

PUC docket number A-2018-3004933

**NOTICE OF PROPOSED JOINT SETTLEMENT OF  
WASTEWATER ACQUISITION AND RATE BASE**

I am writing in opposition to the proposed joint settlement of the waste water acquisition and rate base addition between Exeter Township and Pennsylvania American Water.

The first issue I have is regarding the testimony of our township manager, Mr. John Granger. He received last year over \$200,000 in compensation when the Pennsylvania average salary for township managers is \$75,000. Our last manager who was with the township for over 20 years left making \$85,000 a year. Mr. Granger holds many positions within our township for example:

Township Manager  
Chief Administrative Officer  
Treasurer  
Secretary  
Right to Know Officer  
Police Administrator  
Hearing officer for Police Grievance

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His mission is to sell off all of our township assets. The Reading country club and our Waste Water Treatment Plant. The proceeds to be used supposedly for infrastructure development.

So far, with Mr. Granger in control of our township, has been spending to lawyers (about \$1 million/ year) and to EEMA (\$1 million first 6 months this year:2019) to run our sewer plant.

Here is what you need to know about Mr. John Granger: his integrity is questionable, and I will direct your attention to the following:

**Exhibit 1: Article from The Reporter August 15, 2002 Page 3:  
\$1.9 million was transfer from the township's coffers to the Towamencin Township Infrastructure Authority; the bonding of John Granger, the former township manager and executive director of the Infrastructure Authority;**

**Exhibit 2: Article from The Reporter May 30, 2003; page 1:  
Former manager John Granger had left abruptly, leaving the township to sort out a myriad of problems. According to an independent legal review conducted earlier this year, some of those problems resulted from allowing Granger to wield power that wasn't his-including the transfer of \$1.9 million from the township to the Towamencin Infrastructure Authority without authorization.**

**Exhibit 3: Grangers Statement of financial interest for 2017 and 2018.**

Note Box 13 for both years are blank and does not contain the office or directorship for any company. He is the treasurer for BG Wastewater.

Note Box 14 for both years are blank and does not show any financial interest in any legal entity. He is a principle owner of BG Wastewater.

Exhibit 4: Print out of Department of State of Pennsylvania Corporations showing an active Domestic Corporation (as of this writing) with John A. Granger as Treasurer and Steven J. Babylon as President. The address for both is 134 upper stump Rd Chalfont, pa. This is Mr. John Grangers home address. Neither of Mr. John A. Grangers Statement of financial interest disclose the fact he is a treasurer in the company. A company titled BG Wastewater Management Associates. We believe the B in BG wastewater is for his partner Steven J. Babylon and the G is for Granger. We believe he is not only the treasurer but a principle owner in the corporation. We believe that item 14 on both Statements of financial Interest should have revealed he has a financial interest in a company in the wastewater management business.

Exhibit 5: Additional print out of John Grangers business BG Wastewater Management Associates showing the latest filing as late as April 10, 2018.

Exhibit 6: Steven Babylon, President of BG Wastewater Management Associates and employment history. Note that he was a Management Business Development and special Projects at EEMA and Director of Military Operations at American Water

Exhibit 7: EEMA company profile is a full service water and wastewater contract operations and maintenance firm.

The Exhibits above show Mr. Granger hid his position as owner and treasurer in a corporation involved in managing Wastewater business from Exeter township. He hid his involvement with the President of the company Steven Babylon who has worked for EEMA and Pa. American water. He also did not disclose his relationship with a Edward Gillette, who is President of EEMA. A company that after Mr. Granger fired all of our experienced employees at our sewer plant was hired to run, provide labor and repair the plant. Mr. Granger met both Mr. Babylon and Mr. Gillette while working at Towamencin Township. I believe there are too many coincidences to be coincident. In hiring EEMA and his close friend for many years he never disclosed this relationship and the conflict of interest. He did not reveal his interest in the corporation or the association with Steven Babylon and his connections with EEMA and Pa. American Water.

On these matters alone, the approval process should be delayed until these serious issues are investigated for the residents of Exeter Township.

Reading through Mr. Grangers testimony to the PUC he often refers to stabilizing the Real Estate taxes for the municipality. This sale will actually do little for our RE taxes. They are substantially assessed by the School District. Mr. Grangers concern related to the municipal taxes is quite confusing, for in the Spring/Summer Exeter Newsletter (Exhibit 8 page 6) the

township compares the municipal tax millage to several local townships and boro's and says clearly Exeter has one of the lowest municipal tax millage rates in the county. Why does he claim the sale is for rate stabilization? Our rates are at 3.5 mills compared to most at 5.0 mills and above.

I have numerous examples of the mis-information provided by Mr. Granger and our supervisors. From holding fewer public meetings then claimed in his testimony, he claims 7 in total, we know of only 1 special meeting held on March 13, 2018. At this meeting they did not have adequate materials to hand out to the sparsely attended meeting (about 40 people) and never really made an effort to inform the residents which number over 25,000.

I will present one example of the manipulation performed by the supervisors and Mr. Granger: A recent FAQ sheet has been loaded onto the Exeter Township website (Exhibit 9) that claims the taxpayers will save \$173.50 thru tax relief but does not include the additional costs incurred from rate increases that will be put into effect prior to the sale and subsequent to the sale. Exhibit 10 on page 15 discloses the estimated true savings at \$43; not \$173.50. The special meeting held on March 13, 2018 handout on the waste water treatment plant proposal (Exhibit 10) shows this amount as a potential savings and also shows the offset from the annual increase in water and sewer rates which shows their estimates to be \$130. The slide on page 15 (Exhibit 10) show the net result of savings estimated to be \$43. This shows how the supervisors manipulate and mischaracterize the true impact of this sale.

There are numerous examples of the mis-information and the manipulation of public opinion but very little time to present them all here. This is only a very small representation of the board of supervisors and our township manager to misrepresent the true facts of this sale.

We ask you to reject the sale of this plant or delay the sale until these matters can be investigated by an independent authority in order to satisfy the residents of Exeter Township as to what the true facts and an accurate idea of what the impact to the community economically and financially truly is without bias.

Very Truly submitted to you;

  
David H. Hughes

255 W. 47<sup>th</sup> St.  
Reading, PA. 19606  
(510) 468-7844  
Email: toppgun@me.com

2.8.19

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Genesis Health

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session: **meadowood.** MEADOWOOD AT HOME

April 4 at 10:30 a.m.

[https://www.thereporteronline.com/news/residents-mobilize-opposition/article\\_5f99fe6c-408a-5da8-8ef7-cbb96828347c.html](https://www.thereporteronline.com/news/residents-mobilize-opposition/article_5f99fe6c-408a-5da8-8ef7-cbb96828347c.html)

# Residents mobilize opposition

MONICA THOMPSON Aug 15, 2002

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ASSOCIATED PRESS Michael Vick will wear former quarterback Ron Jaworski's No. 7 with the Eagles.

At the first meeting of the "Recall Towamencin Supervisors Committee," the group elected a chairman (Frank Senk) and vice chairman (Rich Bitner), and started to form a plan to remove supervisors' Chairman Ted Dorand and Supervisors Michael Becker and Rich Lanning from office because of what Senk calls negligence in their duties.

The group agreed Wednesday night that Becker, Dorand and Lanning should immediately resign.

"It's no longer about the bridge," said township resident Frank Senk. "It's about controlling the costs."

Senk, who organized the group with fellow township resident David Martin, said he came up with the idea for the group after the supervisors' July 24 meeting, at which the supervisors voted to proceed with the controversial pedestrian bridge over Forty Foot Road.

A flier advertising the meeting said the group wants to remove the three supervisors because "through fiscal and management mistakes made during their terms in office, Towamencin finds itself in long-term debt approaching \$40 million and a tripling of our tax rate to pay for their mistakes."

"There are lots of things as a community we will not be able to do in the future because of the debt situation," Senk said.

### **Supervisors respond**

Becker responded with a written statement to *The Reporter*, saying the meeting "isn't about the mismanagement of township funds.

"This meeting is about how a select few individuals are seeking personal, political or financial gain at the expense of the entire community."

Becker said the board didn't mismanage township funds.

"Dollars have not been wasted; revenues were overestimated and expenses were underestimated," he wrote. "Instead of recognizing the hard work of township supervisors Dorand, Lanning and Becker, and the many township improvements made under their watch, special interests have distorted the facts."

Becker said the township's revenue shortage was caused by "a well-intentioned real estate tax reduction."

"No funds have been wasted or mismanaged, and steps have been taken to ensure that future projections are far more accurate," Becker wrote.

Lanning could not be reached for comment about the meeting.

Dorand said in a telephone message that he couldn't comment because of the potential litigation.

## **The petition**

One plan to oust the supervisors was to collect signatures from 5 percent of the registered voters and submit them to a Montgomery County Court of Common Pleas judge who, under a section of the Second Class Township Code, could call the three supervisors to court to answer the complaint and who could decide to vacate the seats.

But that section was struck down by a 1995 Pennsylvania Supreme Court ruling, Marian Naylor of the Pennsylvania State Association of Township Supervisors said in a telephone interview.

The petitions would allege that Becker, Dorand and Lanning have failed the township because of actions including the \$1.9 million transfer from the township's coffers to the Towamencin Township Infrastructure Authority; the bonding of John Granger, the former township manager and executive director of the Infrastructure Authority; the proposed tax increase; and the township's debt.

"This whole intent is to get the supervisors to take us seriously," Senk said.

Township Planning Commission chairman and former Towamencin supervisor Robert Rau said that the people who attended Wednesday's meeting "have to be the same ones to put together" an election committee for when the three supervisors face re-election.

After the meeting David Dedman, the Republican committeeman for Ward 2-1, expressed doubt about the petitions.

"Truly, there's a better road to take," he said. "There's a bipartisan solution, and this isn't it."

## **Other ideas**

Rau suggested presenting the supervisors with a petition that demands factual information.

Dedman suggested focusing on which supervisors are up for re-election.

"It seems like a much better use of people's time and money," he said.

Township resident Carol Gifford said she wasn't sure if "we can get it done by recall petition."

Gifford said she thought the group should have a petition saying they have no confidence in the supervisors and demanding their resignations.

"That's not enough for the judge," Senk said.

Stephen Hladek, a former candidate for supervisor, said he came to the meeting because he was interested in seeing what the views were.

"I hope we work toward solving the problem," he said after the meeting.

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Exhibit 2

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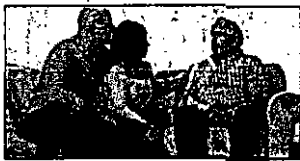
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## Towamencin faces another challenge

May 30, 2003

In a township where things have been a bit rocky during the past few years, here comes another unexpected upset.

Township Manager Chris Canavan, on the job for 14 months, is calling it quits. He's leaving for private-sector employment.

Some may say they certainly cannot blame him for his decision. Although he does not have a long tenure, many have credited him for starting to turn things around in Towamencin.

When he started, Towamencin was in the midst of a financial crisis. Former manager John Granger had left abruptly, leaving the township to sort out myriad problems.

According to an independent legal review conducted earlier this year, some of those problems resulted from allowing Granger to wield power that wasn't his - including the transfer of \$1.9 million from the township to the Towamencin Infrastructure Authority without authorization.

The township had to borrow money last July to continue operating and borrowed about \$6 million last October to meet obligations for capital projects. Taxes were raised to cover existing and new debt service.



In addition to these problems, such issues as the widening of Forty Foot Road, building a pedestrian bridge over the widened highway and controversial "village plans" attracted both support and opposition in the township.

**AMID ALL THIS**, the legal review was received and township officials responded by putting in place steps to ensure that power was not abused. They included:

Requiring a monthly financial report for the board by the township manager and finance director.

Mandated reviews of warrant lists and approvals of fund transfers to the Infrastructure Authority.

Notification to the township's bank that no transfers could occur between township units without an authorizing resolution approved by the body releasing the funds.

Having these measures in place obviously is a great idea and Canavan - with his background in municipal government - appeared well-qualified to follow through with the new rules.

But now the township will be heading into its new era of watchfulness with leaders who have much less experience and background on the issues.

**SOME MAY** say that's good; others may fear the inexperience will bring about more woes for Towamencin.

One thing is certain - residents and officials alike must come together to ensure the future of Towamencin is more stable than in the recent past.

Barring a write-in campaign for the November election, Republicans Dan Littley and Jim Sinz will take two seats on the board for the first time, having defeated 12-year incumbent Richard Lanning Jr. in the primary.

Michael Becker, the vice chairman of the board who has served for 17 years, did not seek re-election, taking with him his years of experience.

Assuming Supervisors Chairman Ted Dorand does not decide to resign, he will be the only long-term public servant, having served on the board since 1996, as the other supervisors are relative newcomers Tom Hollenbeck and Chuck Wilson, elected in November 2001.

During the primary campaign, Littley and Sinz ran on promises of fiscal accountability, restoring residents' confidence in the board, spurring economic development and restoring civility to township meetings. Now add to the list working with a new township manager, assuming the position is filled fairly quickly.

We wish the township officials luck in choosing a strong manager and also in putting any differences behind them to work together in the best interests of the township.

Towamencin's future depends on such cooperation and dedication.

Exhibit 3

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COMMONWEALTH OF PENNSYLVANIA  
SEC-1 REV. 01/19

STATEMENT OF FINANCIAL INTERESTS  
PLEASE PRINT NEATLY

PENNSYLVANIA STATE ETHICS COMMISSION  
(717) 783-1610 • TOLL FREE 1-800-932-0836

01 LAST NAME: GLANBERG FIRST NAME: NICHOL MI: A SUFFIX:

02 ADDRESS office (business or governmental) or home: Exeter Twp Bldg City: State: Zip Code: Area Code: Phone:

NOTE: IF YOU ARE INCLUDING ATTACHMENTS, DO NOT INCLUDE ANYTHING THAT BEARS YOUR SOCIAL SECURITY NUMBER OR FINANCIAL ACCOUNT NUMBERS

03 STATUS: Check applicable block or blocks, more than one block may be marked. (See instructions on page 2)

04 PUBLIC POSITION OR PUBLIC OFFICE (administrator, member, Commissioner, job title, etc.) seeking hold held  
A TOWNSHIP MANAGER

05 GOVERNMENTAL ENTITY in which you are/were an Official, Employee, Candidate or Nominee (e.g., dept, agency, authority, borough, board, commission, county, school district, twp, etc.)  
A EXETER TOWNSHIP

06 OCCUPATION OR PROFESSION (This may be the same as block 4): SAME  
07 YEAR SEE INSTRUCTIONS. Information in Blocks 8 - 15 represents disclosure for the calendar year listed here: 2018

08 REAL ESTATE INTERESTS (See instructions on page 2) IF NONE, check this box. [X]

09 CREDITORS (See instructions on page 2). Creditor (Name and Address) IF NONE, check this box. [ ]  
Name: BDA, American Heritage Credit Address: Interest Rate: Variable

10 DIRECT OR INDIRECT SOURCES OF INCOME including (but not limited to) all employment. (See instructions on pg. 2) ONLY IF NONE, check this block. [ ] (OFFICIAL USE ONLY)  
Name: SSF Address:

11 GIFTS (See instructions on page 2) IF NONE, check this box. [X]  
Source of Gift: Value of Gift: JUL 29 2019  
Address of Source of Gift: Circumstances (including description) of Gift: PA PUBLIC UTILITY COMMISSION

12 TRANSPORTATION, LODGING, HOSPITALITY (See instructions on page 2) IF NONE, check this box. [X]  
Source (Name and Address): SECRETARY'S BUREAU

13 OFFICE, DIRECTORSHIP, OR EMPLOYMENT IN ANY BUSINESS (See instructions on page 2) IF NONE, check this box. [X]  
Business Entity (Name and Address): Position Held (i.e., officer, director, employee, etc.):

14 FINANCIAL INTEREST IN ANY LEGAL ENTITY IN BUSINESS FOR PROFIT (See instructions on page 2) IF NONE, check this box. [X] Interest Held (i.e., 5%, 10%, etc.):

15 BUSINESS INTERESTS TRANSFERRED TO IMMEDIATE FAMILY MEMBER (See instructions on page 2) IF NONE, check this box. [X]  
Business (Name and Address): Interest Held Relationship Date Transferred

The undersigned hereby affirms that the foregoing information is true and correct to the best of said person's knowledge, information and belief, said affirmation being made subject to the penalties prescribed by 18 Pa.C.S. §4904 (unsworn falsification to authorities) and the Public Official and Employee Ethics Act, 65 Pa.C.S. §1109(b)

Signature: [Signature] Enter Current Date: 07/25/19

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Exhibit 4

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### Order Business Documents

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Date: 05/29/2019

#### Business Name History

Name	Name Type
BG WASTEWATER MANAGEMENT ASSOCIATES, INC.	Current Name

#### Business Entity Details

Name	BG WASTEWATER MANAGEMENT ASSOCIATES, INC.
Entity Number	902472
Entity Type	Business Corporation
Status	Active
Citizenship	Domestic
Entity Creation Date	01/23/1986
Effective Date	01/23/1986
State Of Inc	
Address	109 LIMEKILN ROAD DOYLESTOWN PA 18901-0 Bucks

#### Officers

Name	JOHN A GRANGER
Title	TREASURER
Address	134 UPPER STUMP RD CHALFONT PA 18914-09
Name	STEVEN J BABYLON
Title	PRESIDENT
Address	134 UPPER STUMP RD CHALFONT PA 18914-09

Exhibit 5

**Filing Office DUNS Number:** #361955891

**Filing Date:** Jan. 23, 1986

**Filing Office Name:** Secretary Of State/Corporations Division

**Filing Office Address:** 203 North St, Harrisburg, PA 17101-1123

**Perpetual Indicator:** Y

**Registration Type:** Corporation: Business Corporation

**Securities And Exchange Commission Status:** Active

**Verification Date:** Mar. 30, 2018

**Received Date:** Apr. 2, 2018

**File Date:** Apr. 10, 2018

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**Miscellaneous Details:** Purpose: Broad-Building Maintenance Services

**Amendment (Jan. 23, 1986):**

**Description:** Articles Of Incorporation

**Reason:** Miscellaneous

**Business Contact - Steven J Babylon:**

**Title:** President

**Address:** 134 Upper Stump Rd, Chalfont, PA 18914-1509

**Business Contact - John A Granger:**

**Title:** Treasurer

**Name:** John A  
Granger

**Addresses:** 134 Upper Stump Road, Chalfont, PA  
18914

**Phone Numbers:** (215) 527-  
8000

USA AUTO OWNERS

**Category:** Contact  
Details

**Name:** John  
Granger

**Addresses:** 134 Upper Stump Road, Chalfont, PA  
18914

---

**POSSIBLE CORPORATE FILINGS**

BG WASTEWATER MANAGEMENT ASSOCIATES, INC. (PRIMARY)

**Business Names:** Bg Wastewater Management Associates,  
Inc.

**Corporation Type:** Not  
Available

**Standard Industrial Classification Code:** 00000000

**Address:** 109 S Limekiln Pike, Chalfont, PA 18914-  
2417

**Address Type:** Mailing

**State:** P  
A

**Incorporation State:** P  
A

**Incorporation Date:** Jan. 23,  
1986

**Filing Number:** #902472

Exh. 6

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**Steve Babylon**

a/433/538@linkedin

**Current Job:**

Operations Consultant at JBS, Souderton

**Previous Jobs:**

Senior Operations & Management Specialist at Second Sun Environmental (Utilities)

Owner at Second Sun Environmental

Manager Business Development & Special Projects at EEMA O & M Services Group

Director OF Military Operations at American Water

Owner at Creatures Feeds & Needs

**Education:**

Methacton

**Addresses:**

Baltimore, MD

VIEW LINKEDIN PROFILE

 **USER'S ID**

a/433/538@linke...

30923324@linked...

#538433a@linked...

 **JOBS**

Senior Operations & Management Specialist at Second Sun Environmental

Senior Operations & Management Specialist at Second Sun Environmental

 **SKILLS**

New Business Development

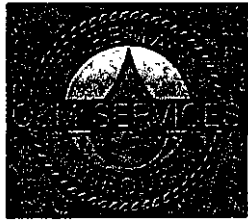
Environmental Compliance

Water Treatment

Municipalities

Environmental

Exhibit 7



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## COMPANY PROFILE

**EEMA O&M SERVICES GROUP** is a full service water and wastewater contract operations and maintenance firm. Our fully trained and licensed staff includes skilled operators, maintenance mechanics, health and safety officer and engineering advisor. Our people have been in the contract operations and maintenance business for over twenty-five years.

### We face the Issues:

The O&M SERVICES GROUP knows the challenges involved in operating, and maintaining your water and/or wastewater facility.

### We solve your toughest challenges:

The O&M SERVICES GROUP understands your concerns and has a proven delivery system of integrated services to solve all your facility ownership, and O&M needs. We are at the forefront of the **contract operations** and **maintenance** market in offering total **solution services**. Our O&M services provide cost-effective management that will allow you to concentrate on your core municipal, commercial or industrial activities.

Our capabilities enable us to prescribe the best-engineered solutions for your water and wastewater environmental problems and implement these solutions. The O&M SERVICES GROUP provides O&M services on a regular basis. In this role, the O&M SERVICES GROUP is responsible for all aspects of managing the facility, including:

- Permit compliance
- All necessary supplies and materials
- All labor staffing,
- On-site status inspection
- 24-hour-a-day, 7-day-a-week on-call service to respond to any system failures.
- Liaison with local and state officials and regulators,
- Health and safety plan (HASP) for the operation of the facility,
- Computer-based maintenance management program
- Technical assistance with facilities upgrades or modifications

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The O&M SERVICES GROUP understands that you may have some questions regarding having the O&M of your facility managed by an outside company.

## OUR COMMITMENT TO QUALITY

Quality is paramount in each assignment we perform. We recognize that the information we develop and the professional advice and services we offer are used by our clients to support important management decisions involving human health and environmental protection issues.

The O&M SERVICES GROUP maintains a corporate total quality assurance/quality control (QA/QC) program to ensure high-level work performance at all times.

The O&M SERVICES GROUP believes that quality in all aspects of our services can be achieved, and we are committed to giving our customers responsive, high-quality services.

## COMMITMENT TO HEALTH AND SAFETY

The O&M SERVICES GROUP is actively committed to the protection of human health and the environment. Our Health and Safety Program is based on the premise that the health and safety of O&M SERVICES GROUP personnel, subcontractors, and clients is an essential and non-negotiable part of every O&M SERVICES GROUP project.

The O&M SERVICES GROUP's Health and Safety Policy assigns health and safety responsibility to all levels of management and project implementation. Prior to beginning work on any field project, a site health and safety plan and/or accident prevention plan must be completed and approved in accordance with OSHA and the O&M SERVICES GROUP Operating Practices. The completed and approved health and safety plan must be on-site and accessible to all field personnel who are subject to conformance with the health and safety plan. The plan will be as concise and succinct as possible, conform to the outline from OSHA, and contain information specific to a site or even a particular task on a site.

### O&M Services Management/Staff

- Edward L. Gillette, Jr.
- Peter J. Lau
- David S. Friedman
- Stuart Bruce
- Nick Fabbriatore
- Betsy Nice
- Michelle Steele
- Amber Rich

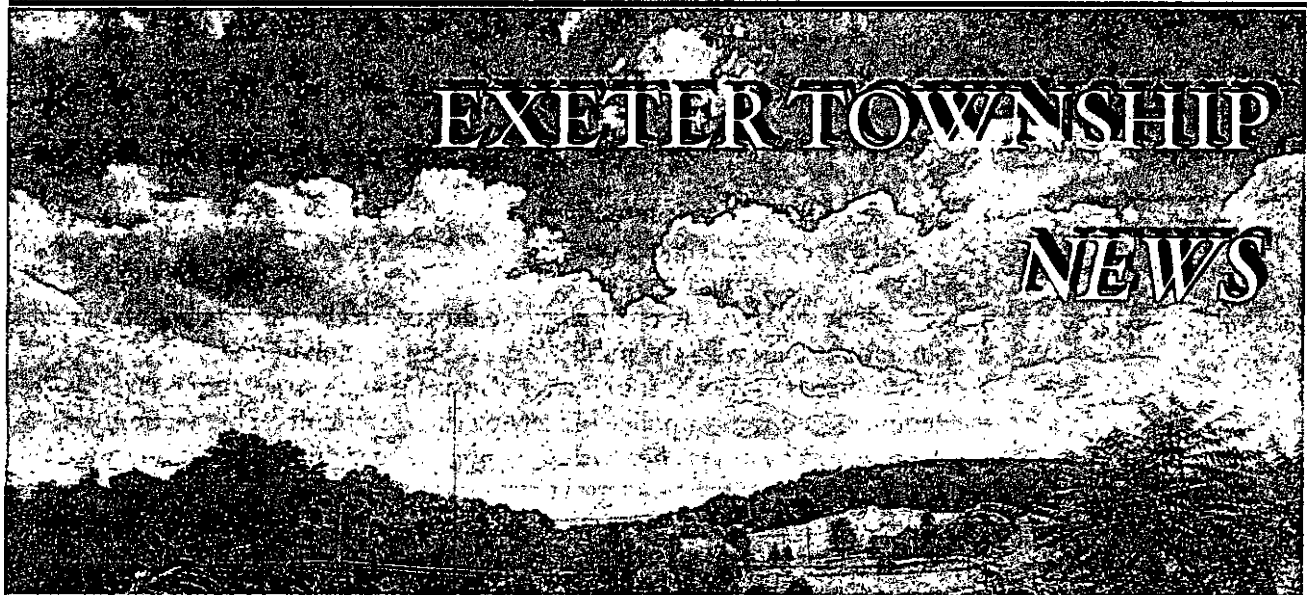
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Exhibit 8



# EXETER TOWNSHIP

## NEWS

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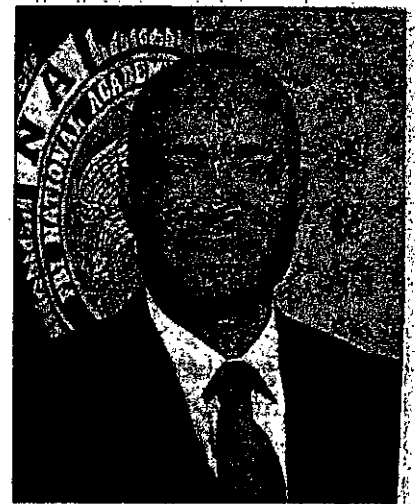
Recycling..... 16

## Exeter Township Welcomes New Chief of Police

*Veteran of the PA State Police brings expertise and new ideas*

ON April 8, 2019 Wendell B. Morris was sworn in as the new Exeter Township Chief of Police. Morris filled the vacancy created by the retirement of Chief Christopher Neidert late last year.

Following a distinguished 25-year career with the Pennsylvania State Police, Morris comes to Exeter Township with a fresh perspective, and new ideas. He retired from the State Police with the rank of Major, serving most recently as the Director of the Bureau of Integrity and Professional Standards. During his tenure with the State Police, he held various leadership positions in Patrol, Vice and Narcotics, and Drug Law Enforcement.



An area near to his heart is that of diversity and inclusion. He has a passion for community policing and engagement, fair and impartial law enforcement, and believes in leading with integrity. Continued on Page 2...

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Morris' leadership style is based on theory developed as a result of a 2015 Presidential Task Force on 21st Century Policing. Morris plans to bring focus to the 6 pillars identified in the report as crucial to the future of policing.

"There's a time when you'll need to put that warrior hat on. But your day to day focus should be more of a guardian, and less of a warrior."

**6 Pillars of 21st Century Policing**

1. Building Trust & Legitimacy
2. Policy & Oversight
3. Social Media & Technology
4. Community Policing & Crime Reduction
5. Officer Wellness & Safety
6. Training & Education

Of the 6 pillars, Morris intends to place a significant focus on community policing. "25 years ago, we didn't have the technology we do now in the car. You had to get out and interact with the public." According to Morris, one of the things that attracted him to Exeter Township was the support demonstrated for our police officers by the community. The relationship the police department has with the public is so important, and he would like to see that continue to grow.

Some of the programs he would like to bring to our Township are Shop with a Cop, Bigs in Blue, Coffee with a Cop, Officer Lunch Program, Citizens Police Academy, and promote neighborhood Crime Watch groups.

Morris views his role, and the role of his officers as guardians of the community. "There's a time when you'll need to

put that warrior hat on. But your day to day focus should be more of a guardian and less of warrior. A guardian finds solutions and provides resources."

We are thankful for our guardians in the Exeter Township Police Department, and for their new leader. **Welcome Chief Morris!**



Photo by: Sean Fullerton

*Welcome New Board Supervisors!*

Also being welcomed to Exeter Township are our two new Board Supervisors. Jeff Anderton and Daron O'Donald were recently appointed to fill vacancies created as a result of the resignations of Robin Dutcher and Lisa VanderLaan, respectively. Their terms will expire at the end of the year, as both positions are up for municipal election.

We thank our outgoing supervisors for their service, and are excited to welcome Jeff and Daron to the Township!

Board of Supervisor meetings are held the 2nd and 4th Monday of each month, at 7:00pm in the Township Meeting Room located at 4975 DeMoss Road.

# Look, puppies!

## Animal Control Update

Berks County has experienced some recent changes to animal control, and we know it can be a bit confusing. So, here are some FAQ's you may be wondering about...

**What do I do if I find a dog? Does the dog have a collar with a tag? Yes? Great! Let's get that puppy home! If not, call the Exeter Township Police Department non-emergency line. Our police officers are equipped with microchip readers and can assist in locating an animal's owner.**

**What do I do if I find a cat? Does the cat have a collar with a tag? If so, great! Let's get that kitty home! If not, our police can also scan cats for a microchip. Cats can be a tricky subject, however, and it's not always the right thing to take the cat out of its environment if not totally clear it's someone's pet. Check out [www.humanepa.org](http://www.humanepa.org) for more information and many more suggestions.**

**What if I can't find an owner right away, or I don't want to call the police? Residents of Exeter Township who find a dog or cat may take the animal to Humane Pennsylvania.**

**What kind of proactive steps is the Township taking to address animal control issues? We're so glad you asked this one! Our goal is to safely and efficiently handle animal control for our residents. That means helping lost dogs and cats get back home, and dealing with situations that may involve a more dangerous animal.**

The best way to make sure your pet makes it back home should it ever get lost is to microchip them. Microchipping is a quick, non-invasive way to ensure your pet comes home. Recently, we partnered with Humane Pennsylvania to offer a free clinic to residents. Held on a Sunday at the Dunn Community Center, Humane PA veterinarians were able to microchip over 60 pets!

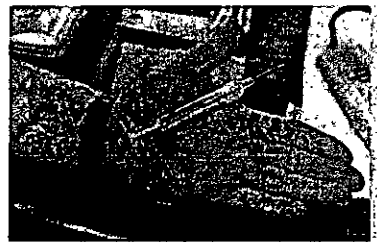


Humane PA always offers microchipping at their facility, you'll want to call them for pricing. We'll be holding another free clinic for residents over the next several months, keep an eye on our website for a date announcement.

Humane PA always offers microchipping at their facility, you'll want to call them for pricing. We'll be holding another free clinic for residents over the next several months, keep an eye on our website for a date announcement.

Still have questions? Call us!

<b>Important Contact Information</b>
<b>Exeter Police</b> 610-779-1490
<b>Exeter Administration</b> 610-779-5660
<b>Humane Pennsylvania</b>  1801 N. 11th Street Reading, PA 19604  610-750-6100



## Reiffton Students, and a Vision for Perkiomen Avenue

By Laurie Getz

It's no secret that the Township has some exciting things on the horizon. As adults and professionals, we all spend a lot of time planning for projects. We conceptualize, map out the necessary steps, attend meetings, budget, and plan for the results we hope to achieve. But, we also stress, and agonize over every detail and sometimes feel like the end result is unachievable. There are times when even the most exciting projects can become, well, daunting.

So, this story I'm about to tell you is a reminder on perspective, and what greatness can be achieved when you let your imagination run wild and allow yourself some time to escape expectations, and think outside the box (pun intended, you'll see).

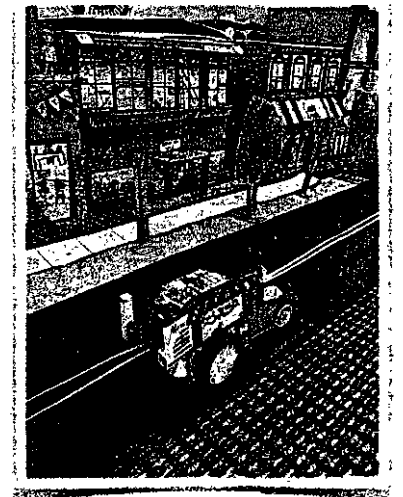
Recently, Township Manager John Granger, Supervisor Vinny Biancone, and myself were invited by two teachers at the Reiffton School to be part of a project their students were going to be working on for an upcoming art show. If I'm being honest, just being invited to participate in something the students were doing was an exciting prospect. A chance to visit some students, and check out their artwork? Awesome.

Then, I learned what the project was. The students were going to work together to create a model of what they think a reinvented Perkiomen Avenue should look like. And just to add another level of complexity, they were going to do it using nothing but cardboard boxes, manila folders, and sharpies. Speaking as a person who can't draw a mediocre stick figure, my mind was blown.

We gave the students some information and renderings of PennDOT's work and the Township's future plans for sidewalks, street trees, street lights, etc. But the rest was left to them. They conducted an interview with John Granger, resulting in a 7-minute video to be shown to all the participating classes explaining everything from PennDOT's plans, to zoning, to drainage pipes...and well, you get the idea. Complex stuff. But, his main message to them was simple... "You are limited to what you can accomplish by your imagination."

I'm not even going to pretend I didn't put that in my cell phone right then and there, because I knew I would need to remind myself of that someday. Stop by and see me at the Township building, it's still in my phone, I'll show you. Anyway, back to the story.

Art teacher Mr. Dewalt, and STEM teacher Mr. Deibler are just what you would expect two teachers who came up with an idea for a project like this one to be; funny, passionate, intelligent, and just so creative. It was quickly apparent that this project was about so much more than art and science. Its purpose was to give the students a chance to be engaged in





what's going on in their hometown, and to demonstrate through art a strong community connection.

I was lucky enough to be able to visit the classes while they worked on the project. In a word, it was remarkable. These structures weren't created by one individual, or even one group alone. As a whole, the entirety of the 5th and 6th graders in Mr. Dewalt and Mr. Deibler's class brainstormed, and began drawing. One class would start working, when that class ended another came in and picked

up where their classmates had left off. They didn't communicate with each other before hand. No one left detailed instructions of what it should look like. They just created. They used their imaginations.

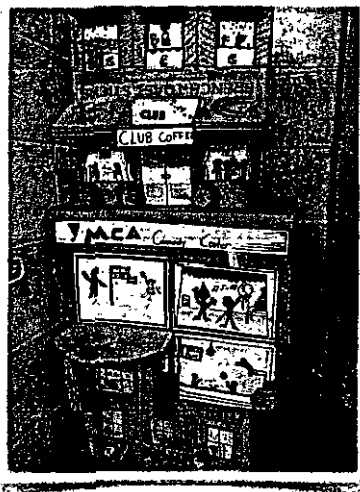
Now, I've seen adults participate in team building exercises less complex than that with less successful end results. So, this was truly impressive.

The final product was exactly what it needed to be. Perkiomen Avenue through their eyes. They had included a community center, Melting Pot, Sky Zone, bakery, bike shop, fire department, police station, Movie Tavern, nail salon, coffee shop, and so many more things. Can all of these things be included on the real Perkiomen Avenue? Probably not. But it doesn't matter. The point is, there are so many of them that can.

So, I'll leave you with this. It's all too easy to let the all of the stress, negativity, and complications of our everyday lives take over. But I'd just ask that you remember this story. Recall the vision of Exeter's future that these students created together, because it's pretty cool.



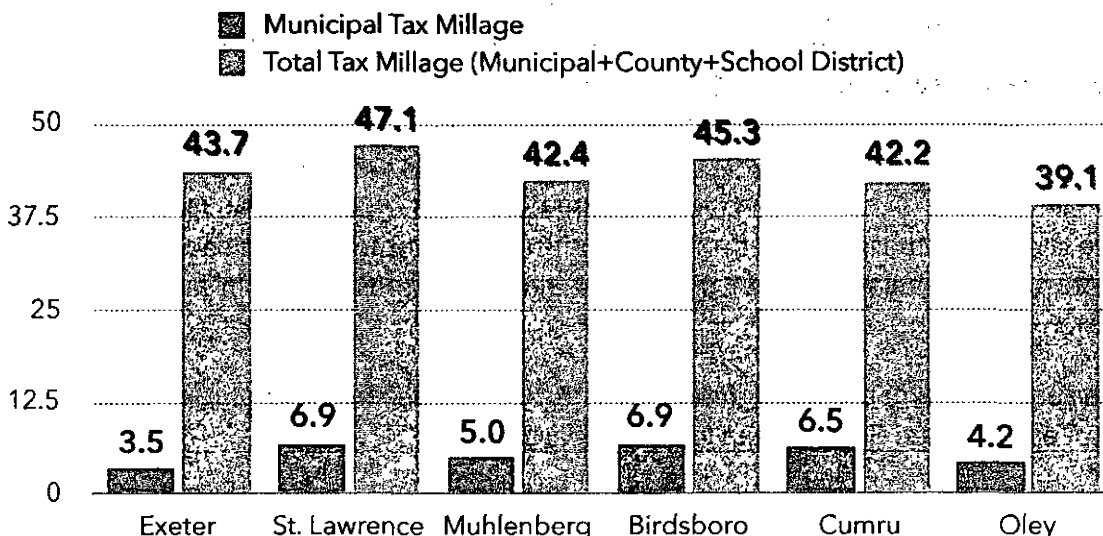
I think we can all take a lesson from the achievements of these students, and remember, that each of us is only limited to what we can accomplish by our imaginations.



If you didn't make it to the Reiffon Art/Create show, or even if you did, stop by the Township building because we'll have portions of the project on display in our lobby.

# Let's talk about taxes.

We get lots of questions from residents about taxes, and let's be honest, it can be a complicated and touchy subject. So, here is some clarification to comments and questions we routinely get.



## “Exeter Township has the highest taxes around!”

We get this one a lot, actually. And, as with all tax discussions the answer is simple, but also complicated. Exeter Township in fact has one of the lowest municipal tax millage rates in the county. Take a look at the above chart for a basic comparison to surrounding areas. For a complete list of Berks municipal tax rates, visit [www.co.berks.pa.us](http://www.co.berks.pa.us). You will find the 2019 tax rates on the Tax Claim Department page.

Municipal tax millage pays for the government operations including administration, police, fire, engineering, roads and infrastructure, parks & recreation. Remember that dollar bill graphic from the last edition of this newsletter? For every property tax dollar spent by residents, 74.5% goes to the school district, 17.5% goes to Berks County, and the remaining 7.93% (or 8 cents per dollar) comes to the Township.

## “What does the Township do with my money?”

Many of you wonder what it is that we do with your tax dollars. And, that's good! We want the public to be engaged. The 8 cents per dollar that comes to the Township helps us to run daily government operations. What are the daily government operations, you ask? That would be our Administration, Finance, Engineering & Codes, Parks & Recreation, Police Department, and Highway Departments.

Administration & Finance does everything from managing the Township's budget process, paying its bills, handling utility payments, human resources, and managing day to day operations of the government and ensuring it runs smoothly; amongst many other duties.

**Engineering & Code Enforcement** ensures that residents and businesses are following the rules. This includes everything from building permits to complaints from homeowners.

**Parks & Recreation** maintains all of the Township's parks and athletic fields, pavilions and Dunn Community Center. The department manages all programming, including summer playground and sports programs and plans & executes all Township events.

The Highway Department (Public Works) maintains the Township's 120 miles of roads. They also support the Parks & Recreation Department, assisting with events and park maintenance, and building maintenance of all Township facilities.

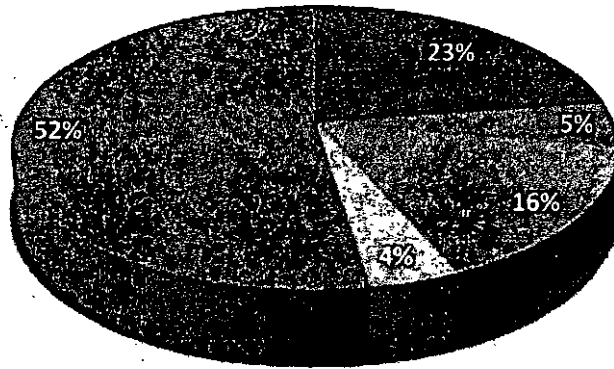
The Police Department enforces laws, and works to keep the residents of Exeter Township safe and secure.

**“So, if my property taxes only contribute 26% of the budget, where does the rest of the money come from?”**

We rely on a variety of other sources to make up our total General Fund budget in order to keep Township operations running.

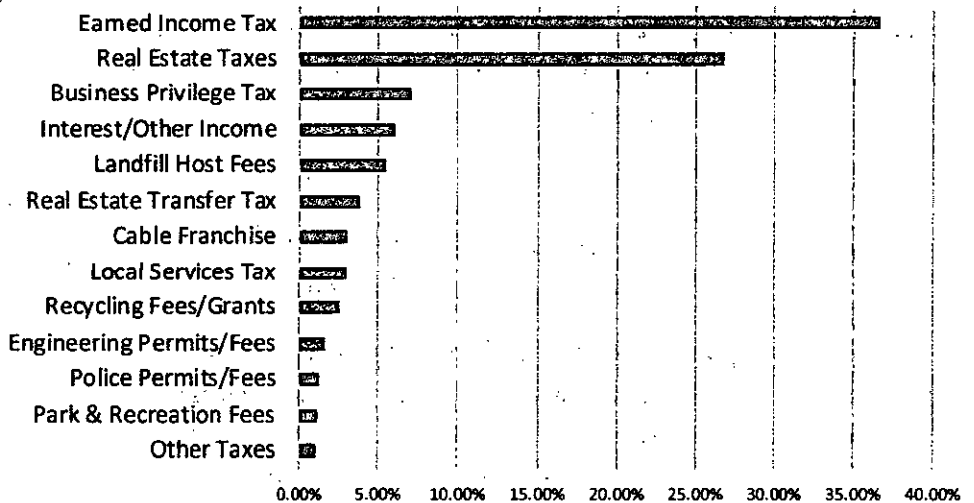
Businesses are key to our revenue sources, which is why it is so important that we focus on economic development as we continue to move into the future.

**Where Do My Municipal Tax Dollars Go?**



- Administration & Finance
- Public Works & Building Maintenance
- Police & Emergency Management
- Planning & Zoning
- Parks & Recreation

**Revenue Sources**



Parks & Recreation

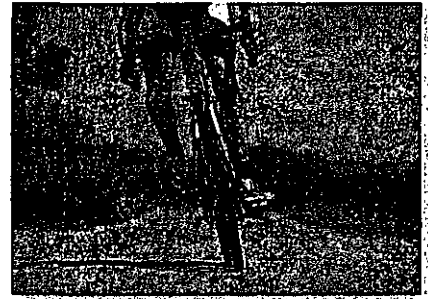
*Get Outdoors!*

The arrival of nicer weather means more people engaging in outdoor activities, and more bicycles and pedestrians on roadways. Pennsylvania has bicycle laws that motorists and cyclists must obey. Remember, **you must allow a minimum of four feet between your vehicle and a bicycle.** If you're not familiar with Pennsylvania's bicycle laws, visit [www.penndot.gov](http://www.penndot.gov).

**Motorist-Bicycle Safety Tips**

1. When approaching or passing a bicycle, slow down to a safe and prudent speed.
2. After passing, do not slow down or stop quickly. Vehicle brakes are more powerful than a bicycle's, and you could be responsible for causing a crash.
3. Do not sound your horn close to bicyclists, unless you must do so to avoid a crash.

source: <https://www.penndot.gov>



**Not into road biking?**

**Visit the Exeter Scenic River Trail!**

Park at the trailhead located off Gibraltar Road, or Klapperthal Road.

The Scenic River Trail is a mixed surface trail great for running or biking! It is rocky at points, so consider the surface before taking your road bike out on the trail.

Dogs are permitted on the trail, but **MUST** remain leashed at all times.



**FAQ: "What's the deal with Community Park?"**

The equipment at the "Happy Landings" part of the park is beyond its useful life, and poses safety concerns. So, the equipment has been closed since the beginning of the season for that reason. Recently, the Board of Supervisors voted to remove the equipment. If you have a fence post with your name on it at the playground, don't worry - we're not taking those down for now. Call us if you want your board back and when plans are made, we'll make sure to let you know.

*A couple of things you might not know about the park...*

1. Community Park is owned by the Exeter School District, and is located in the Borough of St. Lawrence.
2. Exeter Township has leased the land from the School District for a long, long time. Why? There was a time when Exeter Township didn't have any parks, and neither did St. Lawrence. The School District wasn't using it, so it made sense for Exeter to lease it.
3. The lease will expire in 2025. With significant capital investment needed, discussions are underway with the Borough, and the School District to determine a future for the park.

*Stay tuned for more info! Still have questions? Call us!*



## Parks & Recreation

Having a party this summer and don't want to host at your own house? Rent one of our park facilities! Rentals can be completed online at [www.exeterparksrec.com](http://www.exeterparksrec.com)

Facility	Times Available	Price	Additional Details
Dunn Community Center - Upper Level	8am-2pm OR 3pm-9pm	\$150 *resident rate	\$200 refundable security deposit required
Dunn Community Center - Lower Level	8am-9pm; 2 hour minimum	\$20/hour *resident rate	\$100 refundable security deposit required
Pavilions: Community Park, Farming Ridge, Pineland Park, Lorane Hollow	9am-8pm *or dark	*varies by location	See <a href="http://www.exetertownship.com">www.exetertownship.com</a> or <a href="http://www.exeterparksrec.com">www.exeterparksrec.com</a> for more details



## SUMMER PROGRAMS

REGISTER ONLINE AT [WWW.EXETERPARKSREC.COM](http://WWW.EXETERPARKSREC.COM)

### SUMMER PLAYGROUND PROGRAM

Ages 6-14; 8-week program  
Starts Monday, June 17th 2019:  
Pineland Park, Farming Ridge,  
and Lorane Hollow

### BASKETBALL LEAGUES

Ages 7-15; 6-week program  
Starts Monday, June 10th 2019:  
Focuses on instruction, game  
experience, teamwork, and skills  
development

### TENNIS PROGRAM

Ages 6-14  
Starts Monday, June 17th-July  
31st 2019:  
6-week program, Mondays &  
Wednesdays

### BASEBALL CAMP

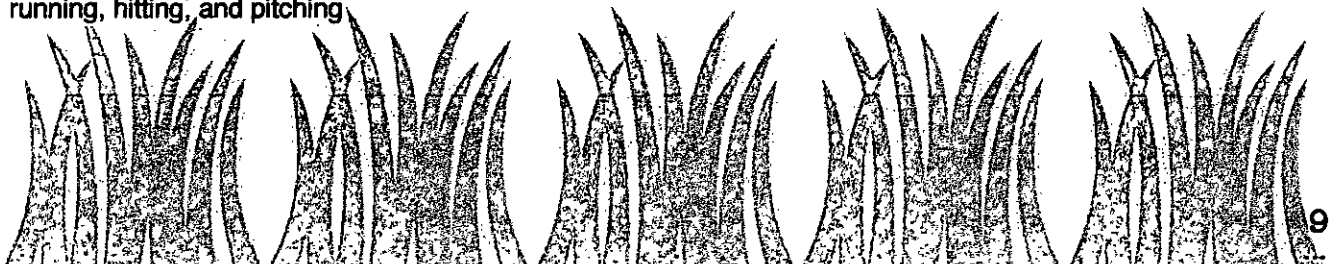
Ages 7-14  
Wednesday, July 17th-Friday  
July 19th 2019  
Throwing, fielding, base  
running, hitting, and pitching

### STREET HOCKEY

Ages 8-14; 6-week program  
Starts Tuesday, June 18th 2019:  
3 weeks of instruction, 3 weeks of  
gameplay

### LACROSSE

Ages 8-14; 6-week program  
Starts Tuesday, June 18th 2019  
Focuses on instruction, drills, and fun  
games



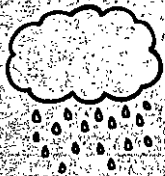
In & Around Our Parks

# Your Pets, Your Water.



## SCOOP THE POOP

You take your dog out for a nice spring time walk. Your four-legged friend goes to the bathroom on the grass or street. This mess contains bacteria and viruses that are now health risks to other people and pets.



When it rains, the bacteria and viruses from your pet's waste are washed into our creeks and streams via the municipal stormwater system. Think about it... we play in and drink these waters. If you feel picking up dog waste is unpleasant, imagine drinking it!

### Did You Know...

- 1. One pound of fecal matter can contain 10,000,000,000 fecal coliform bacteria.
- 2. This increases the load of nitrogen and phosphorus in water bodies which causes weed and algae growth.
- 3. Additionally, it increases organic matter, which disturbs the habitat of fish and other aquatic animals as it decays.
- 4. Increases the loading of bacteria and pathogens, which can make people and other pets sick.

### Do Your Part

- ✓ **SCOOP** it up and flush it down the toilet. This is the best option, because it will then be treated by your municipal wastewater system before entering the water.
- ✓ Or, **SEAL** the waste in a plastic bag and throw it in the trash.
- ✓ Or, **BURY** small amounts in your yard so that it can decompose slowly. Dig at least a 12 inch deep hole, bury up to 4 inches of waste and cover with at least 8 inches of soil.

## It's Mosquito Time!

The arrival of warmer weather means the return of everyone's favorite insect...mosquitos. Mosquitos are not only a nuisance, they can be dangerous. Mosquitos can be carriers of West Nile Virus, a disease that claimed the lives of 8 people in PA in 2018. Berks County had 7 confirmed cases last year alone.

The Township takes steps to control the mosquito population primarily in two ways. First, our licensed Mosquito Control Officer surveys the Township to identify standing water, and treats where appropriate with larvicide. Mosquitos lay their eggs in standing water, so efforts are made to eliminate the eggs when possible.

Second, spraying is conducted along routes developed utilizing data provided by Berks County that has identified high mosquito population and/or confirmed cases of West Nile Virus.

Questions about mosquitos?  
Exeter Township Code Enforcement  
610-779-5660

1. Eliminate standing water on your property

3. Control larvae on your property with products available at lawn & garden stores

4. Utilize citronella and other repellants

## Looking Forward

Exciting things are happening in the Township. Private businesses like Burger King, McDonald's and others are taking steps to modernize their facade. We are pleased that our businesses are looking towards the future, and making improvements so that Exeter Township can continue to grow together.

We are also pleased to welcome new businesses, and those that are expanding. For many, the demolition of Bowl-O-Rama signaled the end of an era; a sad moment for those who experienced so many great memories there. But it also signals a new future of growth.

Recently, Sheetz began construction on their new facility located at the corner of Perkiomen and E. Neversink. When complete, the site will contain a 5,420 square foot building, gas pumps, and abundant green space and landscaping.

Furthering the Township's vision for the future, the Board of Supervisors approved the purchase of the Promenade Shopping Center. The property, having been largely vacant for the last ten years, is in need of rehabilitation.

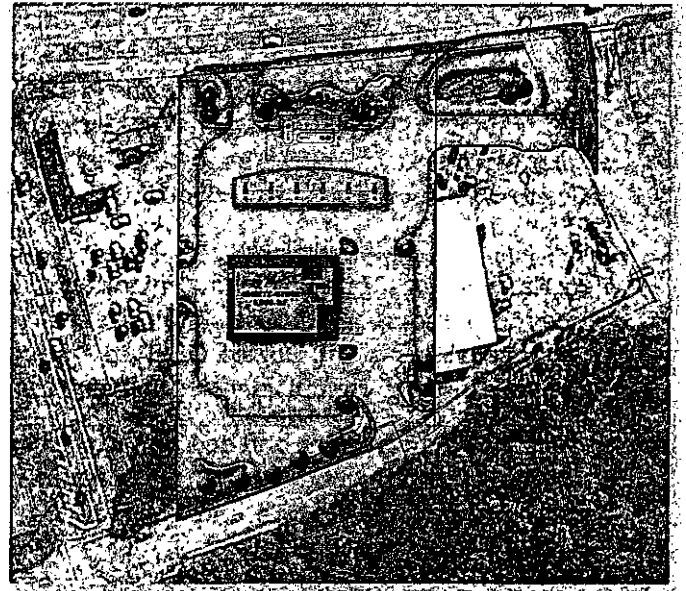
The Township plans to move all operations to the location which includes administration, police, highway, district justice, fire, and ambulance. This move will allow for a central location for the community to visit their government officials.



The plans to create a "town center" in Exeter have long been in the works. The Promenade Shopping Plaza presents a unique opportunity to rehabilitate an area that has had little interest from investors, while allowing for the sale of the existing township properties that are more valuable real estate.

Central to the plans for the Promenade Shopping Plaza is the inclusion of a community recreation center. According to Township Manager John Granger, "We're creating a community center for the residents, that's the focus. Administrative offices will share the building, but the focus is on the community."

A Town Hall meeting will be held to discuss future plans. Look for more information on our website and Facebook page.



Police & Emergency Management

In early May, four of our Exeter Police Department Officers participated in the 2019 Law Enforcement United "Road to Hope" bike ride. Starting at the Berks County Police Memorial, they trekked 250 miles to Washington, D.C. to kick off National Police Week.

Law Enforcement United is an organization that raises money to support the families of fallen officers. We are proud of Sgt. Bentz, Off. Downs, Off. Fox, and Sgt. Fullerton for their commitment to such a great cause.

It took a lot of hard work and dedication to prepare for that ride; we were proud to have them representing Exeter Township at the ride, and every day!



*Did You Know?*

We have bicycle cops in Exeter Township! Pretty cool, right? Keep an eye out for them at our various community events, in our parks, and on our trails.

*Thanks for keeping us safe!*

**Congratulations to Officer Jim Loder!**

Officer Loder recently retired from the ETPD after over 30 years of service to our Township. Officer Loder had a diverse and interesting career with the ETPD (he was a founding member of our Traffic Safety Unit, when they rode motorcycles), but his heart was always on the street.

"I truly believe that being on the on the street is the best job in policing... I'm proud of the job we did."

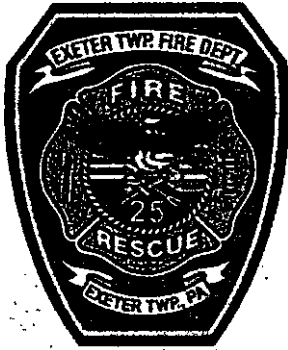
Officer Loder served as a mentor to many new officers, and an advisor to senior officers. His presence, knowledge, and expertise will be missed by all. We wish him all the best in retirement!



## Police & Emergency Management

### *Volunteers Needed!*

Our emergency responders serve a vital role in our community, and are always in need of extra help. Ever consider joining the volunteer fire department, or the fire police?



Organization	Website	Contact	Volunteer Opportunities
Exeter Volunteer Fire Department	<a href="http://www.exetertwpfire25.com">www.exetertwpfire25.com</a>	<a href="mailto:cjordan@exetertwpfire25.com">cjordan@exetertwpfire25.com</a>	Firefighting, data entry, record keeping
Exeter Township Fire Police	N/A	610-476-8702	Emergency traffic control, special event crowd management.



### **Have you signed up for CodeRED yet?**

**CodeRED** is the FREE community notification system available to Exeter Township residents that will send you alerts concerning time-sensitive and/or emergency information that may impact your neighborhood via phone calls, text messages, and emails.

Safety is a two-way street, so be sure to register today to receive the information you need, when it matters.

**Visit:** <https://public.coderedweb.com/CNE/en-US/BF7FA95CEC37> and click on the CodeRED icon to enroll, or download the CodeRED Mobile Alert app available in the App Store or Google Play.

If you are uncertain if you are currently registered for CodeRED notifications, contact [ema@exetertownship.com](mailto:ema@exetertownship.com) to verify your contact numbers are valid.

## Highway Department

### *Paving Projects*

Each year, the Highway Department selects roads in the Township to pave. A variety of factors are involved in making the determination; the Superintendent and Assistant Superintendent evaluate the condition of the roads, and available budget for the season in order to determine which roads will be paved in the current year.

The process typically includes tree trimming, storm sewer work, crack sealing, grading, road milling and the laying of asphalt. In a year, the average cost of paving and milling is approximately \$600,000.



### **Brush Pick-up**

Brush pick up will be held May 28-31 and September 3-6.

To have your brush collected, you must call the Township to schedule. Call 610-401-0053 and leave a message with your name and address, we'll add you to the list.

Brush ***must be tied*** together in stacks ***no longer than 4 feet in length***. The stacks **cannot exceed** in size what **one person** can handle to load onto a pickup truck. Any brush that is not tied or too large will be left behind.

The Trout Run Recycling area is still available for brush, grass clippings, and co-mingled recyclables. Access cards for Trout Run are available at the front desk of the Township building for \$10 (cash or check).

Please do not leave recyclables outside of the bins. Brush should be kept off the paved areas.

Mulch is included with all Trout Run access cards. It can be self-loaded during open hours. There is no quantity limit.

The recycling center is open 7 days a week from sunrise to sunset.

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 Reading Country Club
 

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*2019 Tournament Schedule*


Tournaments are fun for all ages and skill levels, and are a great way to meet up with old friends, or make new ones! Tournaments are open to anyone and generally have a modest entry fee. To sign up, call the pro-shop at 610-779-1626 or email [rcctournaments@readingccgolf.com](mailto:rcctournaments@readingccgolf.com).

June 1st and 2nd - Exeter Cup  
 June 22nd and 23rd - The Tradition  
 July 16th and 18th - Super Senior Club  
 July 20th and 21st - Senior Club  
 July 27th and 28th - Henry Clay Poe  
 August 10th - 1st Round of Nelson  
 August 11th - 2nd Round of Nelson  
 August 17th - 3rd Round of Nelson / Stableford  
 August 18th - Semi Finals and Final Match of Nelson / Stableford  
 August 19th and 20th - COURSE CLOSED FOR AERIFICATION  
 \*Date weather dependent\*  
 October 27th - Jack O Lantern  
 December 8th - Jack Frost  
 December 31st - NYE Invitational

### Thank You!

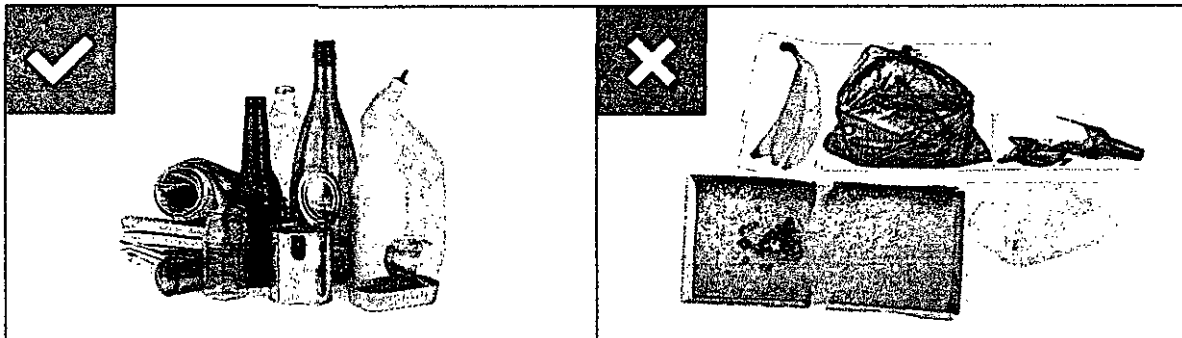
Recently, some of our community members formed a volunteer group dedicated to beautifying the Reading Country Club. They have generously donated over 50 hours of labor, and completed various landscaping and gardening tasks. They're doing a great job, but are looking for some help! If you're interested in volunteering on this project, or any of the many other Township projects, please contact [lgetz@exetertownship.com](mailto:lgetz@exetertownship.com).



Interested in how the Reading Country Club is doing? Monthly financials are discussed at Board of Supervisors meetings, and are posted to the website at [www.exetertownship.com](http://www.exetertownship.com) following the meeting.

### Let's be GREEN

Recycling is mandatory in Exeter Township because we think it's important to protect our planet for future generations. But, let's face it - most of us don't know what we should, and shouldn't, be putting in our recycling bins. Here's some info that may help to clear that up!



DO	DON'T
Plastic bottles and containers	Place your recyclables in plastic bags
Cardboard and paperboard	Plastic bags or plastic films
Aluminum, tin, and steel cans	Any soiled/wet/greasy material
Magazines and newspaper	Food waste
Glass bottles and containers	Bulk items, propane tanks, sterno lighters

**What does "Single Stream" recycling mean?** You don't need to sort your recyclables! Keep your trash separate (please!) but you can put all recyclable materials in one bin!

Contact Total Recycle at 1.888.627.2276 for more info, or, schedule a time to tour the facility!



Exhibit 9

RECEIVED

JUL 22 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

RECEIVED

JUL 29 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

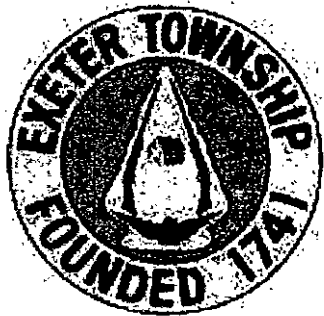
# Special Meeting of Exeter Township on Waste Water Treatment System

March 13, 2018

At Owatin Creek Elementary School  
Exeter Township Board of Supervisors

## Continued

- ▶ The Township is holding this Special Meeting to inform the community of the proposal and in conjunction with its financial advisor, Andre Allen, to present financial options for the possible proceeds and answer any financial questions.
- ▶ The Township does not have to sell the waste water system unless, after public deliberation, the Board of Supervisors, by majority vote, determines that such a sale is appropriate and votes for it at a future public meeting.
- ▶ You will now hear from the Township's financial advisor, Andre Allen, and then from representatives from Pennsylvania American Water. We thank you for your patience. After both presentations, there will be the opportunity to ask questions.



# **Exeter Township Wastewater Treatment RFP Analysis**



# **AGENDA**

- Review Pennsylvania Economic League Study
- Wastewater System Sale – Use of Proceeds
- General Fund Financial Review
- Resident Impact of Changes
- Implications to Township if Plant is Retained
- Capital Improvement Needs
- Township Future after Wastewater Plant Sale

# **Pennsylvania Economic League Study**

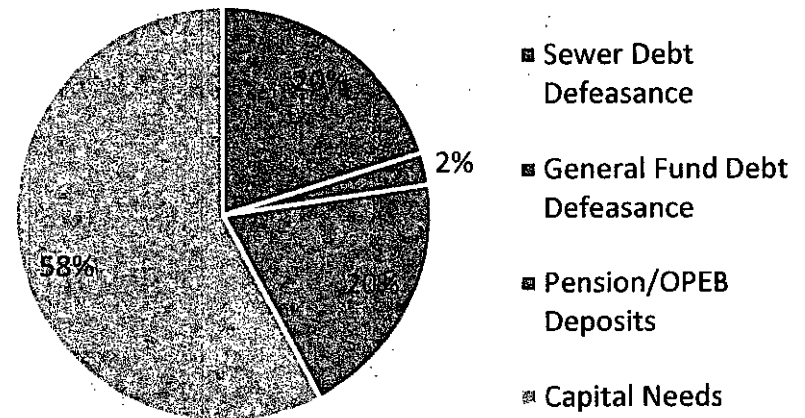
- **PEL prepared General Fund projections**
  - Utilized 2012 to 2016 historical data and 2017 Budget to project 2018 to 2026
  - Adjustments including new hires, police retirements/replacements, and equipment replacements were layered over the status quo projections
  - The resulting Surplus/Deficit for each fiscal year also factored in administrative expenses currently shared with the Wastewater Treatment Fund. These shared expenses will need to be assumed back into the General Fund if the sale of the plant proceeds.
- **Township Administration utilized the PEL projections for future financial planning including:**
  - 2018 Budget which includes projections for 2019 through 2022
  - Structure of the 15-year Police Collective Bargaining Agreement signed in late 2016
  - New hires in Administration and Police Department

# Wastewater System Sale – Use of Proceeds

<b>SOURCE OF FUNDS</b>		<b>Amount</b>
Assumed Net Proceeds from Sale		96,000,000
<b>USES OF FUND - LIABILITIES</b>		<b>Amount</b>
Defeasance Requirement for Sewer Debt		
<i>Refund Status:</i> Series 2007	6,575,505	
Series 2012 (Sewer Portion)	5,442,649	
Series 2013	7,313,919	
<b>TOTAL SEWER REFUNDED DEBT</b>		<b>19,332,073</b>
Defeasance Requirement for Additional Debt		
<i>Refund Status:</i> Series 2016 - Golf	-	
Series 2015A - Golf	-	
Series 2015 (Tax) - Golf	-	
Series 2012 (Non-Sewer)	2,210,586	
Series 2013 Note (Non-Sewer)	68,241	
Pennvest 2005 (Non-Sewer)	124,392	
<b>TOTAL NON-SEWER REFUNDED DEBT</b>		<b>2,403,219</b>
Deposit to Pension Funds (Reduce Return Ass. And MMO) - Police	9,000,000	
Deposit to Pension Funds (Reduce Return Ass. And MMO) - Employees	900,000	
OPEB Deposit	9,000,000	
Subtotal	18,900,000	
<b>Balance Available</b>		<b>55,364,708</b>
<b>USES OF FUND</b>		<b>Amount</b>
Storm Sewer Improvements (\$4MM proj cost)	7,827,250	
Equipment Replacement (\$5MM proj cost)	6,262,500	
Grant Funding, Economic Development, and Other Capital Needs	41,274,958	
		<b>55,364,708</b>

## \$96 million net proceeds from sale

- All Wastewater & General Fund debt defeased
- Deposits into Pension Funds and Other Post Employment Benefits to cover unfunded liabilities
- Storm Sewer Improvements (project costs of \$4 million)
- Equipment Replacement Fund (\$5 million)
- Grant Funding, Economic Development Opportunities, and Other Capital Needs (\$33.5 million)



# General Fund Projections Post Wastewater Sale

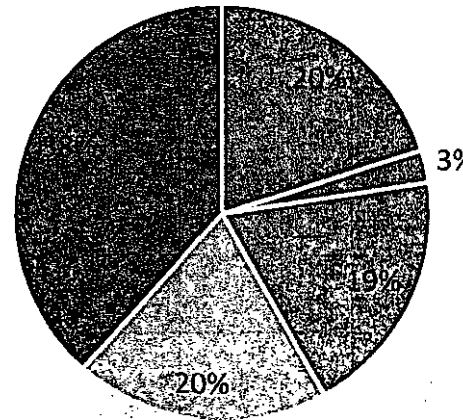
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Baseline Projections</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
Revenues	11,412,922	11,585,821	11,772,891	11,925,454	12,044,709	12,165,156	12,286,808	12,409,676
Expenditures	12,267,155	12,368,625	12,643,466	12,925,544	13,054,799	13,185,347	13,317,201	13,450,373
Surplus/(Deficit)	(854,233)	(782,804)	(870,575)	(1,000,090)	(1,010,090)	(1,020,191)	(1,030,393)	(1,040,697)
<b>Changes (Increase/(Decrease) Revenues:</b>								
Homestead RE Tax Exemption (\$50,000 exemption)	(1,493,456)	(1,493,456)	(746,728)	(746,728)	(746,728)			
Per Capita Tax Elimination	(71,500)	(71,500)	(71,500)	(71,500)	(71,500)	(71,500)	(71,500)	(71,500)
<b>Total Changes (Increase/(Decrease) Revenues</b>	<b>(1,564,956)</b>	<b>(1,564,956)</b>	<b>(818,228)</b>	<b>(818,228)</b>	<b>(818,228)</b>	<b>(71,500)</b>	<b>(71,500)</b>	<b>(71,500)</b>
<b>Changes (Increase/(Decrease) Expenditures):</b>								
Eliminate Allocation to Waste Water	342,667	355,739	369,352	383,531	398,300	413,689	429,723	446,435
MMO Reduction	-	(665,344)	(665,344)	(665,344)	(665,344)	(665,344)	(665,344)	(665,344)
OPEB Reduction	(191,613)	(173,345)	(272,304)	(350,151)	(309,211)	(320,545)	(374,427)	(497,901)
Equipment Purchases - to be paid from Equipment Replacement	(348,900)	(179,500)	(152,500)	(126,000)	(126,000)	(126,000)	(126,000)	(126,000)
General Fund Debt Reduction	(423,975)	(356,922)	(357,582)	(356,922)	(356,922)	(356,922)	(356,922)	(340,956)
<b>Total Changes (Increase/(Decrease) Expenditures):</b>	<b>(621,821)</b>	<b>(1,019,371)</b>	<b>(1,078,377)</b>	<b>(1,114,886)</b>	<b>(1,059,176)</b>	<b>(1,055,122)</b>	<b>(1,092,969)</b>	<b>(1,183,765)</b>
Investment Income	1,384,118	1,384,118	455,000	455,000	455,000	237,500	237,500	237,500
<b>Revised Surplus/(deficit)</b>	<b>(413,251)</b>	<b>55,729</b>	<b>(155,426)</b>	<b>(248,432)</b>	<b>(314,143)</b>	<b>200,930</b>	<b>228,575</b>	<b>309,068</b>

# Wastewater System Sale – Golf Debt Retired

SOURCE OF FUNDS	Amount
Assumed Net Proceeds from Sale	96,000,000
<b>USES OF FUND - LIABILITIES</b>	
<b>Defeasance Requirement for Sewer Debt</b>	
<i>Refund Status:</i> Series 2007	6,575,505
Series 2012 (Sewer Portion)	5,442,649
Series 2013	7,313,919
TOTAL SEWER REFUNDED DEBT	19,332,073
<b>Defeasance Requirement for Additional Debt</b>	
<i>Refund Status:</i> Series 2016 - Golf	7,183,752
Series 2015A - Golf	9,787,110
Series 2015 (Tax) - Golf	1,541,598
TOTAL GOLF REFUNDED DEBT	18,512,460
Series 2012 (Non-Sewer)	2,210,586
Series 2013 Note (Non-Sewer)	68,241
Pennvest 2005 (Non-Sewer)	124,392
TOTAL GENERAL REFUNDED DEBT	2,403,219
Deposit to Pension Funds (Reduce Return Ass. And MMO) - Police	9,000,000
Deposit to Pension Funds (Reduce Return Ass. And MMO) - Employees	900,000
OPEB Deposit	9,000,000
Subtotal	18,900,000
<b>Balance Available</b>	<b>36,852,248</b>
<hr/>	
Storm Sewer Improvements (\$4MM proj cost)	7,827,250
Equipment Replacement (\$5MM proj cost)	6,262,500
Grant Funding, Economic Development, and Other Capital Needs	22,762,498
	<b>36,852,248</b>

## \$96 million net proceeds from sale

- All debt defeased (wastewater, general, and golf)
- Deposits into Pension Funds and Other Post Employment Benefits to cover unfunded liabilities
- Storm Sewer Improvements (project costs of \$4 million)
- Equipment Replacement Fund (\$5 million)
- Grant Funding, Economic Development Opportunities, and Other Capital Needs (\$22.7 million)



- Sewer Debt Defeasance
- General Fund Debt Defeasance
- Golf Debt Defeasance
- Pension/OPEB Deposits
- Capital Needs



# General Fund Projections – Golf Debt Retired

	2019	2020	2021	2022	2023	2024	2025	2026
<b>Baseline Projections</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
Revenues	11,412,922	11,585,821	11,772,891	11,925,454	12,044,709	12,165,156	12,286,808	12,409,676
Expenditures	<u>12,267,155</u>	<u>12,368,625</u>	<u>12,643,466</u>	<u>12,925,544</u>	<u>13,054,799</u>	<u>13,185,347</u>	<u>13,317,201</u>	<u>13,450,373</u>
Surplus/(Deficit)	(854,233)	(782,804)	(870,575)	(1,000,090)	(1,010,090)	(1,020,191)	(1,030,393)	(1,040,697)
<b>Changes (Increase/(Decrease) Revenues:</b>								
Homestead RE Tax Exemption (\$50,000 exemption)	(1,493,456)	(1,493,456)	(746,728)	(746,728)	(746,728)			
Per Capita Tax Elimination	<u>(71,500)</u>	<u>(71,500)</u>	<u>(71,500)</u>	<u>(71,500)</u>	<u>(71,500)</u>	<u>(71,500)</u>	<u>(71,500)</u>	<u>(71,500)</u>
<b>Total Changes (Increase/(Decrease) Revenues</b>	<b>(1,564,956)</b>	<b>(1,564,956)</b>	<b>(818,228)</b>	<b>(818,228)</b>	<b>(818,228)</b>	<b>(71,500)</b>	<b>(71,500)</b>	<b>(71,500)</b>
<b>Changes (Increase/(Decrease) Expenditures):</b>								
Eliminate Allocation to Waste Water	342,667	355,739	369,352	383,531	398,300	413,689	429,723	446,435
MMO Reduction	-	(665,344)	(665,344)	(665,344)	(665,344)	(665,344)	(665,344)	(665,344)
OPEB Reduction	(191,613)	(173,345)	(272,304)	(350,151)	(309,211)	(320,545)	(374,427)	(497,901)
Equipment Purchases - to be paid from Equipment Replacement	(348,900)	(179,500)	(152,500)	(126,000)	(126,000)	(126,000)	(126,000)	(126,000)
General Fund Debt Reduction	<u>(423,975)</u>	<u>(356,922)</u>	<u>(357,582)</u>	<u>(356,922)</u>	<u>(356,922)</u>	<u>(356,922)</u>	<u>(356,922)</u>	<u>(340,956)</u>
<b>Total Changes (Increase/(Decrease) Expenditures):</b>	<b>(621,821)</b>	<b>(1,019,371)</b>	<b>(1,078,377)</b>	<b>(1,114,886)</b>	<b>(1,059,176)</b>	<b>(1,055,122)</b>	<b>(1,092,969)</b>	<b>(1,183,765)</b>
Investment Income	921,306	921,306	455,000	455,000	455,000	237,500	237,500	237,500
<b>Revised Surplus/(deficit)</b>	<b>(876,062)</b>	<b>(407,083)</b>	<b>(155,426)</b>	<b>(248,432)</b>	<b>(314,143)</b>	<b>200,930</b>	<b>228,575</b>	<b>309,068</b>

# General Fund Projections - No Investment Income

<b>Baseline Projections</b>	<b>2019 Projected</b>	<b>2020 Projected</b>	<b>2021 Projected</b>	<b>2022 Projected</b>	<b>2023 Projected</b>	<b>2024 Projected</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
Revenues	11,412,922	11,585,821	11,772,891	11,925,454	12,044,709	12,165,156	12,286,808	12,409,676
Expenditures	<u>12,267,155</u>	<u>12,368,625</u>	<u>12,643,466</u>	<u>12,925,544</u>	<u>13,054,799</u>	<u>13,185,347</u>	<u>13,317,201</u>	<u>13,450,373</u>
Surplus/(Deficit)	(84,233)	(782,804)	(870,575)	(1,000,090)	(1,010,090)	(1,020,191)	(1,030,393)	(1,040,697)
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Per Capita Tax Elimination	<u>(71,500)</u>	<u>(71,500)</u>	<u>(71,500)</u>	<u>(71,500)</u>	<u>(71,500)</u>	<u>(71,500)</u>	<u>(71,500)</u>	<u>(71,500)</u>
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MMO Reduction	-	(665,344)	(665,344)	(665,344)	(665,344)	(665,344)	(665,344)	(665,344)
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Equipment Purchases - to be paid from Equipment Replacement	(348,900)	(179,500)	(152,500)	(126,000)	(126,000)	(126,000)	(126,000)	(126,000)
General Fund Debt Reduction	<u>(423,975)</u>	<u>(356,922)</u>	<u>(357,582)</u>	<u>(356,922)</u>	<u>(356,922)</u>	<u>(356,922)</u>	<u>(356,922)</u>	<u>(340,956)</u>
<b>Total Changes (Increase/(Decrease) Expenditures):</b>	<b>(621,821)</b>	<b>(1,019,371)</b>	<b>(1,078,377)</b>	<b>(1,114,886)</b>	<b>(1,059,176)</b>	<b>(1,055,122)</b>	<b>(1,092,969)</b>	<b>(1,183,765)</b>
Investment Income	-	-	-	-	-	-	-	-
<b>Revised Surplus/(deficit)</b>	<b>(1,797,369)</b>	<b>(1,328,389)</b>	<b>(610,426)</b>	<b>(703,432)</b>	<b>(769,143)</b>	<b>(36,570)</b>	<b>(8,925)</b>	<b>71,568</b>

# Wastewater Plant Projections if Township Retains Ownership

	Actual 2017	Budget 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
<b>TOTAL REVENUE</b>	\$ 5,428,226	\$ 6,395,392	\$ 6,474,115	\$ 6,887,361	\$ 6,888,582	\$ 7,739,815	\$ 7,739,815	\$ 7,739,815	\$ 7,739,815	\$ 7,739,815	\$ 7,739,815
<b>EXPENSES</b>											
Operations & Maint Expens	2,998,809	2,870,455	2,970,921	3,074,903	3,182,525	3,293,913	3,409,200	3,528,522	3,652,020	3,779,841	3,912,135
Debt Service	2,584,540	2,584,540	3,024,608	3,051,628	3,081,928	3,518,761	3,518,500	3,519,950	3,594,650	3,381,100	875,000
Transfers	300,000	300,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
<b>TOTAL EXPENSES</b>	<b>\$ 5,883,349</b>	<b>\$ 5,754,995</b>	<b>\$ 6,495,529</b>	<b>\$ 6,626,531</b>	<b>\$ 6,764,453</b>	<b>\$ 7,312,674</b>	<b>\$ 7,427,700</b>	<b>\$ 7,548,472</b>	<b>\$ 7,746,670</b>	<b>\$ 7,660,941</b>	<b>\$ 5,287,135</b>
<b>SURPLUS/(DEFICIT)</b>	<b>\$ (455,123)</b>	<b>\$ 640,397</b>	<b>\$ (21,414)</b>	<b>\$ 260,831</b>	<b>\$ 124,130</b>	<b>\$ 427,141</b>	<b>\$ 312,115</b>	<b>\$ 191,343</b>	<b>\$ (6,855)</b>	<b>\$ 78,874</b>	<b>\$ 2,452,680</b>

## ANTICIPATED RATE INCREASES

- 2020 8%
- 2022 15%

**Cumulative Rate Increase 23%**

## Minimum Capital Improvements Necessary if Township Retains Ownership

2018	\$ 1,186,383
2019	\$ 1,009,106
2020	\$ 5,029,056
2021	\$ 1,182,806
2022	\$ 1,599,603
2023	\$ 3,150,000
2024	\$ 4,150,000
2025	TBD
2026	TBD
2027	TBD

**MINIMUM CAPITAL NEEDS (10 YEARS) \$ 17,306,954**

# Resident Impact of Changes

- If wastewater rates increase 29%, the Township is proposing the following residential tax changes to offset the increase...
  - \$50,000 Homestead Exemption - \$163 annual decrease in the average tax bill
  - Elimination of Township-portion of the Per Capita tax bill (\$5/adult resident)

**RESULTS IN \$43 ANNUAL NET SAVINGS PER HOUSEHOLD**

## **Average Household Wastewater Bill (annual)**

12,000 gallons/quarter

\$ 448 Current Rate

\$ 577 Proposed Rate (29% increase)

**\$ 130 Annual Wastewater Bill Increase**

## **Tax Changes**

**Homestead Exemption**

\$ (163) \$50,000 exemption

**Per Capita Elimination**

\$ (10) Assume 2 person household

**\$ (173) Reduction of Annual Tax Bill**

**\$ (43) Impact for Average Household**

# Homestead Exemption Impact

Assessed Value	\$0 - \$25,000	\$25,001 - \$50,000	\$50,001 - \$75,000	\$75,000 - \$100,000	\$100,001 - \$125,000	\$125,001 - \$150,000	\$150,001 - \$175,000	\$175,001 - \$200,000	\$200,001 - \$225,000	\$225,000 - \$250,000	\$250,000 - \$999,999	TOTAL
# of properties	717	342	1,283	2,128	1,990	1,182	738	535	294	130	210	9,549
	7.5%	3.6%	13.4%	22.3%	20.8%	12.4%	7.7%	5.6%	3.1%	1.4%	2.2%	

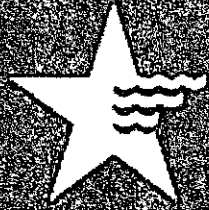


**11.9% of households will pay NO Township Real Estate Taxes**

**\$50,000 Homestead Exemption will exempt the entire assessed value of 1,059 properties**

# **Township Future after Wastewater Plant Sale**

- **REAL ESTATE TAXES HELD STEADY FOR 10 YEARS – no tax increase needed to fund General Fund expense increases and future capital projects including equipment replacement, Township building relocation, and storm sewer improvements**
- **NO ADDITIONAL SEWER DEBT ISSUED – the wastewater plant will require significant capital improvements over the next 10 years which would necessitate additional debt issuance**
- **IN 10 YEARS, THE TOWNSHIP WILL STILL HAVE \$48 MILLION “IN THE BANK”**
  - **Debt issued for storm sewer improvements, equipment replacement, and other capital improvements will be paid off – only proceeds from investments will be used to fund capital needs**

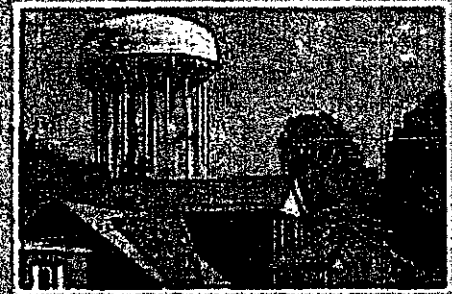
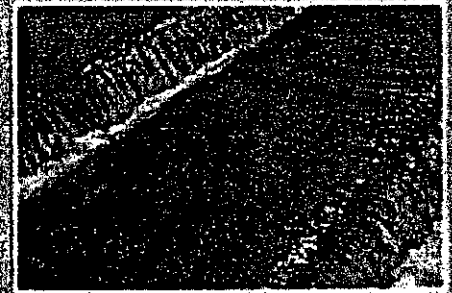


# PENNSYLVANIA AMERICAN WATER

## Exeter Township, Berks County

Bernie J. Grundusky  
Director, Business Development

March 13, 2018







## Pennsylvania American Water

Pennsylvania American Water is the largest regulated water and wastewater utility in the state.

We have a local presence with access to national resources.

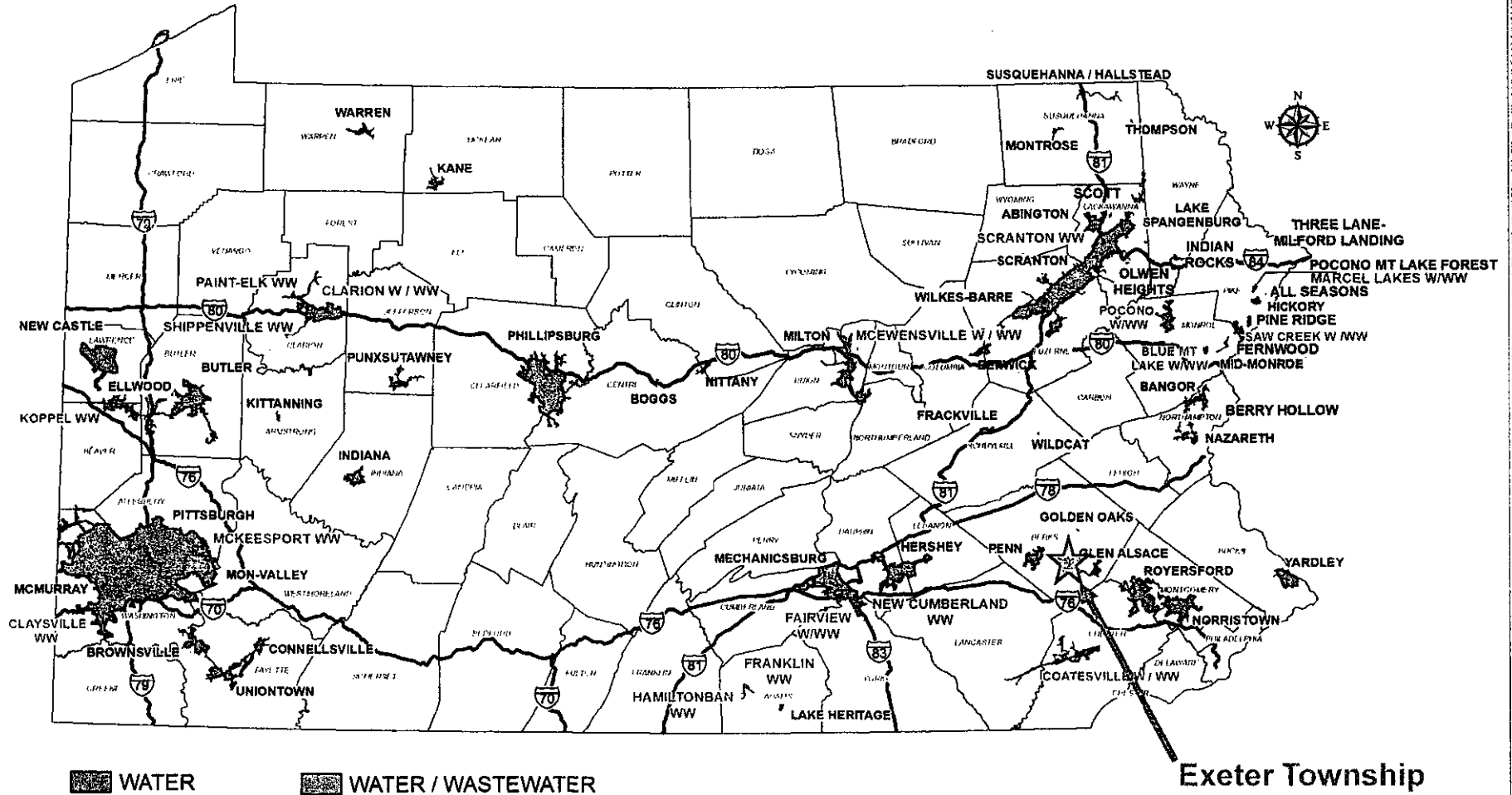
We are a wholly owned subsidiary of American Water (NYSE: AWK), the largest investor-owned water utility in the U.S.

General	Customers Served	658,000 water; 65,000 wastewater
	Population Served	Approx. 2.4 million people
	Communities Served	400 municipalities in 36 counties
	Avg. Residential Monthly Bill (3,630 gallons)	Water: \$60.85 Wastewater: \$64.93
Source of Supply	Source of Supply	92% surface water, 7% groundwater; and 1% purchased
	Regulated Dams	56
	Active Groundwater Well Sources	103
Treatment	Surface Water Treatment Plants	36 (33 received Directors Awards)
	Wastewater Treatment Plants	18
Distribution/ Collection	Water Storage Facilities	256
	Pumping Stations	359 water and wastewater stations
	Water & Sewer Mains	11,054 miles
Capacity	Water Capacity	191 MGD (average daily delivery)
	Wastewater Capacity	52 MGD permitted



# Pennsylvania American Water Service Area

Serving 19 percent of the Commonwealth's population.

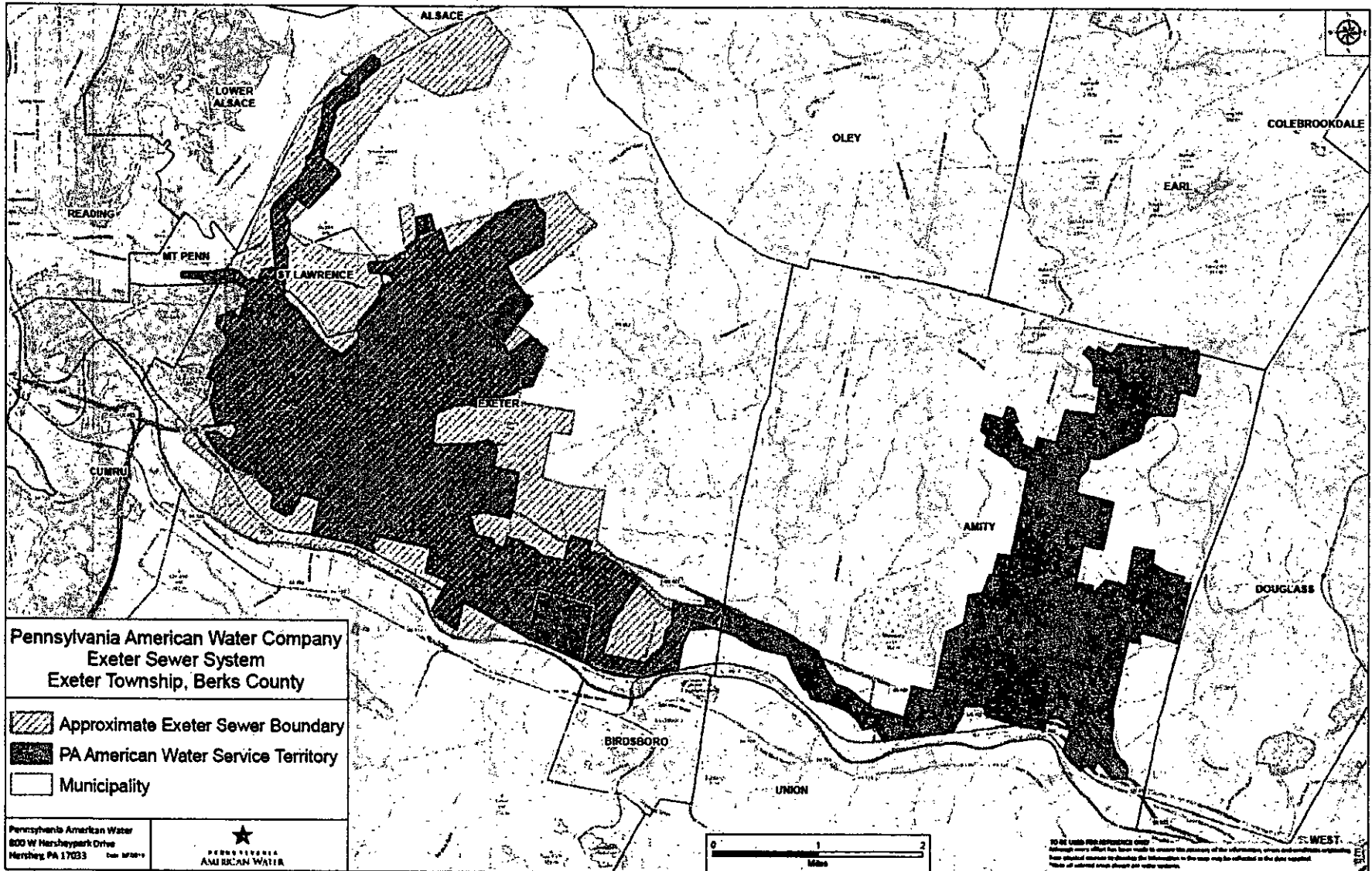


Note: Service areas current as of January 2018.



AMERICAN WATER

# Pennsylvania American Water's Glen Alsace District





## Local Operations – Glen Alsace System

<b>Customers Served</b>	<b>9,200</b>
<b>Communities Served (all or portions)</b>	<b>Exeter and Amity Townships; portions of Earl Township and St. Lawrence Borough</b>
<b>Source of Supply</b>	<b>12 groundwater wells</b> (plus, water supply agreements with Mount Penn and Reading Area Water Authority)
<b>Capacity</b>	<b>4.2 MGD (million gallons per day)</b>
<b>Average Daily Usage</b>	<b>1.9 MGD</b>
<b>Miles of Main</b>	<b>130</b>
<b>Tanks and Storage</b>	<b>8</b> (4.97 million gallon capacity)
<b>Employees</b>	<b>6 full-time in Glen Alsace</b>
<b>Other Benefits</b>	<b>SCADA, on-staff leak detection, 24-hour call center, H2O Help to Others customer assistance program</b>



## **Township's Goals & Objectives - Request for Proposals**

- Obtain the best possible overall offer for wastewater facilities
- Maintain reasonable and affordable wastewater rates for the long-term
- Long-term commitment to investing in, maintaining, and operating wastewater facilities
- Obtain professional management with financial stability, management experience, operational efficiency and environmental expertise
- Safe, environmentally sound, regulatory compliant



## Township's Evaluation Criteria

- Highest responsive responsible Proposer
- Bid amount and initial Closing base rates
- Background and demonstrated experience in operations of wastewater systems
- Ability of bidder to timely close transaction and secure all regulatory approvals
- Bidder's unique and innovative approaches, special skills, technologies



## Our Offer

- Pennsylvania American Water acquires utility assets (i.e. plant, pipes, pumps) for a cash purchase price
- Pennsylvania American Water will partner with Township to identify and direct \$3 million of investment in wastewater and/or water facilities in conjunction with street and sidewalk improvements, economic development projects or other utility infrastructure needs (see example at slide 10)
- Township keeps cash, accounts receivable and vehicles. Pays off debt. Net proceeds remain with the Township
- Wastewater land/buildings back on tax roll for county, school, local taxes
- Pennsylvania American Water offers employment to Township wastewater employees
- Pennsylvania American Water assumes operations, maintenance and regulatory compliance (including collection system installation)



## Wastewater Rates

- After closing, Township's base rates will not increase prior to January 1, 2021. Per PUC settlement, Pennsylvania American has agreed to a rate stay out and will not request a rate change any sooner than March 2020.
- Pennsylvania American Water's Rules & Regulation and related fees apply effective at closing
- Pennsylvania American Water will change to monthly billing at Closing, water and sewer customers to receive a single bill
- Rates and related fees are regulated by the PA Public Utility Commission (PUC) and any future changes must be reviewed and approved by the PUC
- PA law, Act 11, allows for wastewater costs to be allocated across water/wastewater customer base (723,000 customers vs. 9,000 customers)





## Additional Customer Services

- Help to Others Program™  
(for qualified water & wastewater customers)
  - Grants of up to \$500 per year
  - 85% discount on monthly water service fee
  - 20% discount on total wastewater charges
  - Water-saving kit, tips and education
- Convenient Payment Options and Paperless billing
  - Mail, online, phone, in person, EFT
- My Account web-self service tool



**FOR MORE INFORMATION**  
Pennsylvania American Water's H2O Help to Others Program is supported by the Dollar Energy Fund, an American corporate foundation established to help those in need. For more information about the program and assistance opportunities, visit [www.americanwater.com](http://www.americanwater.com).

**DOLLAR ENERGY FUND**  
1-888-287-6916

**WATER SERVICE ASSISTANCE**  
For more than 25 years, Pennsylvania American Water has been assisting low-income customers who qualify through its H2O Help to Others Program™. The program offers these water services:

- Grants of up to \$500 per year
- An 85 percent discount on the monthly water service charge
- Water-saving devices and education

**WASTEWATER SERVICE ASSISTANCE**  
In January 2011, the program was expanded to include wastewater customers. The program offers two water services:

- Grants of up to \$500 per year
- A 20 percent discount on the total wastewater charges

**ABOUT THE PROGRAMS**  
**Water Program**  
During the 2010-17 program year, Pennsylvania American Water provided \$301,005 in water and wastewater assistance grants to 1,330 households. Grants are funded through a corporate donation (\$210,000 per year) and customer and employee donations. To qualify for a grant, customers must have annual household income at or below 200 percent of the Federal Poverty Guidelines (see chart) and applicants must have made a sincere effort to pay their bill.

**Wastewater Program**  
To qualify for the water and/or wastewater discount program, customers must have annual income at or below 150 percent of the Federal Poverty Guidelines (see chart).

**COMMUNITY. ONE MORE WAY WE KEEP LIFE FLOWING.**



# Focus on Community Partnerships

- Environmental Grant Program
- Protect Our Watersheds Art Contest
- Stream of Learning Scholarships
  - Exeter Township H.S. senior Sarah Andrieux (2016)
- Firefighting Support Grant Program
  - Exeter Township Volunteer Fire Dept. (2016, 2017)
  - Amity Township & Monarch Fire Depts. (2017)



**STREAM OF LEARNING**  
Scholarship Program

2016-2017

**WHO CAN APPLY?**

1. High school seniors who are currently attending or will be attending high school in the next year.

2. Citizens of the United States.

3. Students who are currently attending or will be attending high school in the next year.

4. Students who are currently attending or will be attending high school in the next year.

5. Students who are currently attending or will be attending high school in the next year.

6. Students who are currently attending or will be attending high school in the next year.

7. Students who are currently attending or will be attending high school in the next year.

8. Students who are currently attending or will be attending high school in the next year.

9. Students who are currently attending or will be attending high school in the next year.

10. Students who are currently attending or will be attending high school in the next year.

**ENVIRONMENTAL GRANT PROGRAM**

AMERICAN WATER

WE KEEP LIFE FLOWING

AMERICAN WATER is committed to the protection and improvement of our environment. We are pleased to offer grants to support projects that improve water quality, protect watersheds, and enhance the environment.

AMERICAN WATER

WE KEEP LIFE FLOWING

**FIREFIGHTING SUPPORT GRANTS**

AMERICAN WATER

WE KEEP LIFE FLOWING

AMERICAN WATER is committed to the protection and improvement of our environment. We are pleased to offer grants to support projects that improve water quality, protect watersheds, and enhance the environment.

AMERICAN WATER

WE KEEP LIFE FLOWING





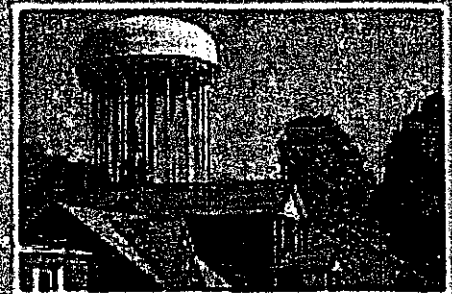
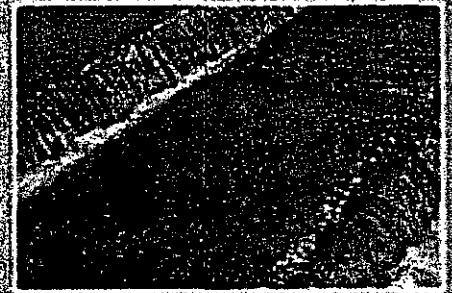
## Summary

- Township sells wastewater system for a cash at closing.
- Pennsylvania American Water will partner with Township to identify and direct \$3 million of investment in wastewater and/or water facilities in conjunction with street and sidewalk improvements, economic development projects or other utility infrastructure needs.
- Township retains all cash, eliminates wastewater system debt and retains net proceeds from sale of system.
- After closing, township's base rates will not increase prior to January 1, 2021. Future rates will be reviewed and approved by PUC.
- Township's wastewater system employees offered employment.
- Township relieved of current and future wastewater treatment costs and future capital investment requirements.



PENNSYLVANIA  
AMERICAN WATER

Thank you,



**FAQ: What's going on with the Wastewater Treatment Plant Sale?**

Many of you have received recent correspondence from PA American Water related to the sale of the Wastewater Treatment Plant. Here are answers to some of the questions we've been receiving:

**What is the status of the sale?**

- On July 11<sup>th</sup>, 2019 Exeter Township filed a proposed settlement agreement with the Public Utility Commission (PUC) for \$92M. The settlement is currently pending approval by the Administrative Law Judge.

**Why are my rates going up?**

- Exeter Township sewer rates had been lower than average. The rate increase is necessary in order to bring our rates closer to the rest of PA American's customer base. Utility expenses continue to rise, and Exeter Township's rates could not support future capital needs and expenses.
- **Any PA American rate increase will not take place until 2021.**

**What prevents the rates from increasing even more after the sale?**

- The PUC regulates sewer rates for public utility entities, and PA American Water will be required to comply with their rate stipulations. These regulations are in place for the protection of the consumer.
- Exeter Township is not held to these same standards.
  - Public utilities, like PA American, are regulated by the PUC and cannot change customer rates without approval.
  - As a municipally-owned facility, the operations are funded solely by the rate payments collected from the residents. When expenses increase, rates must also increase; this can occur as frequently or infrequently as the municipality deems necessary. This is not true of a public utility company, as rates are set by the PUC for several years.

**I'm concerned about my expenses increasing, what is Exeter Township doing to help me?**

- To offset this rate increase, the Exeter Township Board of Supervisors has authorized the implementation of a Homestead Exemption as part of the use of proceeds from the sale.
  - Effective in 2020, residents who qualify for the Homestead Exemption will see the first \$50,000 of their assessed value removed from property tax obligations.
  - **What does this mean?** If your home is currently assessed at less than \$50,000, your property tax will be eliminated. Residents with an assessed value in excess of \$50,000 who qualify for the exemption will see approximately \$173.50 in tax relief annually.

RECEIVED

JUL 29 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

RECEIVED

JUL 22 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

235 W. 47th St.  
Reading, Pa. 19606

HARRISBURG  
PA 171  
26 JUL '19  
PM 2 L



FOREVER

COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
400 NORTH STREET, HARRISBURG, PA. 17120

17120-007999



DAVID HUGHES  
255 W. 47th St.  
Reading, Pa. 19606



1000



17120

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19606  
JUL 20, 19  
AMOUNT

**\$2.05**

R2304H108219-27

SECRETARY'S Bureau

Pennsylvania Public Utility Commission

Commonwealth Keystone Bldg.

400 North Street,

Harrisburg, Pa. 17120