



Hopewell Borough FAQ's

By partnering with New Jersey American Water, the Borough will secure \$13.4 million, \$6.4 million from the sale proceeds and \$7 million in infrastructure upgrades in the first five years of ownership, to benefit the community through the sale of its water system. The investment will help stabilize property taxes by reducing municipal debt, and residents will benefit from about 36% lower water bills on average.*

This partnership will build on an existing relationship through which New Jersey American Water provides safe, clean, affordable and reliable drinking water for residents and businesses, supplementing the local water supply. By taking ownership of the water system, New Jersey American Water would assume all operational and regulatory responsibilities and invest in the infrastructure to modernize the system and improve reliability.

This collaboration will strengthen the Borough's future by helping ensure safe, clean, affordable and reliable drinking water for generations to come.

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

At the time of sale, customers will be transitioned to New Jersey American Water's Rate Schedule A-1, which will result in an immediate decrease in rates for Hopewell Borough customers. In addition, water rates will become more predictable in the long-term under New Jersey American Water ownership as the company's large customer base will help mitigate rate increases for Hopewell Borough's customers as investments are made in the water system.

New Jersey American Water's rates are regulated by the New Jersey Board of Public Utilities (NJBPUB). Water rates are set by the NJBPUB after a lengthy and thorough regulatory process. This public process involves input from many stakeholders including customers, the NJBPUB Staff and the Division of Rate Counsel.

New Jersey American Water is focused on keeping water affordable. The average residential bill for our customers is about a penny per gallon, and we aim to keep bills within 1-2% of median household income. That's an important benchmark for us, and one we take seriously.

Will the sale of the water system impact my property taxes or rent?

If the referendum is approved, the \$6.4 million purchase price will be used by the Borough to pay off all utility debt, with the remainder being applied to municipal debt. The Borough may use the \$6.4 million to address debt, freeing up funds in the 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 Hopewell Borough resident.

Does New Jersey American Water serve Hopewell Borough already?

New Jersey American Water is already a committed partner to Hopewell Borough. We provide bulk water service to the Borough to help the Borough meet the water demands of its residents and businesses.

Why can't Hopewell Borough rely on the existing wells for water and what will happen to the wells after the sale?

Hopewell Borough's Wells No. 4 and 6 contain regulated contaminants and expensive treatment needs to be installed to meet the water demands of the community without the supplemental bulk water purchased from New Jersey American Water.

New Jersey American Water will take the existing wells offline and provide all water through its existing interconnection, while undertaking a robust analysis of the water system to determine the long-term future of the wells.

Is Hopewell Borough's water system an asset to our Borough?

The system is a liability to the Borough, not an asset. The investment required to repair the Borough's aging water system and install treatment to remove PFAS and Arsenic will come at a tremendous cost to customers if Hopewell keeps the system.

Approving this referendum will eliminate the financial and operational burden of maintaining and operating a water system, allowing the Borough to focus on other projects and allocate the budget to other needs.

*About 36% decrease on monthly bill is based on water usage of 4,000 gallons per month; the percent decrease on bill varies by usage



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This expenditure was not made with the cooperation or prior consent of, or in consultation with, or at the request or suggestion of, any candidate, or person or committee acting on behalf of the candidate.

Will New Jersey American Water understand our local needs?

New Jersey American Water's Central Region Operations team, with approximately 300 local employees, is committed to providing high-quality customer service and serving the community.

New Jersey American Water is a committed partner to the communities we serve. We prioritize giving back, being strong environmental stewards, and supporting volunteer firefighters and emergency responders. In 2024, New Jersey American Water donated over \$1.6 million to support organizations that foster inclusion and diversity, improve public safety, and improve neighborhood health and wellness in local and underserved communities. In 2024, our employees also volunteered more than 2,192 hours in our state's local communities.

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

Currently under Hopewell ownership, the water service line from the building to the curb is the property owner's responsibility. This will remain the same under New Jersey American Water ownership. New Jersey American Water will be responsible for the portion of the service line from the water main in the street to the curb. This mitigates the greatest amount of financial risk to property owners related to road or right of way openings and resulting restoration.

Will there be any negative environmental impact because of this water sale?

Just the opposite – New Jersey American Water's commitment to investing in the water system will address system deficiencies and help protect the environment.

Hopewell Borough's water system has significant water loss through leaking water pipes and the storage tank. New Jersey American Water will reduce this unnecessary waste of water through investment in the infrastructure.

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

How will I be billed for water?

Customers will be billed monthly based on their water usage. Monthly billing provides customers with smaller bills and makes it easier, especially for those on fixed incomes, to include the cost of water service in their monthly household budget.

In addition, Hopewell Borough customers will have access to the conveniences of New Jersey American Water's online, paperless billing and auto bill pay features. Qualifying customers can also take advantage of our customer bill paying assistance program.

How can New Jersey American Water help ensure resiliency of the water system for Hopewell Borough in the face of extreme weather?

Resiliency is best achieved through consistent investment in the water system infrastructure and robust asset management planning.

New Jersey American Water executes a comprehensive capital planning study program conducted by our engineering staff on a five-year schedule. Through these studies, we regularly analyze the systems' capacity needs, regulatory impacts, service adequacy, and reliability scenarios. System needs are identified, and project costs, alternatives, and risks are assessed. By conducting comprehensive studies of our water and wastewater assets on a regular basis, New Jersey American Water has a clear and objective view of long-term system needs.

Will all customers' lead service lines be replaced? If so, when will this occur?

New Jersey American Water is committed to replacing all lead and galvanized service lines, both customer-owned and utility-owned, ahead of the New Jersey Department of Environmental Protection's 2031 deadline. Following the acquisition, the identification and replacement process will commence in the Borough.

New Jersey American Water offers this replacement service at no direct cost to customers, which helps ensure a seamless and coordinated approach that includes strong municipal and customer communications to guide residents through every step of the process.

New Jersey American Water would apply the Company's BPU-approved Lead Service Line Replacement (LSLR) Surcharge to Hopewell Borough customer bills through 2031 for the recovery of costs related to the replacement of customer-owned lead service lines. The typical residential water customer consuming an average of 5,642 gallons per month may see a surcharge of up to \$4.89 per month. Actual charge may vary dependent on usage. This cost is significantly less than if a customer was to pay a private contractor out-of-pocket for the replacement of their lead service line (typically \$5K-10K per line).

For more information regarding New Jersey American Water's Lead Service Line Replacement Program please visit: www.njamwaterlsr.com.

How can the Borough guarantee water quality won't decline over time under the partnership with New Jersey American Water?

Water and wastewater service is all we do. New Jersey American Water takes great pride in providing a high-quality product to its customers that meets all federal, state and local water quality standards.



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