

HADDONFIELD'S WATER AND WASTEWATER SALE

Results in high-quality water and infrastructure renewal



HADDONFIELD BOROUGH, NJ

Sale to New Jersey American Water leads to improved service, environmental compliance and fire protection, as well as financial flexibility for the local government.

Project Type: Municipal water and wastewater acquisition, infrastructure investment

The Need: Haddonfield's water and sewer systems were part of a 129-year old Borough-owned utility. Prior to 2003, Haddonfield invested very little in its systems, which kept rates artificially low. In 2013, an independent review of the systems recommended a rate increase of 25 percent, and an engineering report estimated that the Borough's systems would need \$50 million in investments over the next 30 years, heavily front loaded in the first 10 years to avoid a major failure. These factors led local government officials to the determination that a sale of their systems was the best solution.

The Solution: New Jersey American Water was chosen by Haddonfield citizens as the partner to own and operate the Borough's water and wastewater systems. With more than 125 years of experience operating and maintaining water and wastewater systems, as well as investing in infrastructure, New Jersey American Water had the ability to finance necessary system improvements with less of an impact on rates than would have occurred had the Borough kept the system.

THE RESULTS

Since acquiring the Borough's systems, New Jersey American Water has invested about \$9 million in the water and wastewater systems in Haddonfield.

Improved fire protection

The first priority was to assess the condition and flow of every fire hydrant in the Borough. Many were found to be non-operational or in poor condition. Immediately, a plan was executed to replace non-functioning hydrants.



Replaced aging water and sewer mains

Approximately 3,800 feet of water main in the Borough's aging distribution network, including 47 valves were replaced. Additionally, New Jersey American Water replaced approximately 7,200 feet of wastewater mains that were beyond their useful life. We also replaced 80 sewer laterals, which directly improved sewer service to those customers.

High-tech mapping

Upon acquisition, New Jersey American Water began using Global Positioning System (GPS), coupled with Geographic Information System (GIS) technologies to digitally map Haddonfield's 106 miles of water and wastewater mains. Additionally, all of the systems' assets, including valves, hydrants, customer water connections and sewer cleanouts are recorded online with an accuracy never before available. This provides the company with the ability to better locate system components, and to address emergencies in a more timely and efficient manner. The entire Haddonfield system will be mapped by this summer.

BOTTOM LINE

The sale of the Borough's system to New Jersey American Water resulted in much needed capital investments to upgrade the aging infrastructure. In the first nine months of ownership, the company has already invested nearly \$9 million of the \$16 million minimum committed.

HADDONFIELD SYSTEM

Customers Served: 4,645

WATER MAIN

Approximately 51 miles, ranging in size from 4-inch to 16 inch, ranging in age from 1889 to present.

WATER SYSTEM NEEDS

Nearly two miles of 4-inch water mains required replacement and increased in size. About 60 percent of the mains need to be replaced in the next 30 years.

SEWER MAIN

55.5 miles of main, mostly comprised of aged 8-inch terra cotta, suffering from cracking, settling, joint separation and root infiltration.

SEWER SYSTEM NEEDS

40 percent of the mains need replacement within the next five years. Four of six lift (pumping) stations need to be replaced or significantly renovated. Design of three new sewer lift stations is underway with expected completion in early 2017.