



Lehigh County Authority

2022 Water / Sewer Rates – City of Allentown

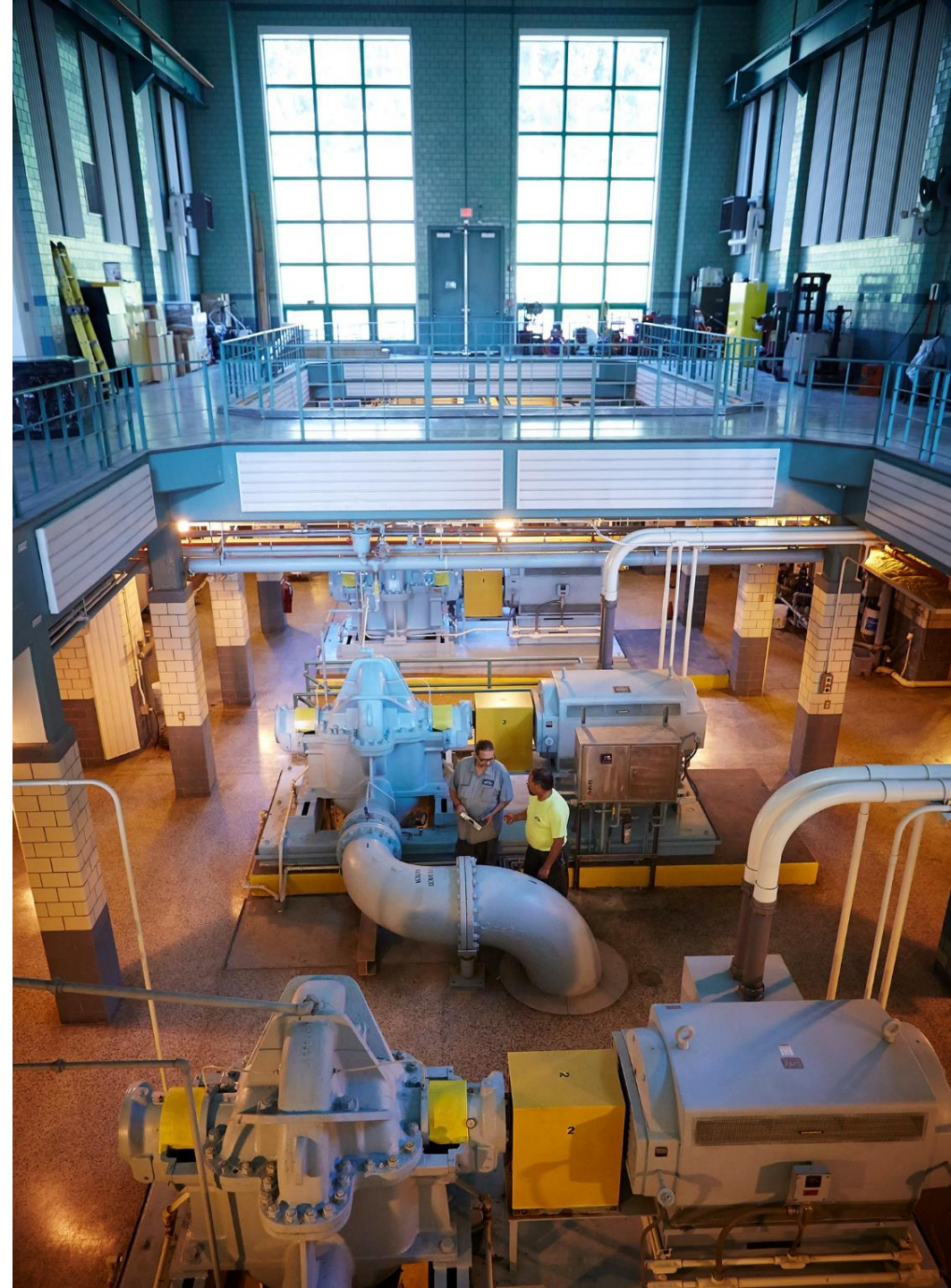
Compliance Review Board Meeting

December 1, 2021

LCA City System – Infrastructure

- Water Treatment Plant: 30 million gallons per day (mgd) permitted; 22 mgd average day water production
- Wastewater Treatment Plant: 40 mgd permitted; 33 mgd average
- Water Mains: 320 Miles
- Sewer Mains: 316 Miles
- Valves: 8,733
- Fire Hydrants: 1,907
- Manholes: 7,198
- Storage Tanks: 7 (50 Million Gallons)
- Pump Stations: 7
- Air Release Valves: 81

10-Year Outlook: \$150 Million in capital upgrades needed to address aging infrastructure & new regulatory requirements





2022 Budget: Payments from Municipalities

Cost for regional services are shared proportionately

- Lehigh County Authority water purchase: \$3.1 million
- Other municipal water purchases: \$2.1 million
- Sewer signatory charges (including AO expense): \$7.6 million

Part 1 - 2022 Lease Rates (Schedule 3)

Fixed Charges – Increased by terms of Lease Agreement

	WATER FIXED CHARGES			SEWER FIXED CHARGES	
<u>Meter Size</u>	<u>Monthly Charge</u>	<u>Quarterly Charge</u>		<u>Monthly Charge</u>	<u>Quarterly Charge</u>
5/8"	n/a	\$60.81		n/a	\$21.13
3/4"	n/a	\$68.43		n/a	\$23.76
1"	n/a	\$83.98		n/a	\$29.03
1 1/2"	\$43.88	n/a		\$15.11	n/a
2"	\$59.27	n/a		\$20.37	n/a
3"	\$100.20	n/a		\$34.51	n/a
4"	\$146.49	n/a		\$50.30	n/a
6"	\$274.67	n/a		\$94.27	n/a
8"	\$428.67	n/a		\$172.95	n/a

Part 1 - 2022 Lease Rates (Schedule 3)

Volume & Flow Charges – Increased by terms of Lease Agreement

Water Volume Charge: \$4.15670 per 1000 gallons

Sewer Flow Charge: \$2.98318 per 1000 gallons

* Volume & flow charges also include cost recovery for any Change of Law and cost passed through from the Delaware River Basin Commission (DRBC) as allowed under the lease agreement with Allentown.

Disinfectant Residual Rule → \$57,343 (included in rates listed above)

DEP “Chapter 109” Updates → \$41,850 (included in rates listed above)

DRBC Charges → \$2,166 (included in rates listed above)

Part 2 – Other Rates

Capital Cost Recovery & Administrative Order Charges

NEW Projects	Total Project Cost	Annual Debt Service	Recovery Period (years)	Customer Rate per 1000 gallons	Municipal Signatories Share Cost?
Water Mains <i>(1 mile completed in 2021)</i>	\$ 2,011,718	\$137,579	30	\$0.03842	Yes
Administrative Order Work*	\$ 6,700,000	\$634,849	13-19	\$0.16241	Yes

* The 2022 Administrative Order Fee calculation includes debt service for the City's \$2.5 million bond that was issued in 2016 (refinanced in 2020) and \$4.2 million in new bonds issued in 2020.

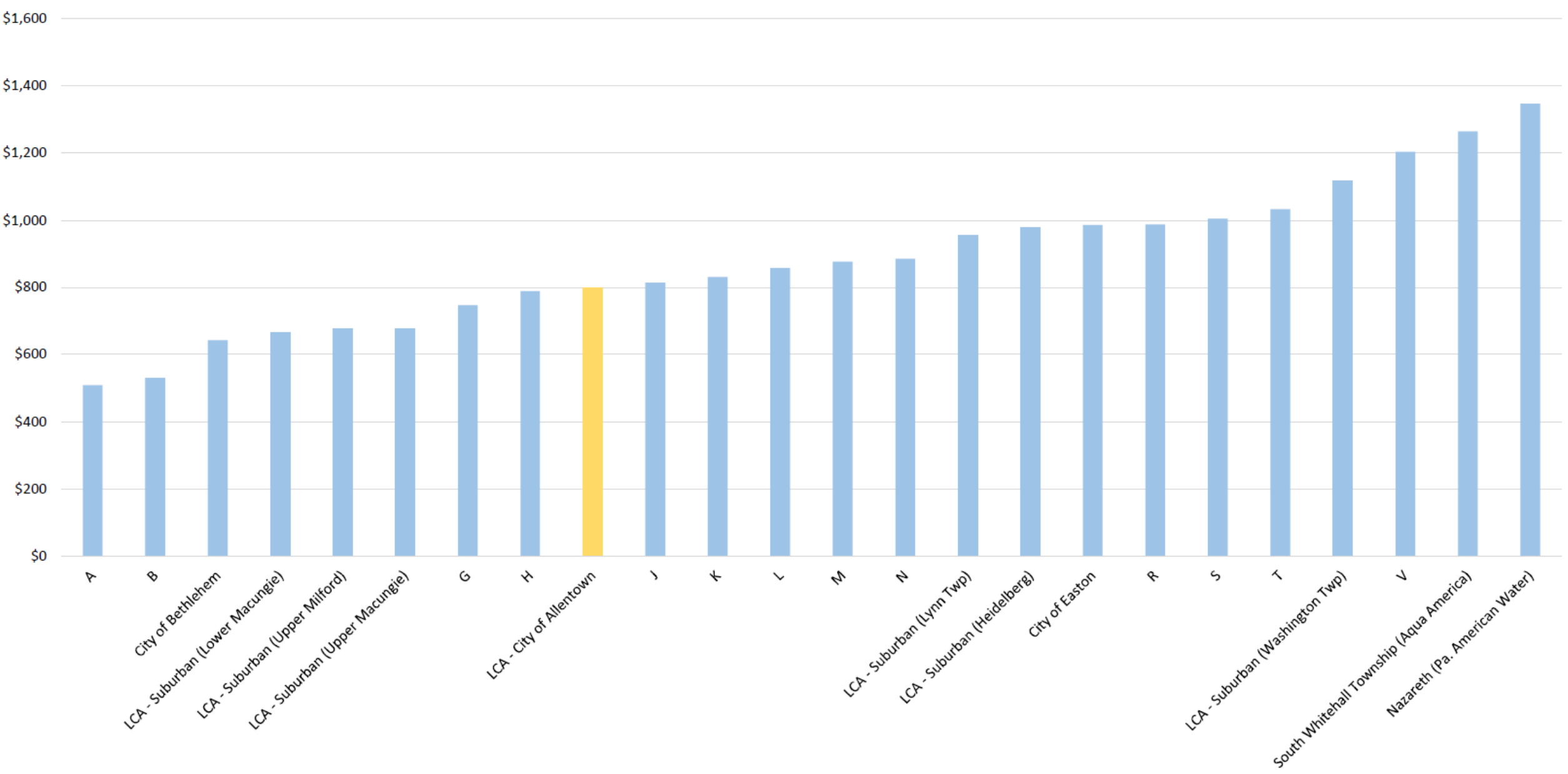
CUMULATIVE TOTAL	Per 1000 Gallons
Water Capital Costs	\$0.39244
Sewer Capital Costs	\$0.15055
Administrative Order	\$0.16241


What does it mean?

Billing Example – 2022 Residential Bill for 15,000 Gallons

	Quarterly Bill
Fixed Charge – Water	\$60.81
Water Volume Charge	\$62.35
Water Capital Cost Recovery Charge	\$5.89
Fixed Charge – Sewer	\$21.13
Sewer Flow Charge	\$44.75
Sewer Capital Cost Recovery Charge	\$2.26
Administrative Order Fee	\$2.44
Total Bill	\$199.63

Lehigh Valley Water & Sewer Rate Comparison (Data from 2020-2021, LCA 2022 Rates)
24 communities in Lehigh Valley - average annual residential water & sewer bill (5000 gallons per month)



A vibrant, stylized illustration of a diverse group of people of various ethnicities and ages, all wearing face masks. The background is a light blue gradient. The people are depicted in a crowd-like arrangement, with some in the foreground and others slightly behind. The colors of their clothing are varied, including blues, oranges, pinks, and greys. The overall tone is one of community and safety during the COVID-19 pandemic.

COVID-19 Impacts

- Collections activity suspended for 12 months (March 2020-April 2021)
- Facilities closed to the public
- Revenue loss associated with business shutdowns (lowered water usage) & customer non-payment
- Some customers are still struggling

Customer Support is Available

(see handout for details)

Emergency Rental Assistance Program (ERAP)

LCA Customer Hardship Grants

LCA Payment Plans

Low Income Household Water Assistance Program (LIHWAP) (coming soon!)

Customer education & conservation

Customer service & responsiveness

Customer Service Satisfaction*

	Surveys Returned	Overall Satisfaction	Employee Courtesy	Employee Knowledge
2015	587	90%	93%	92%
2016	443	87%	93%	92%
2017	417	90%	95%	91%
2018	323	86%	90%	92%
2019	360	89%	93%	94%
2020	390	91%	93%	95%
2021 (to date)	231	91%	93%	93%

*Survey results based on postcard survey of customers who had contact with LCA in the prior month.

