



MANVILLE SEWER SALE FREQUENTLY ASKED QUESTIONS (FAQS)

The Manville sewer system needs significant upgrades, with much of the system nearly 80 years old and the majority of pipes made of clay. The investment required to improve the Borough's sewers will come at a significant cost to customers if Manville maintains ownership and raises rates or borrows money to fund the needed investment.

By supporting the Manville sewer sale, your water company, New Jersey American Water, will stabilize rates and take ownership of the system. This will result in a \$16.5 million investment in Manville that includes a \$6.5 million payment to purchase the sewer system, which the Borough will use to pay off all utility and municipal debt, and a \$10 million investment in infrastructure to improve the system and protect it against flooding.

For more information on the referendum please visit VoteYesManville.com or email ManvilleSewerSale@amwater.com to ask a question.

What will happen to my sewer rates if I vote, "Yes"?

- Upon closing of the sale and after regulatory approval (likely in 2024), a seven-year rate plan will begin so customers can know what to expect while critical system improvements are made. Upon the transition to New Jersey American Water ownership, rates will be held at the Borough's current rate for one year. Then, rates will increase modestly, approximately 2-4% per year, for the next six years. Sewer treatment charges from the Somerset Raritan Valley Sewerage Authority (SRVSA) are pass-through charges and not subject to our seven-year rate plan.
- At the end of the seven years, customers with average water usage can expect to pay \$24 more annually for sewer service while New Jersey American Water invests millions of dollars in Manville.

Seven-year Rate Plan under New Jersey American Water Ownership

Year	1	2	3	4	5	6	7
Rate Increase	0%	2%	3%	3%	3%	4%	4%

I understand the 7-year rate plan proposed by New Jersey American Water, but what will happen to rates after that? Won't New Jersey American Water just raise rates tremendously to recoup their investment?

- Sewer rates will stabilize in both the short and long term under New Jersey American Water ownership. New Jersey American Water's large customer base will help mitigate rate increases for Manville customers as investments are made in the sewer system.
- Starting in 2031, your sewer rates will change on a similar schedule to your water rates. New Jersey American Water's sewer rates are regulated by the New Jersey Board of Public Utilities (NJBPU), the same way your water, electric, and natural gas rates are. Sewer rates are set by the NJBPU after a lengthy and thorough regulatory process. This public process involves input from many stakeholders including rate customers, BPU and the Division of Rate Counsel.

Will the sale of the sewer system impact my property taxes or rent at all?

- If the referendum is approved, and following regulatory approval, the \$6.5 million purchase price will be used by the Borough to pay off all utility and municipal debt. The Borough must use the \$6.5 million to address municipal debt, stabilizing taxes and freeing up funds in the municipal budget for other purposes. Whether you are a homeowner paying property taxes directly, or a renter paying property taxes indirectly through your rent, the sale benefits you as a Manville customer.



VOTE YES ON THE SEWER SALE
to stabilize rates and property taxes, and
prioritize infrastructure investment.

TO LEARN MORE VISIT
VoteYesManville.com



SCAN ME

How do charges from the SRVSA impact my sewer bill? Will this change if New Jersey American Water takes ownership?

Currently, SRVSA treatment costs are included in your sewer bill from the Borough. The Borough collects these fees from customers and pays SRVSA for treatment. SRVSA charges account for over 75 percent of the sewer bill customers pay currently. This will not change under New Jersey American Water ownership. SRVSA will continue to provide sewage treatment services and the Borough will pay SRVSA for those services. New Jersey American Water will collect these fees from customers through our sewer bill and provide to the Borough.

How will I be billed for sewer?

Sewer billing will become monthly with the current charges split into twelve monthly installments and will be included with your New Jersey American Water water bill. Monthly billing provides customers with smaller bills and makes it easier, especially for those on fixed incomes, to include the cost of sewer service into their monthly household budget. In addition, this change to billing will extend the conveniences of New Jersey American Water's online, paperless billing and auto bill pay features to its sewer charges - one monthly bill, one monthly payment, and less hassle for customers. Qualifying customers can also take advantage of our customer bill paying assistance program.

Will New Jersey American Water understand our local needs?

New Jersey American Water has been Manville's water company for several decades. New Jersey American Water coordinates closely with municipal leaders on construction and road paving, as well as customer service.

New Jersey American Water continues to put Manville's residents first. Since 2013, New Jersey American Water has invested more than \$25.1 million into the water distribution system in the Borough, replacing aging water mains, company side service lines, and public fire hydrants. That amounts to over \$2.5 million a year and approximately \$6,730 per customer over the course of the last 10 years. We are invested in your community's water system and look forward to extending that investment to the wastewater system.

Ongoing commitment to the Borough is also exemplified through charitable giving to the community. Somerset County Office of Emergency Management was awarded New Jersey American Water's \$10,000 Environmental Grant in 2022 for reforestation efforts using native trees and shrubs to help mitigate flooding from stormwater runoff impacts and Manville was selected for a reforestation project along Royce Brook. The planting project took place in May 2023 and New Jersey American Water employees were happy to assist in planting.

Will there be negative environmental impact because of this sewer sale?

Just the opposite - New Jersey American Water's commitment to investing in the sewer system will address sanitary sewer overflows and help protect the environment.

We understand that supporting an Environmental, Social, and Governance (ESG) agenda is critical to the long-term success of

our company. That is why our leadership in ESG is so meaningful. When we reduce safety incidents, sustain, and modernize our infrastructure, provide an excellent customer experience, and celebrate employees' differences, we are living our ESG philosophy. We are proud to provide meaningful support to the communities we serve. As a national water and wastewater utility company with a local presence, we believe that helping our communities thrive is a business imperative.

New Jersey American Water is a longtime member of Sustainable Jersey and other environmental organizations throughout the state.

Is the Manville sewer system an asset to our town?

The system is a liability for the Borough, not an asset. Most of the Borough's sewer pipes are made of clay. The investment required to improve the Borough's aging sewers will come at a tremendous cost to customers if Manville keeps the system. Approving this referendum will eliminate the financial and operational risks of repairing and operating a sewer system, allowing the Department of Public Works to focus on other projects and allowing the Borough to allocate budget to other important needs.

I have a pool and/or irrigation system that I use in the summer months will I be charged for that extra water usage even though it is not going into the sanitary sewer?

New Jersey American Water's proposed billing practice for Manville sewer customers is to bill customers based on a winter quarter consumption calculation. For the January, February and March bills - the monthly sewer charge shall be determined by using the actual water meter readings in the monthly billing cycle multiplied by the applicable rate. For the April through December bills - the monthly sewer charge shall be one-third of the water usage billed in the months of Jan-March, but in no case less than the minimum of 2000 gallons per month, multiplied by the applicable rate. This proposal is subject to review and approval by the Board of Public Utilities.

Who is responsible for the service line from the main in the street to my house?

Currently under Manville ownership the lateral sewer line from the building to the main sewer in the street is the property owner's responsibility. Under New Jersey American Water ownership, New Jersey American Water will be responsible for the portion of the lateral sewer line from the main sewer in the street to the curb-stop or clean-out. The remainder of the lateral sewer line from the curb-stop or clean-out to the home, located outside of the right of way area, will remain the responsibility of the property owner. This mitigates the greatest amount of financial risk to property owners related to road or right of way openings and resulting restoration.

Will the equipment that the Borough owns be sold as part of this transaction?

No. All equipment that the Borough owns and uses to manage and maintain the sewer system will remain the property of Manville and be used by the Borough to support other projects that the DPW carries out, like fixing roads and parks.

FOR MORE INFORMATION VISIT:
VOTEYESMANVILLE.COM



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**VOTE
YES**
MANVILLE
SEWER REFERENDUM