

ORDINANCE NO.

FILE OF CITY COUNCIL

BILL NO. 95- 2025

NOVEMBER 5, 2025

AN ORDINANCE

Amending the 2025 Capital Fund Budget to provide for an increase of Three Million Dollars (\$3,000,000.00) to a newly created capital account. The City was awarded grant funds from the Covid-19 ARPA H2O PA Water Supply, Sanitary Sewer and Storm Water Projects Grant from the Commonwealth Financing Authority to be used for the City of Allentown Source Reduction Program (SRP/I&I Project) for years 1, 2 and 3.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ALLENTOWN:

SECTION ONE: That City Council authorizes an increase to the 2025 Capital Fund State Aid revenue account in the amount of Three Million Dollars (\$3,000,000.00) reflecting receipt of monies from the Covid-19 ARPA H2O PA Water Supply, Sanitary Sewer and Storm Water Projects Grant as follows:

001-00-0000-0000-47144	State Aid	\$3,000,000.00
-------------------------------	------------------	-----------------------

SECTION TWO: That City Council authorizes supplemental appropriation to the Capital Fund Public Works Department budget as follows:

SRP/I&I Project		
001-03-2055-1025-50046	Contract Services	\$3,000,000.00

SECTION FOUR: That this Ordinance takes effect ten (10) days after final passage.

SECTION FIVE: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

Legislative Template

- What department or bureau is this bill originating from? Where did the initiative for the bill originate?

Office of Compliance, Department of Public Works

- Summary and facts of the bill.

This bill provides the acceptance of awarded grant funds from the COVID-19 ARPA H2O PA Water Supply, Sanitary Sewer and Storm Water Projects Grant in the amount of \$3,000,000 from the Commonwealth Financing Authority to be used for the City of Allentown Source Reduction Program (SRP/I&I project) Year 1, 2 and 3.

- Purpose – Please include the following in your explanation:
 - a. What does the bill do? What are the specific goals or tasks the bill seeks to accomplish?

This bill provides the acceptance of awarded grant funds from the COVID-19 ARPA H2O PA Water Supply, Sanitary Sewer and Storm Water Projects Grant in the amount of \$3,000,000 from the Commonwealth Financing Authority to be used for the City of Allentown Source Reduction Program (SRP/I&I project) Year 1, 2 and 3. The total grant award of \$3,000,000 is then to be reimbursed to sub-grantee Lehigh County Authority (LCA) for work completed on the Source Reduction Program (SRP/I&I project) Year 1, 2 and 3.

- b. What are the benefits of doing this? What are the drawbacks?

The grant funding reduces the capital cost recovery expense for city rate payers. The funds for the intended project will be used to extend the life of City assets. The project is necessary as the decreased I&I flow to the Wastewater Treatment Plant (WWTP) will provide additional WWTP capacity.

Additional capacity encourages development and job growth, providing a larger tax base. Keeping City flows below allocation will prevent additional costs to City ratepayers. Avoid triggering the Special Protection Waters (SPW) requirements of the Delaware River Basin Commission (DRBC) to the greatest extent possible. This would incur costs over and above regular WWTP expansion costs.

The project is necessary as it may reduce the chance of regulatory actions (NOV and Consent Orders) by limiting the potential of hydraulic overload, headwork bypasses, and sanitary sewer overflows.

c. How does this bill relate to the City's vision/mission/priorities?

This bill relates to the City's priorities as its authorization and subsequent grant submission is in line with the City's intention's to be a responsible steward of citizen taxpayer dollars and to engage in the investment in resilient infrastructure.

"Through innovative stormwater management and green infrastructure, the city is working to reduce the impacts of flooding and prepare the city for a greener and more resilient future" (Allentown Vision 2030 - Chapter 5 – Living Systems, City as a Steward, page 161)

"Allentown is a responsible steward of its citizens' tax dollars, investing in projects that generate a return on investment through decreased social costs (e.g. health) and increased tax revenue from a more efficient use of land." (Allentown Vision 2030 - Chapter 1 – Allentown for All, City as a Steward, page 10)

• Financial Impact – Please include the following in your explanation:

a. Cost (initial and ongoing)

n/a – Fully grant funded and Lehigh County Authority (LCA) will fund the required financial match to the proposed grant.

b. Benefits (initial and ongoing)

Funding request is to provide for 1-3 years of a 10-year source reduction plan.

The grant funding will reduce the capital cost recovery expense for city rate payers. The project is necessary as the decreased I&I flow to the WWTP will:

- Additional capacity encourages development and job growth, providing a larger tax base.
- Keep City flows below allocation will prevent additional costs to City ratepayers.

Reduces legal expenses relating to permit issues (NOV and Consent Orders).

Avoid triggering the Special Protection Waters (SPW) requirements of the Delaware River Basin Commission (DRBC) to the greatest extent possible. This would incur costs over and above regular WWTP expansion costs.

Provides funding for required ACT 537 planned projects reducing City ratepayer costs.

• Funding Sources – Please include the following in your explanation:

- a. If transferring funds, please make sure to give specific account names and numbers. If appropriating funds from a grant, please list the agency awarding the grant.

SRP/I&I Project

001-03-2055-1025-50046

Contract Services

\$3,000,000.00

- Priority status – Are there any deadlines to be aware of?

Eligible costs must be expended by September 30, 2026.

- Why should Council unanimously support this bill?

The acceptance of this awarded grant will ultimately save ratepayer money, support maintenance, longevity of infrastructure, and assist in compliance with federal and state mandates.