Liberty and Gordon Streets in Allentown. LCA staff were immediately dispatched to assess the situation.

Shortly thereafter, staff at the Allentown Water Filtration Plant reported significant water loss being recorded by LCA's system monitors. In the location where the large volume of water was flowing in the street, the water system contains two water mains – a 30-inch diameter line and a 12-inch diameter line. Given the volume of water loss, the team initially suspected a failure on the 30-inch water main and promptly contacted Joao Bradley to mobilize their emergency repair team. Upon arrival, LCA crews quickly isolated the interconnect valve between the 30-inch and 12-inch mains, at that time confirming the break was on the 12-inch cast iron main.

A PA One Call was placed, and all utilities responded promptly. LCA staff were assigned to internal and external coordination roles for this emergency response to ensure proper communication with all parties. Joao Bradley began excavating and removed approximately 15 feet of damaged oversized 12-inch cast iron pipe and replaced it with 12-inch ductile iron pipe using two repair clamps, which LCA received from Eastern Suburban via Core and Main. Water service was restored by approximately 6:30 p.m., and the roadway was reopened shortly thereafter.

Inspection of the removed pipe was conducted by the LCA field team and was found to be pitted and worn through, to the point that a screwdriver could be pushed through the pipe with minimal effort. Based on these findings, the team recommended full replacement of the existing 12-inch cast iron main in this block of the City. The pipe was originally installed in 1912. Further discussions led to an additional recommendation to replace the adjacent 30-inch main with a new 12-inch main. The 30-inch main also dated back to 1912. The size reduction from 30-inch to 12-inch will be acceptable from a hydraulic perspective as other pipe size reductions had previously occurred on this line in the past.

Lehigh County Authority
Emergency Water Main Replacement – 13th Street, Allentown
October 20, 2025
Page 2

After receiving LCA's internal approval of an emergency declaration, Joao Bradley was authorized to proceed with removing both mains and installing two new 12-inch ductile iron pipe mains along 13th Street for a total replacement of approximately 1,300 feet of 113-year-old pipe. This work will also involve replacement of service lines serving two impacted customers on this block. Construction is expected to take approximately five days and will start on Wednesday, October 22, 2025, based on soonest pipe availability. Joao Bradley provided cost estimate of \$397,875.00 for this work, which is competitive when compared to other contract costs for recent water main replacement projects.

Due to the time-sensitive nature of this repair, the emergency was declared administratively on October 15, 2025. The LCA Board of Directors is asked to approve this declaration retroactively to October 15, 2025 to cover expenses already incurred (or to be incurred) as a result of this emergency and waive standard purchasing guidelines as a result of acting as expeditiously as possible to address the emergency.

CC: Christine Richie, Field Services Office Coordinator

MEMORANDUM

Date: October 27, 2025

To: Authority Board
From: Amy Kunkel, P.E.
Subject: Suburban Division – Upper Western Lehigh Pump Station – Construction
Phase: Contract No. 1 Change Order

MOTIONS / APPROVALS REQUESTED:

No.	Item	Amount
1	Request for Board Authorization – Amendment No. 1	\$149,981.52
2	Construction Change Order Contract 1 – General/Process Mechanical*: Blooming Glen Contractors Inc.	\$149,981.52

PROJECT BACKGROUND:

The Kline's Island Sewer System Interim Act 537 Plan was approved by DEP in June 2021 and included construction of interim improvements in the Trexlertown area until a long-term solution is developed as part of the Regional Act 537 Plan recommendations. The Trexlertown Special Study (TSS) was prepared in late 2021 to evaluate improvement alternatives to temporarily resolve the Western Lehigh Interceptor capacity deficiencies downstream the LCA Pretreatment Plant. The alternative recommended in the study consisted of a 2.5 million gallons per day (MGD) capacity pump station located near LCA's Industrial Pre-Treatment Plant (PTP), and 1.52 miles of 18" diameter force main connecting to the Upper Macungie Trunk Line (UMTL) at MH PH3034A, located north of Rt 222 and west of Grange Rd. in the Township park area.

CHANGE ORDER SCOPE AND OBJECTIVE:

During construction of the pump station wet well and after an extended period of wet weather, a sinkhole developed on the construction site near the two parallel interceptors that convey sewage to and from the PTP. Earth Engineering Inc. (EEI) was retained by the General Contractor (Blooming Glen) to evaluate and quantify the sinkhole. Blooming Glen excavated the area down to the top of the effluent interceptor and could not locate the throat of the sinkhole. EEI reviewed the conditions and their proximity to LCA's infrastructure and recommended that grouting be installed to minimize further sinkhole development and damage to the interceptor lines. EEI subsequently prepared a grouting plan design which calls for installation of grout at 15 injection points. The change order includes the costs for the following items:

- 1) Blooming Glen's initial costs to excavate and monitor the sinkhole as it developed.
- 2) Earth Engineering's costs to design a stabilization plan for the sinkhole and interceptors.
- 3) Blooming Glen's costs to proceed with construction as per the sinkhole mitigation plan.
- 4) Monitoring of the interceptors to prevent uplift during drilling and pressure grouting.
- 5) Supervising construction by the geotechnical firm.

The cost to install the grouting is a conservative time and materials estimate based on recommendation from the geotechnical engineer. Note that the exact amount of drilling and grouting material required to reach bedrock is not known at this time, and actual costs will be updated upon completion of the work.

FUNDING:

This Project will be funded by the LCA Suburban Division

PROJECT STATUS:

Construction Phase of the pump station is ongoing and expected to be substantially complete by the end of November. Construction of the sinkhole repair may push final restoration (paving and seeding) to the Spring of 2026, weather and timing dependent.

THIS APPROVAL:

General/Process Mechanical Contract No 1 Change Order.

FUTURE AUTHORIZATIONS:

None anticipated.



1053 SPRUCE RD * P.O. BOX 3348 * ALLENTOWN, PA 18106-0348
610-398-2503 * email: service@lehighcountyauthority.org
www.lehighcountyauthority.org

REQUEST FOR BOARD AUTHORIZATION

Board of Directors Meeting Date: October 27, 2025
Staff Member Requesting Authorization: Amy Kunkel
Department: Capital Works
Short Description / Title of Project / Purchase: Upper Western Lehigh Pump Station
Project Number (if applicable): MUNIS 30816

Capital Expense: (check all that apply)

- ☐ Capital Project >\$250,000
☐ Construction / Other Contract(s)
☐ Professional Services Authorization
☐ Initial Authorization
☐ Amended Authorization
☐ Professional Services Authorization >\$100,000
☐ Equipment Purchase >\$250,000
☐ Upsizing / Extension >\$250,000
☐ Aggregate Change Order >10% of contract and >\$100,000
☒ Stand-Alone Change Order >\$50,000

Operations Expense:

- ☐ Construction / Other Contract >\$250,000
☐ Professional Services Authorization >\$100,000
☐ Equipment / Other Individual Item >\$250,000
☐ Emergency Authorization >\$50,000
☐ Aggregate Change Order >10% of contract and >\$100,000
☐ Stand-Alone Change Order >\$50,000

LCA Enterprise Fund: ☐ Allentown Division ☐ Suburban Water ☒ Suburban Wastewater ☐ Internal Service / Admin

Current Project Phase: ☐ N/A (skip to Description) ☐ Planning ☐ Conceptual Design ☐ Design / Bid ☒ Construction

Prior Authorization(s):

Date	Phase	Description	Amount Authorized
6/10/2024	Construction	Contract No. 1 – General Construction	\$1,975,916.92
			\$
			\$
Total Prior Authorizations:			\$1,975,916.92

Current Authorization Requested:

Description	Amount Requested
Change Order for Sinkhole Repair	\$149,981.52
	\$
	\$
	\$
	\$
	\$
	\$
	\$
Total Amount Requested (this authorization):	\$149,981.52

Future Authorizations:

Phase	Note / Description	Estimated Cost
		\$
		\$
Estimated Total Project Cost:		\$

Short Description: (please attach supporting documentation, proposals, memos, etc.)

During construction of the pump station wet well, a sinkhole developed near the excavation and in the vicinity of the two parallel interceptors going in to and out of the Pre-Treatment Plant. This change order is a time and material-based estimate for the investigation, design, and repair of the sinkhole. See attached Board memo and corresponding documentation for more detail.

Purchasing Procedure: ☐ Formal Bid ☐ Request for Proposal ☐ Cooperative Purchasing Group / CoStars ☐ N/A - Emergency

Motion: _____ Second: _____ Approved? _____ Certified by: _____

Change Order Request



**WATER & WASTEWATER
SERVICES DIVISION**

C.O.R. # 04455-202-05

G.C. # 04455-202-05

Date: 10/15/2025

Project Name: 04455-202 Upper Western Lehigh Pump Station

Project #: 04455-202

To: Entech Engineering, Inc.
Attn: Dan Hopkins
201 Penn Street
P.O. Box 32
Reading, PA 19603-0032

From: BGC Water & Wastewater Services Division
Mitchell Bonenfant
901 Minsi Trail
Perkasie, PA 18944

Phone: 610-373-6667 **Fax:** 610-373-7537

Phone: (215) 257-9400 **Fax:** (215) 258-5937

We hereby propose to make the following changes:

Sinkhole Repair

As requested, this change order request provides pricing to investigate, design, and repair the sinkhole that was identified onsite. This includes Blooming Glens initial excavation and monitoring of the sinkhole as it developed, Earth Engineerings costs to provide a design to try and stabilize the sinkhole, and the costs to proceed with the work specified in the design. This work includes installing tell tales on the existing pipelines to monitor uplift, drilling and pressure grouting at a number of locations within the affected area, and costs to provide a technician from the geotechnical engineering firm to witness the work.

As there are still a lot of unknowns, primarily related to the amount of drilling and grouting that will be required to reach bedrock, the costs for drilling, grouting, inspection, and some labor are estimates and will need to be updated to accurately match the quantities required to perform the work.

Excluded from this change order request is water. It is expected that a water connection could be provided onsite at no additoinal cost.

Included in this change order request is a time extension. With the unknowns present, the requested extension is just an estimate. Given the winter conditions quickly approaching, this work may delay site restoration and could push that back into the following spring which would require a much greater time extension.

Change Order Price \$149,981.52

This price is good for 7 days. If conditions change, this price is void.

We are requesting a time extension of 50 days in conjunction with this change.

<u>Mitchell Bonenfant</u>	<u>10/15/2025</u>
Author	Date Sent

☐ Accepted The above prices and specifications of this Change Order request are satisfactory and are hereby accepted. All work to be performed under same terms and conditions as specified in original contract unless otherwise specified.

Authorized Signature

Date of Acceptance

Change Order Request



C.O.R. # 04455-202-05

G.C. # 04455-202-05

Date: 10/15/2025

Project Name: 04455-202 Upper Western Lehigh Pump Station

Project #: 04455-202

Labor

<u>Labor Type</u>	<u>Man Hrs</u>	<u>\$/Hr</u>	<u>Burden</u>	<u>Fringe</u>	<u>TotalTax</u>	<u>Total Labor</u>
Foreman	80.00	\$110.00	\$0.00	\$0.00	\$0.00	\$8,800.00
Survey	4.00	\$102.25	\$0.00	\$0.00	\$0.00	\$409.00
Foreman	24.00	\$110.00	\$0.00	\$0.00	\$0.00	\$2,640.00
Operator	24.00	\$125.50	\$0.00	\$0.00	\$0.00	\$3,012.00
Laborer	48.00	\$84.75	\$0.00	\$0.00	\$0.00	\$4,068.00
Excavator	24.00	\$96.50	\$0.00	\$0.00	\$0.00	\$2,316.00
Ramax	1.00	\$224.00	\$0.00	\$0.00	\$0.00	\$224.00
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sub Total					\$0.00	\$21,469.00
Grand Total					\$0.00	\$21,469.00

Materials











































<u>Materials</u>	<u>Quantity</u>	<u>Cost</u>	<u>TotalTax</u>	<u>Total Materials</u>
Grout	400.00	\$55.00	\$0.00	\$22,000.00
Sub Total			\$0.00	\$22,000.00
Grand Total			\$0.00	\$22,000.00

Expenses

<u>Expenses</u>	<u>Quantity</u>	<u>Cost</u>	<u>TotalTax</u>	<u>Total Expense</u>
Mobilization	1.00	\$16,000.00	\$0.00	\$16,000.00
Drilling	400.00	\$130.00	\$0.00	\$52,000.00
EEI Technician	104.00	\$70.00	\$0.00	\$7,280.00
EEI Design	1.00	\$6,112.58	\$0.00	\$6,112.58
BGC Investigative Work	1.00	\$4,992.55	\$0.00	\$4,992.55
Sub Total			\$0.00	\$86,385.13
Grand Total			\$0.00	\$86,385.13
Total				\$129,854.13
Overhead				\$12,985.41
Profit				\$7,141.98
Total				\$149,981.52

**LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS
SEPTEMBER 2025**

**LEHIGH COUNTY AUTHORITY
YTD SUMMARY SCORESHEET
SEPTEMBER 2025**

	Sub W	Sub WW	City
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>10</u></u>	<u><u>13</u></u>

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUMMARY
For the Period Ended September 30, 2025

	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	365,599	167,674	108,214	197,925	257,385	2,902,255	1,449,092	2,090,209	1,453,163	812,046	3,551,984	3,109,821	2,825,050	442,163	726,934
Suburban Wastewater	746,283	266,283	(159,026)	480,000	905,309	(1,576,676)	(1,973,663)	(283,088)	396,986	(1,293,588)	(1,990,358)	(1,990,849)	(421,780)	491	(1,568,578)
City Division	2,400,769	817,112	1,159,652	1,583,657	1,241,118	18,611,990	15,703,811	11,198,478	2,908,179	7,413,512	11,605,752	23,008,783	11,588,644	(11,403,031)	17,108
Total LCA	3,512,652	1,251,069	1,108,840	2,261,582	2,403,812	19,937,568	15,179,240	13,005,599	4,758,329	6,931,969	13,167,378	24,127,755	13,991,914	(10,960,376)	(824,536)
Cash Flow Statement															
Suburban Water	560,253	376,859	426,278	183,393	133,974	1,703,501	426,520	4,965,650	1,276,981	(3,262,149)	98,281	(400,000)	825,887	498,282	(727,606)
Suburban Wastewater	1,434,780	927,929	(1,081,135)	506,851	2,515,914	2,311,498	1,993,382	(2,565,623)	318,115	4,877,121	4,317,091	4,227,607	(4,278,061)	89,484	8,595,153
City Division	(4,964,657)	(6,731,240)	905,120	1,766,584	(5,869,777)	4,107,363	(1,530,051)	66,012,568	5,637,414	(61,905,205)	(11,866,582)	(15,865,171)	59,062,913	3,998,589	(70,929,495)
Total LCA	(2,969,625)	(5,426,452)	250,264	2,456,827	(3,219,888)	8,122,362	889,852	68,412,594	7,232,510	(60,290,232)	(7,451,209)	(12,037,564)	55,610,738	4,586,355	(63,061,948)
Debt Service Coverage Ratio															
Suburban Water	2.58	1.95	1.68	0.63	0.90	2.53	2.00	2.16	0.53	0.37	2.40	2.26	2.26	0.14	0.14
Suburban Wastewater	7.59	4.79	1.69	2.80	5.90	2.44	2.17	2.20	0.27	0.24	2.47	2.43	2.20	0.04	0.27
City Division	2.98	1.78	2.05	1.20	0.94	2.76	2.32	1.96	0.43	0.80	2.13	1.88	2.19	0.25	(0.06)

LEHIGH COUNTY AUTHORITY
CONSOLIDATED FINANCIAL STATEMENTS
For the Period Ended September 30, 2025

STATEMENTS OF ACTIVITIES	Consolidated Financial Statements															
	Month				Year To Date				Q3 FULL YEAR FORECAST				Full Year Budget			
	Sub W	Sub WW	City	LCA	Sub W	Sub WW	City	LCA	Sub W	Sub WW	City	LCA	Sub W	Sub WW	City	LCA
Operating Revenues:																
User Charges	1,663,673	2,249,031	5,272,358	9,185,061	13,661,713	14,061,025	44,488,571	72,211,309	18,944,564	19,691,504	59,540,813	98,176,881	18,824,442	19,760,438	59,533,021	98,117,902
Connection & System Charges	30,735	-	976,882	1,007,616	729,492	1,260,339	6,255,947	8,245,777	945,616	1,752,350	3,576,956	6,274,921	1,053,435	1,694,206	3,424,580	6,172,221
Other Miscellaneous Revenues	2,220	60	11,695	13,975	26,145	139,660	47,602	213,408	179,521	1,987	90,523	272,031	180,683	2,683	88,609	271,975
Total Operating Revenues	1,696,627	2,249,091	6,260,934	10,206,652	14,417,350	15,461,024	50,792,120	80,670,494	20,069,701	21,445,840	63,208,292	104,723,833	20,058,560	21,457,327	63,046,210	104,562,098
Operating Expenses:																
Personnel	240,233	89,143	1,174,401	1,503,776	3,012,950	1,133,087	9,273,474	13,419,512	4,303,459	2,175,634	14,010,800	20,489,893	4,316,490	2,206,442	13,975,346	20,498,278
Shared Services - General & Administrative	35,239	12,423	204,353	252,015	543,393	196,604	2,053,938	2,793,934	1,180,375	693,587	3,233,292	5,107,254	1,122,516	781,682	3,272,110	5,176,308
Utilities	70,964	28,986	269,385	369,335	503,854	248,648	1,893,657	2,646,160	596,384	312,109	2,119,257	3,027,750	550,628	307,879	2,083,602	2,942,109
Materials and Supplies	107,920	15,904	332,041	455,865	493,924	209,692	2,286,022	2,989,638	1,305,320	656,210	3,752,651	5,714,181	1,373,473	689,690	3,677,870	5,741,033
Miscellaneous Services	571,485	401,910	222,264	1,195,659	4,013,377	6,067,325	1,876,023	11,956,725	5,047,013	7,910,524	2,609,068	15,566,605	4,824,648	7,969,739	2,653,796	15,448,183
Treatment and Transportation	-	400,000	-	400,000	-	4,081,436	6,060	4,087,496	-	4,617,574	11,685	4,629,259	-	4,245,970	11,685	4,257,655
Depreciation and Amortization	299,834	579,763	540,539	1,420,136	2,694,114	5,215,984	4,876,099	12,786,197	3,598,008	7,081,776	6,508,957	17,188,742	3,541,890	7,107,287	6,516,803	17,165,980
Major Maintenance Expenses	-	-	-	-	-	-	-	-	-	-	4,100,000	4,100,000	-	-	4,100,000	4,100,000
Other Miscellaneous	-	-	6,040	6,040	-	-	8,540	8,540	201,483	22,653	2,095	226,231	221,483	22,653	-	244,136
Total Operating Expenses	1,325,675	1,528,128	2,749,024	5,602,827	11,261,612	17,152,776	22,273,813	50,688,201	16,232,043	23,470,067	36,347,805	76,049,914	15,951,128	23,331,343	36,291,211	75,573,682
Net Operating Profit	370,952	720,963	3,511,910	4,603,825	3,155,738	(1,691,752)	28,518,307	29,982,293	3,837,658	(2,024,226)	26,860,487	28,673,919	4,107,433	(1,874,016)	26,754,999	28,988,416
Non-Operating Income (Expense)																
Interest Income	76,540	76,238	455,676	608,454	731,400	459,415	4,195,699	5,386,514	918,119	432,545	5,610,016	6,960,680	203,191	207,242	1,432,632	1,843,065
Interest (Expense)	(81,893)	(50,918)	(1,566,817)	(1,699,628)	(984,883)	(344,340)	(14,102,016)	(15,431,239)	(1,197,656)	(290,602)	(20,864,751)	(22,353,009)	(1,197,656)	(176,093)	(20,178,848)	(21,552,597)
Other Miscellaneous	-	-	-	-	-	-	-	-	(6,137)	(108,075)	-	(114,211)	(3,147)	(197,982)	15,000,000	14,848,871
Net Non-Operating Income (Expense)	(5,352)	25,320	(1,111,141)	(1,091,174)	(253,483)	115,076	(9,906,317)	(10,044,724)	(285,674)	33,868	(15,254,735)	(15,506,541)	(997,612)	(116,833)	(3,746,216)	(4,860,661)
Net Income (Loss)	365,599	746,283	2,400,769	3,512,652	2,902,255	(1,576,676)	18,611,990	19,937,568	3,551,984	(1,990,358)	11,605,752	13,167,378	3,109,821	(1,990,849)	23,008,783	24,127,755
CASH FLOW STATEMENT																
Cash Flows From Operating Activities																
Operating Revenues	1,696,627	2,249,091	6,260,934	10,206,652	14,417,350	15,461,024	50,792,120	80,670,494	20,069,701	21,445,840	63,208,292	104,723,833	20,058,560	21,457,327	63,046,210	104,562,098
Operating Expenses (ex D&A)	(1,025,841)	(948,365)	(2,208,485)	(4,182,690)	(8,567,498)	(11,936,792)	(17,397,715)	(37,902,004)	(12,634,034)	(16,388,290)	(25,738,847)	(54,761,172)	(12,409,238)	(16,224,056)	(25,674,408)	(54,307,702)
Non-Cash Working Capital Changes	64,597	852,429	(3,797,455)	(2,880,430)	24,369	570,237	(1,709,989)	(1,115,383)	(1)	(5)	1	(5)	0	-	-	0
Net Cash Provided by (Used in) Operating Activities	735,383	2,153,154	254,995	3,143,532	5,874,221	4,094,470	31,684,417	41,653,107	7,435,666	5,057,546	37,469,445	49,962,656	7,649,323	5,233,271	37,371,802	50,254,396
Cash Flows From Financing Activities																
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds New Borrowing	-	-	-	-	-	5,000,000	-	5,000,000	-	14,850,000	-	14,850,000	-	14,850,000	-	14,850,000
Interest Payments	(726)	(5,275)	(1,043)	(7,044)	(735,143)	(159,928)	(6,403,938)	(7,299,010)	(1,197,656)	(176,093)	(13,003,690)	(14,377,439)	(1,197,656)	(176,093)	(13,515,690)	(14,889,439)
Principal Payments	(6,517)	(39,623)	(564,949)	(611,089)	(58,388)	(354,723)	(1,167,271)	(1,580,382)	(2,277,211)	(2,000,831)	(4,761,978)	(9,040,021)	(2,277,211)	(2,000,831)	(4,250,000)	(8,528,042)
Net Cash Provided by (Used in) Financing Activities	(7,243)	(44,898)	(565,992)	(618,133)	(793,531)	4,485,348	(7,571,209)	(3,879,392)	(3,474,867)	12,673,075	(17,765,669)	(8,567,460)	(3,474,867)	12,673,076	(17,765,690)	(8,567,481)
Cash Flows from Capital and Related Activities																
Non-Operating Income (Expenses)	-	-	-	-	-	-	-	-	(6,137)	(108,075)	-	(114,211)	(3,147)	(147,982)	15,000,000	14,848,871
Capital Expenditures, net	(244,428)	(1,243,715)	(4,549,648)	(6,037,791)	(3,850,589)	(7,202,735)	(23,082,169)	(34,135,494)	(4,774,500)	(13,738,000)	(36,061,000)	(54,573,500)	(4,774,500)	(13,738,000)	(50,580,000)	(69,092,500)
Net Cash Provided By (Used In) Capital and Related Activities	(244,428)	(1,243,715)	(4,549,648)	(6,037,791)	(3,850,589)	(7,202,735)	(23,082,169)	(34,135,494)	(4,780,636)	(13,846,075)	(36,061,000)	(54,687,711)	(4,777,647)	(13,885,982)	(35,580,000)	(54,243,629)
Cash Flows From Investing Activities																
Investments Converting To Cash	-	494,000	-	494,000	734,000	3,109,000	-	3,843,000	992,000	3,109,000	-	4,101,000	-	-	-	-
Purchased Investments	-	-	-	-	(992,000)	(2,634,000)	-	(3,626,000)	(992,000)	(3,109,000)	-	(4,101,000)	-	-	-	-
Interest Income	76,540	76,238	455,676	608,454	731,400	459,415	4,195,699	5,386,514	918,119	432,545	5,610,016	6,960,680	203,191	207,242	1,432,632	1,843,065
Net Cash Provided By (Used In) Investing Activities	76,540	570,238	455,676	1,102,454	473,400	934,415	4,195,699	5,603,514	918,119	432,545	5,610,016	6,960,680	203,191	207,242	1,432,632	1,843,065
FUND NET CASH FLOWS	560,253	1,434,780	(4,404,970)	(2,409,938)	1,703,501	2,311,498	5,226,737	9,241,736	98,281	4,317,091	(10,747,208)	(6,331,835)	(400,000)	4,227,607	(14,541,256)	(10,713,649)
DEBT SERVICE RATIO																
Debt Service Ratio (Indenture Based)																
Total Operating Revenues	1,663,673	2,249,031	5,272,358	9,185,061	13,661,713	14,061,025	44,488,571	72,211,309	18,944,564	19,691,504	59,540,813	98,176,881	18,824,442	19,760,438	59,533,021	98,117,902
Total Operating Expenses (Cash Based)	(1,025,841)	(948,365)	(2,208,485)	(4,182,690)	(8,567,498)	(11,936,792)	(17,397,715)	(37,902,004)	(12,634,034)	(16,388,290)	(29,838,847)	(58,861,172)	(12,409,238)	(16,224,056)	(29,774,408)	(58,407,702)
Interest Income	76,540	76,238	455,676	608,454	731,400	459,415	4,195,699	5,386,514	911,982	324,470	5,610,016	6,846,468	200,044	59,260	1,432,632	1,691,936
Annual Lease Payment (City)	-	-	(93,281)	(93,281)	-	-	(839,531)	(839,531)	-	-	(1,119,374)	(1,119,374)	-	-	(1,323,915)	(1,323,915)
Total Non-Operating Revenues (Expenses)	32,955	60	988,577	1,021,591	755,637	1,399,999	6,303,549	8,459,184	1,125,136	1,754,337	3,667,479	6,546,952	1,234,118	1,696,889	3,513,189	6,444,196
Cash Available For Debt Service	747,326	1,376,964	4,414,844	6,539,135	6,581,252	3,983,648	36,750,574	47,315,473	8,347,649	5,382,020	37,860,086	51,589,755	7,849,367	5,292,531	33,380,519	46,522,417
Interest Paid	99,805	14,674	1,083,641	1,198,120	898,242	132,070	9,752,768	10,783,079	1,197,656	176,093	13,003,690	14,377,439	1,197,656	176,093	13,515,690	14,889,439
Debt Retirement (Principal Payments)	189,768	166,736	396,832	753,335	1,707,909	1,500,624	3,571,484	6,780,016	2,277,211	2,000,831	4,761,978	9,040,021	2,277,211	2,000,831	4,250,000	8,528,042
Total Debt Service	289,572	181,410	1,480,472	1,951,455	2,606,150	1,632,694	13,324,251	17,563,095	3,474,867	2,176,925	17,765,669	23,417,460	3,474,867	2,176,924	17,765,690	23,417,481
Debt Service Ratio	2.58	7.59	2.98	3.35	2.53	2.44	2.76	2.69	2.40	2.47	2.13	2.20	2.26	2.43	1.88	1.99

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WATER
For the Period Ended September 30, 2025

STATEMENTS OF ACTIVITIES

	Month				
	Actual	Q3 FC	Prior Year	FC Var	PY Var
Operating Revenues:					
User Charges	1,663,673	1,615,255	1,508,436	48,418	155,237
Connection & System Charges	30,735	120,643	67,022	(89,909)	(36,287)
Other Miscellaneous Revenues	2,220	1,216	2,130	1,004	90
Total Operating Revenues	1,696,627	1,737,115	1,577,588	(40,487)	119,039
Operating Expenses:					
Personnel	240,233	431,425	393,848	191,192	153,615
Shared Services - General & Administrative	35,239	110,015	80,928	74,776	45,689
Utilities	70,964	50,505	45,204	(20,459)	(25,760)
Materials and Supplies	107,920	156,968	106,606	49,048	(1,314)
Miscellaneous Services	571,485	492,789	516,902	(78,696)	(54,583)
Treatment and Transportation	-	-	-	-	-
Depreciation and Amortization	299,834	299,834	297,790	(0)	(2,044)
Major Maintenance Expenses	-	-	-	-	-
Other Miscellaneous	-	-	-	-	-
Total Operating Expenses	1,325,675	1,541,537	1,441,278	215,862	115,603
Net Operating Profit	370,952	195,578	136,309	175,374	234,642
Non-Operating Income (Expense)					
Interest Income	76,540	70,000	62,599	6,540	13,941
Interest (Expense)	(81,893)	(97,666)	(88,974)	15,773	7,081
Other Miscellaneous	-	(237)	(1,721)	237	1,721
Net Non-Operating Income (Expense)	(5,352)	(27,903)	(28,095)	22,551	22,743
Net Income (Loss)	365,599	167,674	108,214	197,925	257,385

CASH FLOW STATEMENT

Cash Flows From Operating Activities					
Operating Revenues	1,696,627	1,737,115	1,577,588	(40,487)	119,039
Operating Expenses (ex D&A)	(1,025,841)	(1,241,703)	(1,143,488)	215,862	117,647
Non-Cash Working Capital Changes	64,597	64,600	384,869	(3)	(320,272)
Net Cash Provided by (Used in) Operating Activities	735,383	560,012	818,968	175,371	(83,585)
Cash Flows From Financing Activities					
Capital Contributions	-	-	-	-	-
Proceeds New Borrowing	-	-	-	-	-
Interest Payments	(726)	(834)	(928)	108	202
Principal Payments	(6,517)	(7,081)	(6,315)	564	(202)
Net Cash Provided by (Used in) Financing Activities	(7,243)	(7,915)	(7,243)	672	-
Cash Flows from Capital and Related Activities					
Non-Operating Income (Expenses)	-	(237)	(1,721)	237	1,721
Capital Expenditures, net	(244,428)	(245,000)	(446,326)	572	201,898
Net Cash Provided By (Used In) Capital and Related Activities	(244,428)	(245,237)	(448,047)	810	203,619
Cash Flows From Investing Activities					
Investments Converting To Cash	-	-	-	-	-
Purchased Investments	-	-	-	-	-
Interest Income	76,540	70,000	62,599	6,540	13,941
Net Cash Provided By (Used In) Investing Activities	76,540	70,000	62,599	6,540	13,941
FUND NET CASH FLOWS	560,253	376,859	426,278	183,393	133,974

DEBT SERVICE RATIO

Debt Service Ratio (Indenture Based)					
User Charges	1,663,673	1,615,255	1,508,436	48,418	155,237
Operating Expenses (Cash Based)	(1,025,841)	(1,241,703)	(1,143,488)	215,862	117,647
Interest Income	76,540	69,673	60,879	6,778	15,661
Annual Lease Payment (City)	-	-	-	-	-
Non-Operating Revenues (Expenses)	32,955	121,860	69,152	(88,905)	(36,197)
Cash Available For Debt Service	747,326	565,174	494,978	182,152	252,348
Debt Service					
Interest Paid (Pro-rated)	99,805	99,805	120,900	-	(21,096)
Debt Retirement (Principal Payments) (Pro-rated)	189,768	189,768	173,474	-	16,293
Total Debt Service	289,572	289,572	294,374	-	(4,802)
Debt Service Ratio	2.58	1.95	1.68	0.63	0.90

Suburban - Water					
Year To Date					
Actual	Q3 FC	Prior Year	FC Var	PY Var	
13,661,713	13,906,948	12,842,953	(245,235)	818,760	
729,492	621,471	664,193	108,021	65,299	
26,145	59,229	105,752	(33,084)	(79,607)	
14,417,350	14,587,648	13,612,897	(170,298)	804,452	
3,012,950	3,560,118	3,083,660	547,168	70,710	
543,393	963,070	665,881	419,677	122,488	
503,854	480,866	389,442	(22,989)	(114,412)	
493,924	866,933	622,329	373,009	128,405	
4,013,377	4,206,435	3,607,219	193,058	(406,158)	
2,694,114	2,698,506	2,680,083	4,392	(14,031)	
-	-	-	-	-	
-	-	-	-	-	
11,261,612	12,775,928	11,048,614	1,514,316	(212,998)	
3,155,738	1,811,720	2,564,284	1,344,017	591,454	
731,400	708,119	470,213	23,282	261,187	
(984,883)	(1,063,751)	(942,732)	78,867	(42,151)	
-	(6,997)	(1,556)	6,997	1,556	
(253,483)	(362,629)	(474,075)	109,146	220,592	
2,902,255	1,449,092	2,090,209	1,453,163	812,046	

14,417,350	14,587,648	13,612,897	(170,298)	804,452	
(8,567,498)	(10,077,421)	(8,368,531)	1,509,923	(198,967)	
24,369	24,999	(1,336,039)	(631)	1,360,407	
5,874,221	4,535,226	3,908,328	1,338,995	1,965,892	
-	-	-	-	-	
-	-	5,241,371	-	(5,241,371)	
(735,143)	(638,949)	(594,183)	(96,194)	(140,960)	
(58,388)	(61,703)	(56,548)	3,316	(1,839)	
(793,531)	(700,653)	4,590,640	(92,878)	(5,384,170)	
-	(6,997)	(1,556)	6,997	1,556	
(3,850,589)	(3,851,175)	(4,006,976)	585	156,387	
(3,850,589)	(3,858,171)	(4,008,532)	7,582	157,942	
734,000	734,000	739,000	-	(5,000)	
(992,000)	(992,000)	(734,000)	-	(258,000)	
731,400	708,119	470,213	23,282	261,187	
473,400	450,119	475,213	23,282	(1,813)	
1,703,501	426,520	4,965,650	1,276,981	(3,262,149)	

13,661,713	13,906,948	12,842,953	(245,235)	818,760	
(8,567,498)	(10,077,421)	(8,368,531)	1,509,923	(198,967)	
731,400	701,122	468,658	30,278	262,743	
-	-	-	-	-	
755,637	680,700	769,944	74,937	(14,308)	
6,581,252	5,211,348	5,713,024	1,369,904	868,228	
898,242	898,242	1,088,101	-	(189,860)	
1,707,909	1,707,909	1,561,267	-	146,641	
2,606,150	2,606,150	2,649,368	-	(43,218)	
2.53	2.00	2.16	0.53	0.37	

Full Year					
Q3 FC	Budget	Prior Year	Bud Var	PY Var	
18,944,564	18,824,442	17,500,727	120,122	1,443,838	
945,616	1,053,435	781,191	(107,819)	164,425	
179,521	180,683	316,394	(1,162)	(136,874)	
20,069,701	20,058,560	18,598,312	11,140	1,471,388	
4,303,459	4,316,490	4,032,115	13,031	(271,344)	
1,180,375	1,122,516	825,732	(57,859)	(354,643)	
596,384	550,628	492,836	(45,756)	(103,548)	
1,305,320	1,373,473	903,796	68,153	(401,525)	
5,047,013	4,824,648	5,072,984	(222,365)	25,971	
-	-	-	-	-	
3,598,008	3,541,890	4,065,244	(56,118)	467,236	
-	-	-	-	-	
201,483	221,483	8,250	20,000	(193,233)	
16,232,043	15,951,128	15,400,956	(280,915)	(831,086)	
3,837,658	4,107,433	3,197,356	(269,775)	640,302	
918,119	203,191	697,446	714,928	220,673	
(1,197,656)	(1,197,656)	(1,091,073)	(0)	(106,583)	
(6,137)	(3,147)	21,321	(2,990)	(27,458)	
(285,674)	(997,612)	(372,306)	711,938	86,632	
3,551,984	3,109,821	2,825,050	442,163	726,934	

20,069,701	20,058,560	18,598,312	11,140	1,471,388	
(12,634,034)	(12,409,238)	(11,335,712)	(224,796)	(1,298,322)	
(1)	0	(2,619,858)	(1)	2,619,857	
7,435,666	7,649,323	4,642,742	(213,657)	2,792,924	
-	-	-	-	-	
-	-	5,241,371	-	(5,241,371)	
(1,197,656)	(1,197,656)	(1,450,802)	0	253,146	
(2,277,211)	(2,277,211)	(2,081,690)	(0)	(195,522)	
(3,474,867)	(3,474,867)	1,708,880	0	(5,183,747)	
(6,137)	(3,147)	(154,917)	(2,990)	148,781	
(4,774,500)	(4,774,500)	(6,077,263)	0	1,302,763	
(4,780,636)	(4,777,647)	(6,232,181)	(2,989)	1,451,544	
992,000	-	988,000	992,000	4,000	
(992,000)	-	(979,000)	(992,000)	(13,000)	
918,119	203,191	697,446	714,928	220,673	
918,119	203,191	706,446	714,928	211,673	
98,281	(400,000)	825,887	498,282	(727,606)	

18,944,564	18,824,442	17,500,727	120,122	1,443,838	
(12,634,034)	(12,409,238)	(11,335,712)	(224,796)	(1,298,322)	
911,982	200,044	718,767	711,938	193,215	
-	-	-	-	-	
1,125,136	1,234,118	1,097,586	(108,982)	27,551	
8,347,649	7,849,367	7,981,367	498,282	366,281	
1,197,656	1,197,656	1,450,802	(0)	(253,146)	
2,277,211	2,277,211	2,081,690	0	195,522	
3,474,867	3,474,867	3,532,491	(0)	(57,624)	
2.40	2.26	2.26	0.14	0.14	

LEHIGH COUNTY AUTHORITY
VARIANCE ANALYSIS - YTD
For the Period Ended September 30, 2025

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
13,661,713	13,906,948	(245,235)	Lower Large Industrial revenues
729,492	621,471	108,021	Higher tapping fees
26,145	59,229	(33,084)	
14,417,350	14,587,648	(170,298)	Lower user charges with some offset from higher system charges
3,012,950	3,560,118	547,168	
543,393	963,070	419,677	
503,854	480,866	(22,989)	
493,924	866,933	373,009	
4,013,377	4,206,435	193,058	
-	-	-	
2,694,114	2,698,506	4,392	
-	-	-	
-	-	-	
11,261,612	12,775,928	1,514,316	Lower discretionary spending anf favorable D&A
3,155,738	1,811,720	1,344,017	Lower operating expenses to more than offset lower operating revenues
731,400	708,119	23,282	
(984,883)	(1,063,751)	78,867	
-	(6,997)	6,997	
(253,483)	(362,629)	109,146	Higher interest income and lower interest expense
2,902,255	1,449,092	1,453,163	Higher income from operating activities along with favorable financial activity
14,417,350	14,587,648	(170,298)	
(8,567,498)	(10,077,421)	1,509,923	
24,369	24,999	(631)	
5,874,221	4,535,226	1,338,995	Higher cash generated by operations
-	-	-	
-	-	-	
(735,143)	(638,949)	(96,194)	
(58,388)	(61,703)	3,316	
(793,531)	(700,653)	(92,878)	Slightly higher debt service
-	(6,997)	6,997	
(3,850,589)	(3,851,175)	585	
(3,850,589)	(3,858,171)	7,582	Slightly favorable on capex
734,000	734,000	-	
(992,000)	(992,000)	-	
731,400	708,119	23,282	
473,400	450,119	23,282	Higher interest income
1,703,501	426,520	1,276,981	Higher cash generated by operations

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER
For the Period Ended September 30, 2025

STATEMENTS OF ACTIVITIES

Operating Revenues:

User Charges	2,249,031	1,987,084	1,492,725	261,946	756,306
Connection & System Charges	-	120,845	96,727	(120,845)	(96,727)
Other Miscellaneous Revenues	60	199	30	(139)	30

Total Operating Revenues

Operating Expenses:

Personnel	89,143	203,520	160,368	114,377	71,225
Shared Services - General & Administrative	12,423	77,243	32,879	64,821	20,456
Utilities	28,986	25,586	21,919	(3,400)	(7,066)
Materials and Supplies	15,904	25,066	21,694	9,163	5,790
Miscellaneous Services	401,910	652,528	621,437	250,618	219,527
Treatment and Transportation	400,000	289,024	375,000	(110,976)	(25,000)
Depreciation and Amortization	579,763	588,266	575,538	8,504	(4,225)
Major Maintenance Expenses	-	-	-	-	-
Other Miscellaneous	-	-	-	-	-

Total Operating Expenses

Net Operating Profit

Non-Operating Income (Expense)

Interest Income	76,238	35,000	62,091	41,238	14,147
Interest (Expense)	(50,918)	(14,837)	(11,504)	(36,081)	(39,414)
Other Miscellaneous	-	(773)	9,740	773	(9,740)

Net Non-Operating Income (Expense)

Net Income (Loss)

CASH FLOW STATEMENT

Cash Flows From Operating Activities

Operating Revenues	2,249,091	2,108,128	1,589,482	140,963	659,609
Operating Expenses (ex D&A)	(948,365)	(1,272,968)	(1,233,297)	324,603	284,933
Non-Cash Working Capital Changes	852,429	851,715	(1,026,338)	714	1,878,767

Net Cash Provided by (Used in) Operating Activities

Cash Flows From Financing Activities

Capital Contributions	-	-	-	-	-
Proceeds New Borrowing	-	-	-	-	-
Interest Payments	(5,275)	(3,515)	(11,029)	(1,760)	5,753
Principal Payments	(39,623)	(39,942)	(49,469)	320	9,847

Net Cash Provided by (Used in) Financing Activities

Cash Flows from Capital and Related Activities

Non-Operating Income (Expenses)	-	(773)	9,740	773	(9,740)
Capital Expenditures, net	(1,243,715)	(1,243,715)	(422,314)	-	(821,401)

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

Cash Flows From Investing Activities

Investments Converting To Cash	494,000	494,000	-	-	494,000
Purchased Investments	-	-	-	-	-
Interest Income	76,238	35,000	62,091	41,238	14,147

Net Cash Provided By (Used In) Investing Activities

FUND NET CASH FLOWS

DEBT SERVICE RATIO

Debt Service Ratio (Indenture Based)

User Charges	2,249,031	1,987,084	1,492,725	261,946	756,306
Operating Expenses (Cash Based)	(948,365)	(1,272,968)	(1,233,297)	324,603	284,933
Interest Income	76,238	34,227	71,831	42,011	4,407
Annual Lease Payment (City)	-	-	-	-	-
Non-Operating Revenues (Expenses)	60	121,044	96,757	(120,984)	(96,697)

Cash Available For Debt Service

Interest Paid (Pro-rated)	14,674	14,674	10,348	-	4,327
Debt Retirement (Principal Payments) (Pro-rated)	166,736	166,736	242,197	-	(75,461)

Total Debt Service

Debt Service Ratio

Month					
Actual	Q3 FC	Prior Year	FC Var	PY Var	
2,249,031	1,987,084	1,492,725	261,946	756,306	
-	120,845	96,727	(120,845)	(96,727)	
60	199	30	(139)	30	
2,249,091	2,108,128	1,589,482	140,963	659,609	
89,143	203,520	160,368	114,377	71,225	
12,423	77,243	32,879	64,821	20,456	
28,986	25,586	21,919	(3,400)	(7,066)	
15,904	25,066	21,694	9,163	5,790	
401,910	652,528	621,437	250,618	219,527	
400,000	289,024	375,000	(110,976)	(25,000)	
579,763	588,266	575,538	8,504	(4,225)	
-	-	-	-	-	
-	-	-	-	-	
1,528,128	1,861,234	1,808,835	333,107	280,707	
720,963	246,893	(219,353)	474,069	940,316	
76,238	35,000	62,091	41,238	14,147	
(50,918)	(14,837)	(11,504)	(36,081)	(39,414)	
-	(773)	9,740	773	(9,740)	
25,320	19,389	60,327	5,930	(35,007)	
746,283	266,283	(159,026)	480,000	905,309	

2,249,091	2,108,128	1,589,482	140,963	659,609	
(948,365)	(1,272,968)	(1,233,297)	324,603	284,933	
852,429	851,715	(1,026,338)	714	1,878,767	
2,153,154	1,686,875	(670,153)	466,279	2,823,308	
-	-	-	-	-	
-	-	-	-	-	
(5,275)	(3,515)	(11,029)	(1,760)	5,753	
(39,623)	(39,942)	(49,469)	320	9,847	
(44,898)	(43,458)	(60,498)	(1,440)	15,600	
-	(773)	9,740	773	(9,740)	
(1,243,715)	(1,243,715)	(422,314)	-	(821,401)	
(1,243,715)	(1,244,488)	(412,574)	773	(831,141)	
494,000	494,000	-	-	494,000	
-	-	-	-	-	
76,238	35,000	62,091	41,238	14,147	
570,238	529,000	62,091	41,238	508,147	
1,434,780	927,929	(1,081,135)	506,851	2,515,914	

2,249,031	1,987,084	1,492,725	261,946	756,306	
(948,365)	(1,272,968)	(1,233,297)	324,603	284,933	
76,238	34,227	71,831	42,011	4,407	
-	-	-	-	-	
60	121,044	96,757	(120,984)	(96,697)	
1,376,964	869,387	428,016	507,577	948,948	
14,674	14,674	10,348	-	4,327	
166,736	166,736	242,197	-	(75,461)	
181,410	181,410	252,544	-	(71,134)	
7.59	4.79	1.69	2.80	5.90	

Suburban - Wastewater					
Year To Date					
Actual	Q3 FC	Prior Year	FC Var	PY Var	
14,061,025	14,088,438	14,622,761	(27,413)	(561,736)	
1,260,339	1,649,066	1,309,820	(388,727)	(49,481)	
139,660	1,292	300	138,368	139,360	
15,461,024	15,738,795	15,932,880	(277,771)	(471,856)	
1,133,087	1,614,602	1,297,842	481,515	164,754	
196,604	570,119	280,173	373,515	83,570	
248,648	256,748	216,330	8,100	(32,318)	
209,692	367,835	260,003	158,144	50,311	
6,067,325	6,005,941	5,216,987	(61,384)	(850,338)	
4,081,436	3,594,413	4,181,502	(487,023)	100,066	
5,215,984	5,268,888	5,179,839	52,903	(36,145)	
-	-	-	-	-	
-	-	-	-	-	
17,152,776	17,678,546	16,632,675	525,770	(520,101)	
(1,691,752)	(1,939,751)	(699,795)	247,999	(991,957)	
459,415	327,545	474,950	131,870	(15,535)	
(344,340)	(254,238)	(108,341)	(90,101)	(235,998)	
-	(107,218)	50,099	107,218	(50,099)	
115,076	(33,912)	416,707	148,987	(301,632)	
(1,576,676)	(1,973,663)	(283,088)	396,986	(1,293,588)	

15,461,024	15,738,795	15,932,880	(277,771)	(471,856)	
(11,936,792)	(12,409,658)	(11,452,836)	472,867	(483,955)	
570,237	569,592	(2,128,307)	645	2,698,544	
4,094,470	3,898,728	2,351,737	195,741	1,742,733	
-	-	-	-	-	
5,000,000	5,000,000	-	-	5,000,000	
(159,928)	(40,422)	(104,062)	(119,506)	(55,867)	
(354,723)	(357,515)	(441,665)	2,792	86,941	
4,485,348	4,602,062	(545,726)	(116,714)	5,031,075	
-	(107,218)	50,099	107,218	(50,099)	
(7,202,735)	(7,202,735)	(5,385,683)	-	(1,817,053)	
(7,202,735)	(7,309,953)	(5,335,584)	107,218	(1,867,151)	
3,109,000	3,109,000	2,163,000	-	946,000	
(2,634,000)	(2,634,000)	(1,674,000)	-	(960,000)	
459,415	327,545	474,950	131,870	(15,535)	
934,415	802,545	963,950	131,870	(29,535)	
2,311,498	1,993,382	(2,565,623)	318,115	4,877,121	

14,061,025	14,088,438	14,622,761	(27,413)	(561,736)	
(11,936,792)	(12,409,658)	(11,452,836)	472,867	(483,955)	
459,415	220,326	525,049	239,089	(65,633)	
1,399,999	1,650,357	1,310,120	(250,359)	89,879	
3,983,648	3,549,463	5,005,093	434,184	(1,021,445)	
132,070	132,070	93,128	-	38,942	
1,500,624	1,500,624	2,179,772	-	(679,149)	
1,632,694	1,632,694	2,272,900	-	(640,207)	
2.44	2.17	2.20	0.27	0.24	

Full Year					
Q3 FC	Budget	Prior Year	Bud Var	PY Var	
19,691,504	19,760,438	19,809,163	(68,934)	(117,659)	
1,752,350	1,694,206	1,350,898	58,144	401,452	
1,987	2,683	405	(696)	1,582	
21,445,840	21,457,327	21,160,465	(11,486)	285,375	
2,175,634	2,206,442	1,654,801	30,808	(520,833)	
693,587	781,682	333,442	88,096	(360,145)	
312,109	307,879	263,757	(4,229)	(48,352)	
656,210	689,690	409,228	33,480	(246,981)	
7,910,524	7,969,739	7,157,875	59,215	(752,648)	
4,617,574	4,245,970	5,509,024	(371,604)	891,450	
7,081,776	7,107,287	6,954,193	25,511	(127,584)	
22,653	22,653	227,575	-	204,922	
23,470,067	23,331,343	22,509,895	(138,724)	(960,172)	
(2,024,226)	(1,874,016)	(1,349,430)	(150,210)	(674,796)	
432,545	207,242	635,893	225,303	(203,348)	
(290,602)	(176,093)	(136,537)	(114,509)	(154,065)	
(108,075)	(147,982)	428,294	39,907	(536,368)	
33,868	(116,833)	927,650	150,701	(893,781)	
(1,990,358)	(1,990,849)	(421,780)	491	(1,568,578)	

21,445,840	21,457,327	21,160,465	(11,486)	285,375	
(16,388,290)	(16,224,056)	(15,555,702)	(164,235)	(832,588)	
(5)	-	1,668,482	(5)	(1,668,487)	
5,057,546	5,233,271	7,273,245	(175,725)	(2,215,700)	
-	-	-	-	-	
14,850,000	14,850,000	-	-	14,850,000	
(176,093)	(176,093)	(124,171)	(0)	(51,922)	
(2,000,831)	(2,000,831)	(2,906,363)	(0)	905,532	
12,673,075	12,673,076	(3,030,534)	(1)	15,703,609	
(108,075)	(147,982)	60,883	39,907	(168,958)	
(13,738,000)	(13,738,000)	(9,706,549)	(0)	(4,031,451)	
(13,846,075)	(13,885,982)	(9,645,665)	39,907	(4,200,409)	
3,109,000	-	2,408,000	3,109,000	701,000	
(3,109,000)	-	(1,919,000)	(3,109,000)	(1,190,000)	
432,545	207,242	635,893	225,303	(203,348)	
432,545	207,242	1,124,893	225,303	(692,348)	
4,317,091	4,227,607	(4,278,061)	89,484	8,595,153	

LEHIGH COUNTY AUTHORITY
VARIANCE ANALYSIS - YTD
For the Period Ended September 30, 2025

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
14,061,025	14,088,438	(27,413)	Lower tapping fees
1,260,339	1,649,066	(388,727)	
139,660	1,292	138,368	
15,461,024	15,738,795	(277,771)	Slightly lower user charges and higher miscellaneous more than offset by lower system revenues
1,133,087	1,614,602	481,515	
196,604	570,119	373,515	
248,648	256,748	8,100	
209,692	367,835	158,144	
6,067,325	6,005,941	(61,384)	
4,081,436	3,594,413	(487,023)	
5,215,984	5,268,888	52,903	
-	-	-	
-	-	-	
17,152,776	17,678,546	525,770	Lower discretionary spending and lower D&A partially offset by higher T&T volumes
(1,691,752)	(1,939,751)	247,999	Lower operating expenses more than offset lower operating revenues
459,415	327,545	131,870	
(344,340)	(254,238)	(90,101)	
-	(107,218)	107,218	
115,076	(33,912)	148,987	Higher interest income
(1,576,676)	(1,973,663)	396,986	Higher net income from operating activities aided by favorable financial activity
15,461,024	15,738,795	(277,771)	
(11,936,792)	(12,409,658)	472,867	
570,237	569,592	645	
4,094,470	3,898,728	195,741	Higher cash generated by operations
-	-	-	
5,000,000	5,000,000	-	
(159,928)	(40,422)	(119,506)	
(354,723)	(357,515)	2,792	
4,485,348	4,602,062	(116,714)	Higher debt service
-	(107,218)	107,218	
(7,202,735)	(7,202,735)	-	
(7,202,735)	(7,309,953)	107,218	Higher non-operating income
3,109,000	3,109,000	-	
(2,634,000)	(2,634,000)	-	
459,415	327,545	131,870	
934,415	802,545	131,870	Higher interest income
2,311,498	1,993,382	318,115	Higher cash from operating activities aided by favorable financial activity

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
For the Period Ended September 30, 2025

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

Annual Lease Payment
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

DEBT SERVICE RATIO

Debt Service Ratio (Indenture Based)

User Charges
Operating Expenses (Cash Based)
Interest Income
Annual Lease Payment (City)
Non-Operating Revenues (Expenses)

Cash Available For Debt Service

Interest Paid
Debt Retirement (Principal Payments)

Total Debt Service

Debt Service Ratio

City Division						Full Year					
Month						Year To Date					
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		Q3 FC	Budget	Prior Year	Bud Var	PY Var	
5,272,358	4,398,600	4,234,069	873,758	1,038,288		44,488,571	44,694,074	42,507,623	(205,503)	1,980,948	
976,882	159,521	283,846	817,361	733,036		6,255,947	1,742,681	2,166,397	4,513,266	4,089,550	
11,695	1,039	2,985	10,656	8,710		47,602	71,268	199,290	(23,666)	(151,688)	
6,260,934	4,559,160	4,480,900	1,701,775	1,780,034		50,792,120	46,508,023	44,873,310	4,284,097	5,918,810	
1,174,401	1,191,013	949,527	16,612	(224,874)		9,273,474	9,784,088	8,754,584	510,614	(518,890)	
204,353	274,044	178,147	69,691	(26,206)		2,053,938	2,633,400	1,737,124	579,462	(316,814)	
269,385	185,586	163,348	(83,799)	(106,037)		1,893,657	1,730,100	1,491,413	(163,557)	(402,244)	
332,041	391,740	319,019	59,698	(13,022)		2,286,022	2,812,446	2,421,932	526,424	135,910	
222,264	245,235	198,590	22,971	(23,675)		1,876,023	1,787,681	1,466,757	(88,342)	(409,266)	
-	-	-	-	-		6,060	5,538	5,656	(521)	(404)	
540,539	542,413	515,561	1,874	(24,978)		4,876,099	4,881,718	4,640,049	5,620	(236,050)	
-	-	3,912	-	3,912		-	-	26,244	-	26,244	
6,040	-	-	(6,040)	(6,040)		8,540	2,095	-	(6,445)	(8,540)	
2,749,024	2,830,031	2,328,104	81,007	(420,920)		22,273,813	23,637,067	20,543,759	1,363,253	(1,730,054)	
3,511,910	1,729,129	2,152,796	1,782,781	1,359,114		28,518,307	22,870,956	24,329,551	5,647,351	4,188,756	
455,676	470,000	558,276	(14,324)	(102,600)		4,195,699	4,200,016	4,241,451	(4,317)	(45,753)	
(1,566,817)	(1,382,017)	(1,549,316)	(184,800)	(17,500)		(14,102,016)	(11,367,161)	(11,974,273)	(2,734,854)	(2,127,743)	
-	-	(2,104)	-	2,104		-	-	(5,398,251)	-	5,398,251	
(1,111,141)	(912,017)	(993,144)	(199,124)	(117,997)		(9,906,317)	(7,167,145)	(13,131,073)	(2,739,172)	3,224,755	
2,400,769	817,112	1,159,652	1,583,657	1,241,118		18,611,990	15,703,811	11,198,478	2,908,179	7,413,512	
59,540,813	59,533,021	58,132,011	7,792	1,408,803		595,488,571	595,488,571	581,320,111	7,792	1,408,803	
3,576,956	3,424,580	6,480,879	152,376	(2,903,924)		6,255,947	3,424,580	6,480,879	152,376	(2,903,924)	
90,523	88,609	254,620	1,914	(164,097)		47,602	88,609	254,620	1,914	(164,097)	
63,208,292	63,046,210	64,867,510	162,081	(1,659,218)		50,792,120	63,046,210	64,867,510	162,081	(1,659,218)	
14,010,800	13,975,346	11,262,555	(35,453)	(2,748,245)		9,273,474	13,975,346	11,262,555	(35,453)	(2,748,245)	
3,233,292	3,272,110	2,127,095	38,817	(1,106,198)		2,053,938	3,272,110	2,127,095	38,817	(1,106,198)	
2,119,257	2,083,602	1,833,941	(35,655)	(285,316)		1,893,657	2,083,602	1,833,941	(35,655)	(285,316)	
3,752,651	3,677,870	3,084,944	(74,781)	(667,707)		2,286,022	3,677,870	3,084,944	(74,781)	(667,707)	
2,609,068	2,653,796	2,537,609	44,728	(71,459)		1,876,023	2,653,796	2,537,609	44,728	(71,459)	
11,685	11,685	11,933	-	248		6,060	11,685	11,933	-	248	
6,508,957	6,516,803	7,116,269	7,846	607,311		4,876,099	6,516,803	7,116,269	7,846	607,311	
4,100,000	4,100,000	5,736,126	-	1,636,126		-	4,100,000	5,736,126	-	1,636,126	
2,095	-	2,689,011	(2,095)	2,686,916		8,540	2,095	2,689,011	(2,095)	2,686,916	
36,347,805	36,291,211	36,399,482	(56,593)	51,677		22,273,813	36,291,211	36,399,482	(56,593)	51,677	
26,860,487	26,754,999	28,468,029	105,488	(1,607,541)		28,518,307	26,754,999	28,468,029	105,488	(1,607,541)	
5,610,016	1,432,632	5,742,204	4,177,384	(132,188)		4,195,699	1,432,632	5,742,204	4,177,384	(132,188)	
(20,864,751)	(20,178,848)	(22,621,589)	(685,903)	1,756,838		(14,102,016)	(20,178,848)	(22,621,589)	(685,903)	1,756,838	
-	15,000,000	-	(15,000,000)	-		-	15,000,000	-	(15,000,000)	-	
(15,254,735)	(3,746,216)	(16,879,385)	(11,508,519)	1,624,650		(9,906,317)	(3,746,216)	(16,879,385)	(11,508,519)	1,624,650	
11,605,752	23,008,783	11,588,644	(11,403,031)	17,108		18,611,990	23,008,783	11,588,644	(11,403,031)	17,108	

6,260,934	4,559,160	4,480,900	1,701,775	1,780,034		50,792,120	46,508,023	44,873,310	4,284,097	5,918,810		63,208,292	63,046,210	64,867,510	162,081	(1,659,218)
(2,208,485)	(2,287,618)	(1,808,632)	79,133	(399,853)		(17,397,715)	(18,755,348)	(15,877,467)	1,357,634	(1,520,248)		(25,738,847)	(25,674,408)	(23,547,087)	(64,439)	(2,191,760)
(3,797,455)	(3,797,455)	(323,060)	0	(3,474,396)		(1,709,989)	(1,709,989)	(415,197)	(0)	(1,294,792)		1	(4,649,562)	1	4,649,563	
254,995	(1,525,913)	2,349,209	1,780,908	(2,094,215)		31,684,417	26,042,685	28,580,647	5,641,731	3,103,770		37,469,445	37,371,802	36,670,861	97,643	798,584
-	-	-	-	-		-	-	-	-	-		-	-	-	-	-
-	-	-	-	-		-	-	55,000,000	-	(55,000,000)		-	-	55,000,000	-	(55,000,000)
(1,043)	(1,043)	(1,082)	-	39		(6,403,938)	(6,403,938)	(4,337,620)	-	(2,066,318)		(13,003,690)	(13,515,690)	(13,459,853)	512,000	456,162
(564,949)	(564,949)	(5,276)	-	(559,673)		(1,167,271)	(1,167,271)	(739,106)	-	(428,165)		(4,761,978)	(4,250,000)	(4,793,582)	(511,978)	31,604
(565,992)	(565,992)	(6,358)	-	(559,634)		(7,571,209)	(7,571,209)	49,923,274	-	(57,494,483)		(17,765,669)	(17,765,690)	36,746,565	21	(54,512,234)
(559,687)	(559,687)	(680,590)	-	120,903		(1,119,374)	(1,119,374)	(1,361,180)	-	241,806		(1,119,374)	(1,323,915)	(1,361,180)	204,541	241,806
-	-	(2,104)	-	2,104		-	-	(5,398,251)	-	5,398,251		-	15,000,000	-	(15,000,000)	-
(4,549,648)	(4,549,648)	(1,313,313)	-	(3,236,335)		(23,082,169)	(23,082,169)	(9,973,373)	-	(13,108,796)		(36,061,000)	(50,580,000)	(18,735,537)	14,519,000	(17,325,463)
(5,109,335)	(5,109,335)	(1,996,007)	-	(3,113,328)		(24,201,543)	(24,201,543)	(16,732,804)	-	(7,468,739)		(37,180,374)	(36,903,915)	(20,096,717)	(276,459)	(17,083,657)
-	-	-	-	-		-	-	-	-	-		-	-	-	-	-
-	-	-	-	-		-	-	-	-	-		-	-	-	-	-
455,676	470,000	558,276	(14,324)	(102,600)		4,195,699	4,200,016	4,241,451	(4,317)	(45,753)		5,610,016	1,432,632	5,742,204	4,177,384	(132,188)
455,676	470,000	558,276	(14,324)	(102,600)		4,195,699	4,200,016	4,241,451	(4,317)	(45,753)		5,610,016	1,432,632	5,742,204	4,177,384	(132,188)
(4,964,657)	(6,731,240)	905,120	1,766,584	(5,869,777)		4,107,363	(1,530,051)	66,012,568	5,637,414	(61,905,205)		(11,866,582)	(15,865,171)	59,062,913	3,998,589	(70,929,495)

5,272,358	4,398,600	4,234,069	873,758	1,038,288	44,488,571	44,694,074	42,507,623	(205,503)	1,980,948	59,540,813	59,533,021	61,632,011	7,792	(2,091,197)
(2,208,485)	(2,287,618)	(1,812,543)	79,133	(395,941)	(17,397,715)	(18,755,348)	(15,903,711)	1,357,634	(1,494,004)	(29,838,847)	(29,774,408)	(29,283,213)	(64,439)	(555,634)
455,676	470,000	556,172	(14,324)	(100,496)	4,195,699	4,200,016	(1,156,800)	(4,317)	5,352,498	5,610,016	1,432,632	5,742,204	4,177,384	(132,188)
(93,281)	(110,326)	(113,432)	17,045	20,151	(839,531)	(992,936)	(1,020,885)	153,406	181,355	(1,119,374)	(1,323,915)	(1,361,180)	204,541	241,806
988,577	160,560	246,831	828,017	741,745	6,303,549	1,813,949	2,365,687	4,489,600	3,937,862	3,667,479	3,513,189	3,235,500	154,290	431,979
4,414,844	2,631,216	3,111,098	1,783,628	1,303,747	36,750,574	30,959,754	26,791,915	5,790,820	9,958,659	37,860,086	33,380,519	39,965,321	4,479,567	(2,105,235)
1,083,641	1,083,641	1,121,654	-	(38,014)	9,752,768	9,752,768	10,094,890	-	(342,122)	13,003,690	13,515,690	13,459,853	(512,000)	(456,162)
396,832	396,832	399,465	-	(2,634)	3,571,484	3,571,484	3,595,187	-	(23,703)	4,761,978	4,250,000	4,793,582	511,978	(31,604)
1,480,472	1,480,472	1,521,120	-	(40,647)	13,324,251	13,324,251	13,690,076	-	(365,825)	17,765,669	17,765,690	18,253,435	(21)	(487,766)
2.98	1.78	2.05	1.20	0.94	2.76	2.32	1.96	0.43	0.80	2.13	1.88	2.19	0.25	(0.06)

LEHIGH COUNTY AUTHORITY
VARIANCE ANALYSIS - YTD
For the Period Ended September 30, 2025

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
44,488,571	44,694,074	(205,503)	Lower municipal revenues partially made up by higher water sales
6,255,947	1,742,681	4,513,266	Higher tapping fees along with higher project reimbursement
47,602	71,268	(23,666)	
50,792,120	46,508,023	4,284,097	Higher system and connection charges
9,273,474	9,784,088	510,614	
2,053,938	2,633,400	579,462	
1,893,657	1,730,100	(163,557)	
2,286,022	2,812,446	526,424	
1,876,023	1,787,681	(88,342)	
6,060	5,538	(521)	
4,876,099	4,881,718	5,620	
-	-	-	
8,540	2,095	(6,445)	
22,273,813	23,637,067	1,363,253	Lower discretionary spending and lower D&A
28,518,307	22,870,956	5,647,351	Higher operating revenues further aided by lower operating expenses
4,195,699	4,200,016	(4,317)	
(14,102,016)	(11,367,161)	(2,734,854)	Higher accretion
-	-	-	
(9,906,317)	(7,167,145)	(2,739,172)	Higher interest expense
18,611,990	15,703,811	2,908,179	Higher income from operating activities partially offset by unfavorable financial activity

50,792,120	46,508,023	4,284,097	
(17,397,715)	(18,755,348)	1,357,634	
(1,709,989)	(1,709,989)	(0)	
31,684,417	26,042,685	5,641,731	Higher net income from operating activities
-	-	-	
-	-	-	
(6,403,938)	(6,403,938)	-	
(1,167,271)	(1,167,271)	-	
(7,571,209)	(7,571,209)	-	
-	-	-	
(23,082,169)	(23,082,169)	-	
(23,082,169)	(23,082,169)	-	
-	-	-	
-	-	-	
4,195,699	4,200,016	(4,317)	
4,195,699	4,200,016	(4,317)	
5,226,737	(410,677)	5,637,414	Higher cash generated by operating activities

LEHIGH COUNTY AUTHORITY
CASH & INVESTMENT SUMMARY
For the Period Ended September 30, 2025

	Suburban Water				Suburban Wastewater				City Division				Total			
	9/30/2025 Actual	2025 Forecast	2025 Budget	2024 Audited	9/30/2025 Actual	2025 Forecast	2025 Budget	2024 Audited	9/30/2025 Actual	2025 Forecast	2025 Budget	2024 Audited	9/30/2025 Actual	2025 Forecast	2025 Budget	2024 Audited
Cash																
Operating																
Unrestricted	11,022,520	9,398,331	10,929,923	9,315,874	6,557,859	4,723,315	9,817,617	(501,114)	34,897,607	33,274,888	56,340,325	16,539,187	52,477,986	47,396,534	77,087,865	25,353,947
Restricted	-	-	-	-	17,758	9,561	3,025	9,561	66,974,115	58,621,247	25,769,470	87,223,530	66,991,873	58,630,808	25,772,496	87,233,091
Total Operating	11,022,520	9,398,331	10,929,923	9,315,874	6,575,617	4,732,875	9,820,642	(491,554)	101,871,722	91,896,135	82,109,796	103,762,717	119,469,859	106,027,342	102,860,361	112,587,038
Capital																
Unrestricted	319,718	321,054	319,718	321,054	2,107,366	5,955,385	5,955,385	6,862,722	691,785	3,022,601	3,022,601	3,022,601	3,118,869	9,299,040	9,297,704	10,206,378
Restricted	-	-	-	-	338,360	338,677	338,360	338,677	7,524,574	7,500,035	7,500,035	7,500,035	7,862,934	7,838,712	7,838,396	7,838,712
Total Capital	319,718	321,054	319,718	321,054	2,445,726	6,294,062	6,293,745	7,201,399	8,216,359	10,522,636	10,522,636	10,522,636	10,981,803	17,137,752	17,136,099	18,045,090
Other Restricted																
Debt Reserves	1,698,323	1,674,161	1,907,712	1,658,337	-	-	-	-	40,105,399	31,800,765	30,004,516	31,800,765	41,803,723	33,474,926	31,912,228	33,459,102
Escrow - Developer Deposits	218,888	260,682	218,888	260,682	7,764	7,764	56,678	7,764	3,403	3,403	32,106	3,403	230,055	271,849	307,671	271,849
Total Other Restricted	1,917,211	1,934,843	2,126,600	1,919,019	7,764	7,764	56,678	7,764	40,108,802	31,804,167	30,036,622	31,804,167	42,033,777	33,746,775	32,219,899	33,730,951
Total Cash	13,259,449	11,654,229	13,376,241	11,555,948	9,029,108	11,034,701	16,171,064	6,717,610	150,196,883	134,222,939	122,669,054	146,089,521	172,485,440	156,911,869	152,216,359	164,363,078
Investments																
Operating																
Unrestricted	2,138,162	1,845,869	2,023,130	1,845,869	6,813,374	7,278,350	6,965,466	7,278,350	-	-	-	-	8,951,535	9,124,219	8,988,596	9,124,219
Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating	2,138,162	1,845,869	2,023,130	1,845,869	6,813,374	7,278,350	6,965,466	7,278,350	-	-	-	-	8,951,535	9,124,219	8,988,596	9,124,219
Capital																
Unrestricted	1,000,000	1,000,184	1,000,000	1,000,184	-	-	-	-	-	-	-	-	1,000,000	1,000,184	1,000,000	1,000,184
Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital	1,000,000	1,000,184	1,000,000	1,000,184	-	-	-	-	-	-	-	-	1,000,000	1,000,184	1,000,000	1,000,184
Other Restricted																
Debt Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Escrow	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	3,138,162	2,846,053	3,023,130	2,846,053	6,813,374	7,278,350	6,965,466	7,278,350	-	-	-	-	9,951,535	10,124,403	9,988,596	10,124,403
Total Cash and Investments	16,397,610	14,500,282	16,399,371	14,402,001	15,842,481	18,313,051	23,136,530	13,995,960	150,196,883	134,222,939	122,669,054	146,089,521	182,436,975	167,036,272	162,204,955	174,487,481
Summary																
Cash																
Unrestricted	11,342,237	9,719,386	11,249,641	9,636,929	8,665,226	10,678,699	15,773,001	6,361,608	35,589,392	36,297,489	59,362,926	19,561,788	55,596,855	56,695,574	86,385,569	35,274,414
Restricted	1,917,211	1,934,843	2,126,600	1,919,019	363,882	356,001	398,063	356,001	114,607,491	97,925,450	63,306,128	126,527,733	116,888,585	100,216,295	65,830,791	128,802,754
Total Cash	13,259,449	11,654,229	13,376,241	11,555,948	9,029,108	11,034,701	16,171,064	6,717,610	150,196,883	134,222,939	122,669,054	146,089,521	172,485,440	156,911,869	152,216,359	164,077,168
Investments																
Unrestricted	3,138,162	2,846,053	3,023,130	2,846,053	6,813,374	7,278,350	6,965,466	7,278,350	-	-	-	-	9,951,535	10,124,403	9,988,596	10,124,403
Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	3,138,162	2,846,053	3,023,130	2,846,053	6,813,374	7,278,350	6,965,466	7,278,350	-	-	-	-	9,951,535	10,124,403	9,988,596	10,124,403
Total Cash and Investments	16,397,610	14,500,282	16,399,371	14,402,001	15,842,481	18,313,051	23,136,530	13,995,960	150,196,883	134,222,939	122,669,054	146,089,521	182,436,975	167,036,272	162,204,955	174,201,571

CERTIFICATES OF DEPOSIT

SEPTEMBER 2025

Fund	Bank	Location	Gross Amount	Date of Purchase	Date Due	Net Rate %
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NONE

DEVELOPMENT ACTIVITY

Water system construction is occurring in the following developments:

6681 Snowdrift Road, Warehouse expansion, water, UMT
Advanced Health Care of Allentown, 1 commercial lot, LMT
Glenlivet Drive West Main extension and subdivision UMT
Grant Street Townes, 18 Townhouse, WT
Fallbrooke Residential Subdivision, 90 sf residential units, UMT
Fields at Twin Run 78 Townhomes UMiT
Macungie Crossings Unit 2 6 commercial units, LMT
Madison Village at Penn's View, 66 manufactured homes, 1 lot, water and sewer, Lynnt
Mertztown Residential Subdivision, 128 Townhomes, 272 Single Homes, LMT
Trexler Point (Townes at Schaefer Run) 128 Townhouses UMT
Upper Macungie Community Center UMT commercial lot, water and Main Extension
Woodmont Valley 2, 129 apartment units (former Allen Organ Co.) LMT
Wrenfield Townhouses 98 Townhomes UMT
7150 Ambassador Drive 1 lot, Warehouse expansion, UMT
Transedge Truck Center, Warehouse, UMT
Kings Buisness Park 4873 PA RT 873, Mixed use, NWT

Water system plans are being reviewed for the following developments:

7649 Penn Drive, Warehouse expansion, water, UMT
405 Nestle Way Blue Triton Trailer Enterance, Warehouse, UMT
110 PA Route 100, Lehigh Valley West 57, Warehouse, UMT
1321 Rising Sun Road, 110 Single family homes, Sewer NWT
1431 and 1550 Nursery Street warehouse and 36 Townhomes, UMT
1470 Brookside Road, 9 Single Family Homes, LMT
2024 Elbow lane single home,LMT
2619 Grove Street Sewer Main Extension,Washington Township
2766 Route 100, Warehouse, Watermain extention, Lowhill Township
3121 RT 309 NWT Nexus 78, Watermain Extension, Warehouse, North Whitehall
3500 Brookside Road, Indian Creek- 26 Single family homes-Main extension, LMT
3952 Independence Drive,NW
4054 Chestnut Street Single connection,Umilford
6045 Reppert Lane 24 Town Homes, UMT
7150 Hamilton Blvd, Bank,UMT
Valley at Indian Creek 3510 Macungie Road 22 Single family homes-LMT
5329-5347-5357 Hamilton Blvd., 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
Fields at Emmaus 78 Town Homes, UMT
Grant Way Building Expansion,UMT
Iron Run Estates 58 Single Home, LMT
Hamilton Square 2 Commercial Lots LMT
Heidelberg Heights 10 Townhouses water ext on lot septic, HH
Krocks Road Mixed use development
Lehigh Valley Town Center, Mixed use development, UMT
Lehigh Valley West 57, Warehouse, UMT
Ridings at Parkland Phase 2, 44 Single Homes. NWT
Schoeneck Road, Lot 1, 1 lot, warehouse, LMT
Spring Creek Lot 12 1 Commercial Lot,LMT
Western Lehigh Development 2 Commercial Lots, LMT
Twin Ponds 8739 Hamilton Blvd 22 Apts and 1 Daycare UMT
PA Turnpike Lehigh Valley Interchange, UMT, Removal of domestic line.
V Parkland 9230 Long Lane, 16 Single family homes, UMT.
Western Lehigh Development 2 Commercial Lots, LMT
RT 100 Commercial Development, LMT
BBC ASRS Manufacturing, UMT
Woodmere Estates Development, UMT/LMT 100 single homes
Sunet Orchard Development, 203 townhomes, UMT
7050 Snow Drift Rd Eastern Lift Warehouse Expansion

DEVELOPMENT ACTIVITY

Sewage Facilities Planning Modules Reviewed in Prior Month:

231 N 7th St and 232 N Church St Renovations	231 N 7th St and 232 N Church	Allentown	899
802 N Quincy St	802 N Quincy St	Allentown	238
6th Street Apartments	132 S 6th St	Emmaus	840
Southside Homes by Sundu Enterprises 2	337-443 Barber St	Allentown	952
Fullerton Terminals Distribution Center	2625 Range Rd	CWSA	2,590
415 7th St	415 7th St	CWSA	215
5173 Washington Ave	5173 Washington Ave	CWSA	215
S 12th Street Apartments	2250 and 2268 S 12th St	Allentown	17,136
Internal Renovations	546 W Hamilton St	Allentown	4,950

Lehigh County Authority
System Operations Review - September 2025
Presented: October 27, 2025

		<u>Sep-25</u>	<u>2025 Totals***</u>	<u>2024 Totals</u>	<u>2023 Totals</u>
Recordable Safety Incidents*	Total LCA	2	7	2	33
Non-Recordable Safety Incidents	Total LCA	0	2	25	
Incident Types **	Injuries	2	8	15	
	Property Damage	0	3	11	
	Near Miss	0	0	1	

***Numbers adjusted to match current tracking methodology

* Recordable Safety Incidents are those that result in death, days away from work, restricted duty, medical treatment beyond first aid.

** Safety incidents may be categorized in more than one incident type.

<u>Year To Date Safety Incidents</u>	<u>Root Cause Analysis Completed</u>	<u>Corrective Actions Identified</u>	<u>Corrective Actions Completed</u>	
	2	4	0	
<u>Current Month Incidents</u>				
<u>Description</u>	<u>Date</u>	<u>Type</u>	<u>Root Cause(s)</u>	<u>Corrective Action(s)</u>
On September 9, 2025, a crew was assigned the task of servicing air release valves, starting in the Central Division. At the first location, the manhole cover was opened, and the involved employee entered the confined space, properly wearing the required fall protection equipment. The employee's task was to shut a corp valve on the associated pipe. Using a wrench, the employee began to apply rotational force to the valve. The valve was difficult to turn, requiring significant physical effort. During this forceful exertion, the employee felt a sudden popping sensation in their right elbow, accompanied by pain. Unable to continue, the employee ceased the attempt. A second employee then entered the manhole and successfully finished closing the valve. The injured employee continued to work for the remainder of their shift. The following day, September 10, 2025, the employee reported to work experiencing increased pain and discomfort in their right arm. They were sent to the Emergency Room for a medical evaluation and were subsequently placed out of work pending a follow-up appointment.	9/13/2025	Lost Time Incident, Medical Treatment	A lack of a formal Job Safety Analysis (JSA). Due to the lack of a pre-task hazard assessment, crews relied on habit, which didn't take into account common variables. Due to this systemic gap, ergonomic risks were normalized and improper techniques were used, leading to injuries.	Conduct a formal JSA for the task of operating valves in manholes. This JSA must address ergonomic risks and tool selection.

<p>On the morning of September 24, 2025, after successfully completing a routine sample collection at the 28th Street Booster Station, the involved employee proceeded to secure the building. The task required them to lock the door, step down from the doorway to the ground level, and turn to activate the alarm keypad.</p> <p>As the employee was simultaneously stepping down and twisting their body to remove the key and operate the alarm, they lost their footing. This combination of movements caused their right ankle to roll, resulting in the employee landing awkwardly on it and causing an immediate injury.</p> <p>A coworker who was present immediately took over the remaining driving duties for the day's sample collections. Upon returning to the main Filtration Plant, the injured employee elevated and iced their ankle to help manage the swelling.</p>	9/15/2025	Lost Time Incident, Medical Treatment	<p>The primary root cause is the failure to conduct a formal risk assessment for routine facility access/egress, which allowed an ergonomic hazard to become normal. The poor placement of the alarm panel created a situation where employees are encouraged to perform unsafe multi-action movements.</p>	<p>Conduct a formal ergonomic assessment of the 28th St. Booster Station exit to determine the optimal location for the alarm panel or the best mitigation control (e.g., handrail).</p>
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Critical Activities	System	Description	Sep-25	2025 Totals	2024 Totals	Permit
			Daily Avg (MGD)	Daily Avg (MGD)	Daily Avg (MGD)	Daily Max (MGD)
Water Production	Allentown	Total	23.85	23.18	22.39	39.0
		Schantz Spring	6.17	6.63	6.82	9.0
		Crystal Spring	3.89	3.88	3.87	4.0
		Little Lehigh Creek	13.63	11.95	11.47	30.0
		Lehigh River	0.14	0.71	0.23	28.0
	Central Lehigh	Total	12.02	11.68	11.49	19.04 MGD Avg
		Feed from Allentown	7.43	7.24	6.88	7.0 MGD Avg 10.5 MGD Max
		Well Production (CLD)	4.60	4.48	4.60	8.54 MGD Avg
		Sum of all (12) other Suburban Water Systems	0.16	0.16	0.15	1.71 Sum of all wells
Wastewater Treatment		Kline's Island	31.07	32.37	34.04	40.0
		Pretreatment Plant	4.82	4.78	4.98	5.75 (design capacity)
		Sum of all (5) other Suburban WW Systems	0.17	0.18	0.19	0.36
			Sep-25	2025 Totals	2024 Totals	2023 Totals
Precipitation Totals (inches)			2.66	30.96	41.88	46.38
Compliance Reports Submitted to Allentown			17	222	278	280
Notices of Violation (NOVs)		(Allentown + Suburban)	0	4	5	3
Sanitary Sewer Overflows (SSOs)/Bypasses		(Allentown + Suburban)	1	9	17	24
Main Breaks Repaired		Allentown	1	10	27	8
		Suburban	2	10	14	12
Customer Service Phone Inquiries		(Allentown + Suburban)	1192	10163	16,690	11,221
Water Shutoffs for Non-Payment		(Allentown + Suburban)	197	1560	2,010	1,995
Injury Accidents		(Allentown + Suburban)	0	5	15	19
Emergency Declarations		Allentown	0	1 @ 15,373	2 @ 228,181.55	2
		Suburban	0	1 @ \$318,754	1 @ 56,662.50	0
Significant Repairs/Upgrades:						
Description of Non-Compliance Events:						
<p>A sanitary sewer overflow (SSO) took place at manhole U_7_14B, located near 1202 Park Drive. The incident occurred during a rainstorm when the Park Pump Station experienced a gate fault that led to its closure, resulting in elevated interceptor levels. LCA personnel responded to resolve the pump station issue, after which the overflow ceased. Approximately 500 gallons were discharged from the manhole.</p> <p>On September 12, 2025, a NOV was received for a PFOS MCL exceedance in the Emmaus Consecutive Division. The NOV and latest public notification are included with this report.</p>						
Other:						

	Lehigh County Authority				
	System Operations Review - September 2025				
	Presented: October 27, 2025				
	Page 3				
Critical Activities	System	Description	Sep-25	2025 Totals	2024 Totals
Wastewater Compliance	Allentown	Bypass	0	2	3
		Bypass Volume	0	111,496	1,713,644
		Permit Exceedances	0	0	0
		Sanitary Sewer Overflows	1	5	5
		COA Issued NOVs	0	1	0
		Regulatory Agency issued NOVs	0	2	0
	Arcadia	Bypass	0	0	0
		Bypass Volume	0	0	0
		Permit Exceedances	0	0	1
		Sanitary Sewer Overflows	0	0	0
		NOVs	0	0	1
	Heidelberg Heights	Bypass	0	2	4
		Bypass Volume	0	271,192	2,125,696
		Permit Exceedances	0	1	9
		Sanitary Sewer Overflows	0	0	0
		NOVs	0	0	0
	Lynn	Bypass	0	0	2
		Bypass Volume	0	0	1,010,000
		Permit Exceedances	0	0	2
		Sanitary Sewer Overflows	0	0	0
		NOVs	0	0	0
	Sand Spring	Bypass	0	0	0
		Bypass Volume	0	0	0
		Permit Exceedances	2	18	44
		Sanitary Sewer Overflows	0	0	0
		NOVs	0	0	1
	Wynnewood	Bypass	0	0	0
		Bypass Volume	0	0	0
		Permit Exceedances	0	0	9
		Sanitary Sewer Overflows	0	0	3
		NOVs	0	0	1
Water Compliance	Allentown	Boil Water Advisories	0	1	0
	Central Lehigh	Boil Water Advisories	0	0	0
	Suburban Water Systems	Boil Water Advisories	0	1	1



6/4/2025

NOTICE OF VIOLATION

SENT VIA EMAIL: AndrewMoore@lehighcountyauthority.org

Andrew Moore
LCA Emmaus Consecutive, PWSID 3390075
PO Box 3348
Allentown, PA 18106-0348

Re: Exceedance of Drinking Water Maximum Contaminant Level Running Annual Average for PFOS and PFOA

Dear Mr. Moore

Our records indicate that the LCA Emmaus Consecutive Water System exceeded the Maximum Contaminant Level (MCL) for perfluorooctane sulfonate (PFOS) and/or perfluorooctanoic acid (PFOA) at Entry Point 100 during the monitoring period of 07/01/2025-09/30/205. PFOS and PFOA samples were collected on 8/11/2025 and 8/21/2025. The current running annual average (RAA) calculated from these results for Entry Point (EP) 100 is 40.30ng/L for PFOS and 12.20ng/L for PFOA. The MCLs for PFOA and PFOS, in accordance with 25 Pa. Code § 109.202(a)(4)(ii), are as follows:

Contaminant	MCL (ng/L)	RAA (ng/L)
Perfluorooctane sulfonate (PFOS)	18	40.30
Perfluorooctanoic acid (PFOA)	14	12.20

A RAA value that exceeds the MCL is a violation of Title 25 Pa. Code, Chapter 109.30(16)(ix).

In response to this violation, DEP requests that you take the following actions to investigate and monitor your public water system:

1. Continue quarterly monitoring for PFOS and PFOA at EP 100 in accordance with the provisions of 25 Pa. Code § 109.301 (relating to general monitoring requirements). Quarterly monitoring should continue until the results from four consecutive quarters indicate levels are below the MCL *and* reduced monitoring is granted by the Department.
2. *As soon as possible*, but no later than 30 days from your PFOS and/or PFOA exceedance awareness date of 9/12/2025, issue Tier 2 Public Notification (PN) to your customers for this violation, in accordance with the provisions of 25 Pa. Code § 109.409 (relating to Tier 2 public notice). A template for Tier 2 PN for Exceeding the PFOS and/or PFOA MCL Form, PN Instructions for Exceeding the PFOS and/or PFOA MCL and PN certification form are enclosed. PN is due no later than 10/12/2025.
3. Ensure that sample collection and analysis is conducted according to the requirements of the regulations, including analysis by an accredited laboratory using one of the approved methods specified in 25 Pa. Code § 109.304(f). Monitoring results are to be reported by the laboratory to the Drinking Water Electronic Laboratory Reporting system (DWELR) as sample type 'E'.

4. If any sample result exceeds the MCL for PFOS, PFOA or both, notify the Department within one hour of discovery.
5. Take necessary investigative actions to identify the cause(s) of the PFOS/PFOA contamination of your water supply source(s) and consult with DEP regarding any additional follow-up actions.

This Notice of Violation is neither an order nor any other final action of the Department of Environmental Protection. It neither impose nor waives any enforcement action available to the Department under any of its statutes. If the Department determines that an enforcement action is appropriate, you will be notified of the action.

If you have any questions or concerns, please feel free to contact me by email at sdoes@pa.gov or by telephone at 570-239-8441.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Shelby Does', with a long horizontal flourish extending to the right.

Shelby Does
Sanitarian
Bureau of Safe Drinking Water

Enclosure: Tier 2 PN for Exceeding the PFOS and/or PFOA MCL Form, PN Instructions for Exceeding the PFOS and/or PFOA MCL and PN certification form

cc:

Michael Phillips, Sanitarian Supervisor, Bethlehem District Office (Via Email)
Todd Ostir, Environmental Group Manager, Northeast Regional Office (Via Email)
EP, SDW Tech Support (Via Email)
File



1053 SPRUCE RD * P.O. BOX 3348 * ALLENTOWN, PA 18106-0348
610-398-2503 * email: service@lehighcountyauthority.org
www.lehighcountyauthority.org

September 22, 2025

Address

**EMMAUS CONSECUTIVE DIVISION CUSTOMERS
IMPORTANT INFORMATION ABOUT YOUR DRINKING WATER**

**PERFLUOROOCTANE SULFONATE (PFOS) / PERFLUOROOCTANOIC ACID (PFOA)
MAXIMUM CONTAMINANT LEVEL (MCL) EXCEEDANCE**

**ESTE INFORME CONTIENE INFORMACIÓN IMPORTANTE ACERCA DE SU AGUA POTABLE.
HAGA QUE ALGUIEN LO TRADUZCA PARA USTED, O HABLE CON ALGUIEN QUE LO ENTIENDA.**

**Water Purchased from the Borough of Emmaus Has Levels of Perfluorooctane sulfonate (PFOS)/
Perfluorooctanoic acid (PFOA) Above Drinking Water Standards**

Lehigh County Authority (LCA) purchases all water for Emmaus Consecutive Division customers from the Borough of Emmaus, and it is important for you to be aware of this water quality issue. LCA recently violated a drinking water standard. Although this incident was not an emergency, as our customers, you have a right to know what happened and what we did to correct this situation.

LCA routinely tests drinking water for numerous contaminants. Results received on 8/26/2025 show PFOS and PFOA levels above the maximum contaminant level (MCL). Compliance with the drinking water MCL is based on the running annual average (RAA) of the four most recent quarters of test results. Sample results are in parts per trillion or **ppt**, equivalent to **one drop** in **20** Olympic-sized swimming pools. The current PFOS average is 39.01 ppt, which is above the MCL. The current PFOA average is 11.35 ppt, which is below the MCL. The MCL for PFOS is 18 ppt and the MCL for PFOA is 13.83 ppt.

Although the system average for PFOA is below the MCL, individual results may be higher or lower at any given time due to the mix of water supplies being used. The results displayed in the table below provide the individual sample results and distribution system locations.

Results Date	Site #	PFOA ppt	PFOS ppt	Location/Address
8/11/2025	701	6.44	4.86	182 Woodhaven Dr
8/21/2025	702	21.6	120	75 Chestnut Hill Road
8/21/2025	703	8.92	6.7	Camp St. between 3353 W Emaus Ave & 3368 Capitol St.
8/21/2025	704	13.10	4.03	Miriam by Chris Dr
8/21/2025	705	10.7	6.65	3501 Orchid Cir
8/21/2025	706	20.5	111	50 White Oak Ln
8/21/2025	707	17.1	81.6	Pike Rd by 3128 S 6th St
8/21/2025	708	13.8	12.2	4302 David Drive - Salem Ridge
8/21/2025	709	12.3	4.01	3461 S Cedar Crest Blvd, Lutheran Church

What are PFOS and PFOA?

PFOS and PFOA are chemicals that are part of a larger group referred to as perfluoroalkyl substances (PFAS). These are man-made chemicals and do not occur naturally in the environment. They have been used to make items that are resistant to water, grease, or stains such as cookware, carpets, food wrappers, and other packaging. They are also used in industrial processes and in firefighting foams. Since these substances are resistant to heat, water, and oil they persist in the environment and in the human body. Due to the prevalence of PFAS in consumer products, it is likely that most people have been exposed to these substances at some point.

Learn more about these chemicals on LCA's dedicated webpage:

<https://www.lehighcountyauthority.org/information-about-pfas/>.

What happened? What was done?

The Borough of Emmaus has determined the source of the PFOS and PFOA at the fire training facility and has taken action to address the problem, including shutting down a contaminated well. The Borough is working closely with PA DEP and expects the construction of a treatment system to be completed by the spring of 2026.

To learn more about the corrective action plan visit the Borough of Emmaus website at

<https://www.emmauspa.gov/>.

What does this mean?

This is not an immediate risk. If it had been, you would have been notified immediately. However, exposure to PFOS and/or PFOA in excess of the MCL over many years may result in adverse health effects. Drinking water containing PFOS in excess of the MCL of 18 ppt may cause adverse health effects, including decreased immune response. Drinking water containing PFOA in excess of the MCL of 14 ppt may cause adverse health effects, including developmental effects (neurobehavioral and skeletal effects).

What should I do?

Talk to your doctor if you have health concerns related to this information. You do not need to use an alternative (e.g., bottled) water supply, per PA DEP.

What is LCA doing?

LCA is working with the Borough of Emmaus and PA DEP to be sure you receive information about water quality as this situation is being addressed. Quarterly sampling is being conducted throughout the distribution system by LCA, and results will be shared with customers.

Please share this information with all the other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.

For more information, please contact the LCA Customer Care Team at 610-398-1444 or email us at service@lehighcountyauthority.org.

PWS ID#: 3390075

Date distributed: September 22, 2025