



Warrington Township Water/Sewer System Public Meeting

February 5, 2019

AGENDA

1. Board of Supervisors Chairman Remarks
2. Township Manager Remarks
3. Presentation by Director of Water and Sewer
4. Public Comment
5. Discussion Concerning Next Steps

Board of Supervisors

Board of Supervisors conducting due-diligence to evaluate offers

Three Primary Considerations:

- Immediate Impact on Customer/Residents
- Future Impact on Customer/Residents
- Impact on Township Finances

Township Manager

- Warrington approached by NWWA Executive Director to discuss potential sale:
 - Water System
 - North Wales Water Authority (NWWA)
 - Sewer System
 - Bucks County Water and Sewer Authority (BCWSA)

Water Quality

Warrington - Well Water	NWWA - Surface Water
Drawn from Aquifer (Ground)	Drawn from Delaware River
Hard Water	Soft Water
Treated with Chlorine and filtered as needed	Treated through Forest Park Water Treatment Plant
PFAS Contaminated	Non-Detect PFAS

WARRINGTON TOWNSHIP WATER FACILITIES LOCATION MAP



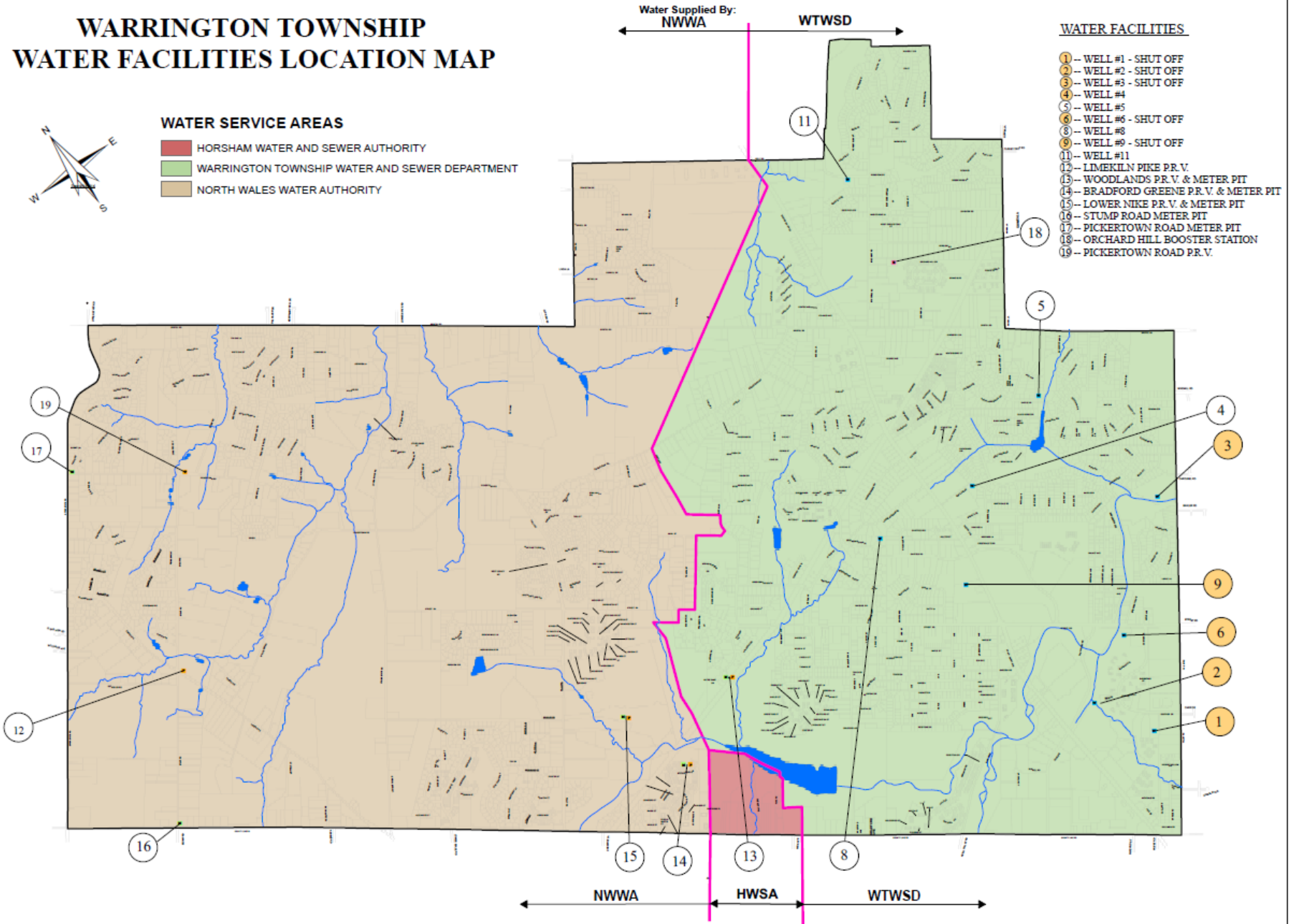
WATER SERVICE AREAS

- HORSHAM WATER AND SEWER AUTHORITY
- WARRINGTON TOWNSHIP WATER AND SEWER DEPARTMENT
- NORTH WALES WATER AUTHORITY

Water Supplied By:

WATER FACILITIES

- ① - WELL #1 - SHUT OFF
- ② - WELL #2 - SHUT OFF
- ③ - WELL #3 - SHUT OFF
- ④ - WELL #4
- ⑤ - WELL #5
- ⑥ - WELL #6 - SHUT OFF
- ⑧ - WELL #8
- ⑨ - WELL #9 - SHUT OFF
- ⑪ - WELL #11
- ⑫ - LIMEKILN PIKE P.R.V.
- ⑬ - WOODLANDS P.R.V. & METER PIT
- ⑭ - BRADFORD GREENE P.R.V. & METER PIT
- ⑮ - LOWER NIKE P.R.V. & METER PIT
- ⑯ - STUMP ROAD METER PIT
- ⑰ - PICKERTOWN ROAD METER PIT
- ⑱ - ORCHARD HILL BOOSTER STATION
- ⑲ - PICKERTOWN ROAD P.R.V.



Immediate Impact of Water Rates/Fees on Customers

	Warrington Township (Current)	NWWA (3-Yr. Rate Lock)	Difference
Rate per 1,000 Gallons	\$7.16	\$3.60	\$3.56
Quarterly Base Fee	\$20.00	\$12.00	\$8.00
Quarterly Bill	\$127.40	\$66.00	\$61.40
Annual Bill	\$509.60	\$264.00	\$245.60

Decrease in annual bill (15,000 gal/Quarter)

\$245

Future Impact of Water Rates/Fees on Customers

	Warrington Township (Current)	NWWA (for past 24 years)	Difference
Rate per 1,000 Gallons	\$7.16	\$3.60	\$3.56
Quarterly Base Fee	\$20.00	\$12.00	\$8.00
Quarterly Bill	\$127.40	\$66.00	\$61.40
Annual Bill	\$509.60	\$264.00	\$245.60

Continued decrease in annual bill (15,000 gal/Quarter)

\$245

Immediate Impact of Sewer Rates/Fees on Customers

	Warrington Township (Current)	BCWSA (3-Yr. Rate Lock)	Difference
Rate per 1,000 Gallons	\$6.15	\$6.15	\$0.00
Quarterly Base Fee	\$20.00	\$20.00	\$0.00
Quarterly Bill	\$112.25	\$112.25	\$0.00
Annual Bill	\$449.00	\$449.00	\$0.00

No change
in annual bill (15,000 gal/Quarter)

Future Impact of Sewer Rates/Fees on Customers

	Warrington Township (Current)	BCWSA (following 3-Yr. Rate Lock)	Difference
Rate per 1,000 Gallons	\$6.15	\$5.88	(\$0.27)
Quarterly Base Fee	\$20.00	\$71.04	\$51.04
Quarterly Bill	\$112.25	\$159.24	\$46.99
Annual Bill	\$449.00	\$636.96	\$187.96

Increase in annual bill (15,000 gal/Quarter)

\$188

Future Impact of Water and Sewer Rates/Fees on Customers

	Warrington Township (Current)	NWWA & BCWSA (following 3-Yr. Rate Lock)	Difference
Rate per 1,000 Gallons	\$13.31	\$9.48	(\$3.83)
Quarterly Base Fee	\$40.00	\$83.04	\$43.04
Quarterly Bill	\$239.65	\$225.24	\$14.41
Annual Bill	\$958.60	\$900.96	\$57.64

Decrease in annual bill (15,000 gal/Quarter)

\$58

10 Year Impact on Customers – Do Not Sell

Implement Long-Range Asset Replacement Program

- **\$48 Million** worth of Infrastructure improvements over the next 10 years
- Increased Operations Costs

2019 to 2029 Annual Bill increased by **\$442**

Total Accumulated Cost of **\$3,250** by 2029 for Average Customer

20 Year Impact on Customers – Do Not Sell

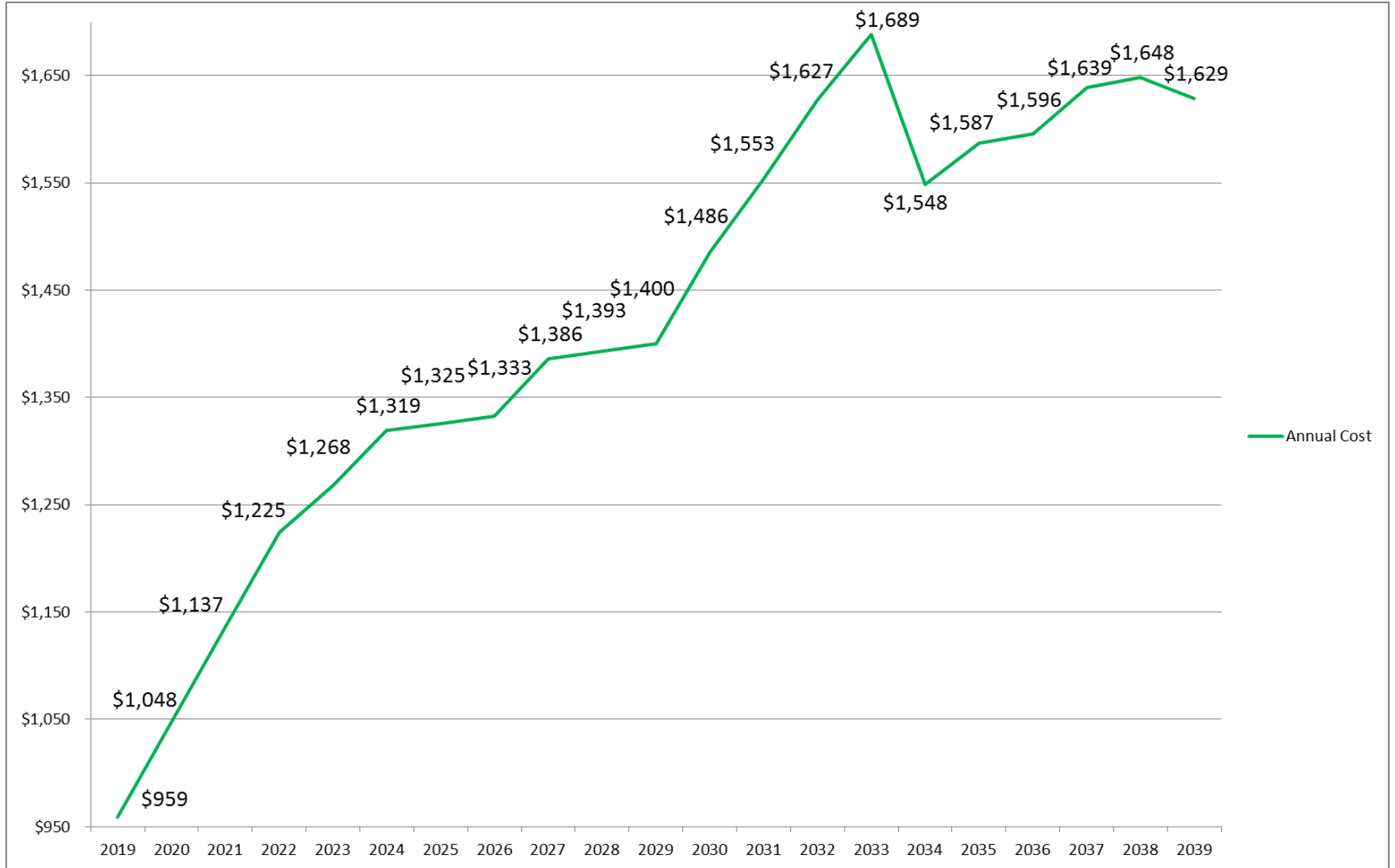
Implement Long-Range Asset Replacement Program

- **\$94 Million** worth of Infrastructure improvements over the next 20 years
- Increased Operations Costs

2019 to 2039 Annual Bill increased by **\$670**

Total Accumulated Cost of **\$9,664** by 2039 for Average Customer

20 Year Impact on Customers – Do Not Sell



Repairs/Maintenance through 2090 – Do Not Sell

2018 Keystone Alliance Asset Study

WATER SYSTEM	SEWER SYSTEM
\$41,593,036	\$121,670,529

Total = \$163,263,565

Future Impact on Customers

- If Systems are sold, Infrastructure Improvements would still need to be done by NWWA and BCWSA
 - Financial Impact of these improvements unknown
 - Both Authorities have “Economies of Scale”
 - Infrastructure Improvements likely to cost less than they would if Warrington did projects

Economies of Scale

- More Customers = Lower Rates/Fees
- More Product = Lower Rates/Fees
- Less Customers = Higher Rates/Fees
- Less Product = Higher Rates/Fees

Impact on Township Finances if Sold

- Loss of \$11.5 Million in Revenue to Township over next 22 years
- This gap potentially covered by sale through 2041
- Projected \$800,000 funding gap in 2042 Budget
- Water/Sewer customer still saves significantly

Public Comment