



PENNSYLVANIA
AMERICAN WATER

WE KEEP LIFE FLOWING®



ROYERSFORD BOROUGH

A Model Partnership for Municipal Leaders
Seeking Long-term Service Excellence

BENEFITS OF ASSET PURCHASE

Generated revenue from sale proceeds

Avoided future capital expenditures for systems' upgrades and maintenance

Demonstrated commitment to employee retention and career development

Provided professional management of water operations

Protected water rates through single-tariff pricing, regulated by the Pennsylvania Public Utility Commission

FINANCIAL RELIEF AND RENEWAL

By 2019, Royersford Borough faced mounting challenges in managing its aging wastewater system. The infrastructure required significant upgrades to meet environmental standards, and the Borough anticipated rising operating costs and capital demands it could not sustainably meet. Recognizing these limitations, Borough leaders initiated a formal evaluation of long-term options and concluded that selling the system to the local water service provider, Pennsylvania American Water was in the best interest of residents.

A STRATEGIC SHIFT IN OWNERSHIP

In May 2021, the Pennsylvania Public Utility Commission approved the sale of Royersford Borough's wastewater system to Pennsylvania American Water for \$13 million. After using the proceeds to retire all municipal debt, Royersford retained \$9.1 million in net proceeds, enabling the Borough to reinvest in local infrastructure and stabilize its financial outlook.

As part of the acquisition, Pennsylvania American Water committed \$1.6 million over five years to modernize the Royersford wastewater system including:

- Replacement of aging sewer mains
- Improvements to chemical feed systems
- Upgrades to telemetry, system controls, and technology
- Enhanced site security

SOLUTIONS AND BENEFITS

- **Debt Elimination:** Proceeds from the sale helped Royersford retire water-related debt and build budget reserves.
- **Employee Retention:** Two Royersford wastewater system employees were offered jobs with Pennsylvania American Water.
- **Rate Stability:** Existing water rates were preserved with future changes subject to Pennsylvania Public Utility Commission approval.
- **Billing Improvements:** Transitioned customers from quarterly to monthly billing for easier household budgeting

PENNSYLVANIA AMERICAN WATER INVESTMENTS IN ROYERSFORD BOROUGH

Year	Investment
2021	\$501,154.21
2022	\$1,008,948.08
2023	\$945,490.45
2024	\$1,983,495.84
Total	\$4,439,088.58

Since completing the purchase of Royersford Borough's wastewater assets in 2021, Pennsylvania American Water has invested over \$4.4 million to ensure safe, clean and reliable service to residents.

“Royersford Borough resident became part of a larger scale, efficiently operated wastewater utility that brings expertise to our aging sewer system.”

-Anil Dham
Borough Council President