



# BUTLER WASTEWATER

**Acquisition provides economic stability, long-term infrastructure solutions and \$230 million for Butler City and Butler Township**

Nestled in the hilly region of Pennsylvania’s Allegheny Plateau just 35 miles north of Pittsburgh, the City of Butler – county seat for the like-named Butler County – is home to about 13,500 people.

The sprawling 32.5-square-mile Butler Area Sewer Authority (BASA) system provides wastewater service to the city’s residents, along with those living in portions of neighboring East Butler Borough and Butler, Center, Connoquenessing, Summit and Oakland townships. In total, the system serves approximately 15,000 customer connections.

## CHALLENGES

In the early 2020s, the BASA system faced significant infrastructure challenges. Its communities were served by an aging and declining wastewater system that required costly repairs. Additionally, increasingly stringent environmental standards and regulations posed hurdles for daily operations. What’s more, debt and liabilities from maintaining the system had risen to over \$45 million.



(l to r) Justin Ladner, President, Pennsylvania American Water; Robert Dandoy, Mayor, City of Butler; and James Lokhaiser, Jr., President, Board of Commissioners, Butler Township.

*Pictured at top: Pennsylvania American Water and BASA employees commemorate the system acquisition closing.*

## SOLUTION FOUND

The authority determined that the sale of the BASA system was necessary and began searching for the best option to serve its customers’ future needs. In October 2022, it agreed to sell its system to Pennsylvania American Water. The sale was completed in October 2024.

Pennsylvania American Water is the largest water service provider in the state, serving approximately 2.4 million people in 418 communities. Its nearly 1,200 highly skilled and experienced professionals carry out the company’s foremost priority of providing safe, reliable water and wastewater services to its customers.



**Pennsylvania American Water is proud to build on our solid legacy of operation in Butler County through the acquisition of the BASA system, which will provide clean, safe and reliable service that protects public health and the environment.**

**Justin Ladner**  
President

Pennsylvania American Water

## SYSTEM AT A GLANCE

- **CUSTOMERS CONNECTIONS**  
Approximately 15,000
- **TREATMENT FACILITIES**  
1 wastewater plant (10 MGD)
- **COLLECTION SYSTEM**  
274.5 miles of sewer pipe;  
23 lift stations
- **MANHOLES**  
6,476



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## SYSTEM IMPROVEMENTS

As part of the acquisition agreement, Pennsylvania American Water committed to invest over \$75 million during the five years following the acquisition to upgrade the wastewater treatment and collection systems. These upgrades include replacing pump stations, improving electrical safety and treatment procedures, conducting systemwide assessments and inspections and cleaning and rehabilitating sewer collection mains and manholes.

Additionally, Pennsylvania American Water assumed Pennsylvania Department of Environmental Protection and U.S. Environmental Protection Agency consent orders related to the system's operations and environmental compliance.

## RESULTS

As a result of the acquisition, Pennsylvania American Water has been able to provide the following benefits:

- \$230 million in proceeds, including:
  - » \$90 million each to the City of Butler and Butler Township to pay down long-standing debts, make necessary capital improvements and provide for future community stability.
  - » \$50 million to establish the Butler Legacy Trust, ensuring proceeds from the sale are preserved for the benefit of future generations.
- One-year rate freeze for BASA customers.
- Commitment to invest more than \$75 million in the first five years of ownership to upgrade the wastewater treatment and collection systems.
- Employment retention offers for BASA's approximately 30 employees with competitive pay and benefits package. These employees gain immediate access to training, development and career opportunities.
- Robust customer assistance resources, such as low-income grant and discount programs that had previously not been available. As part of the acquisition, Pennsylvania American Water nearly doubled the shareholder contribution to its hardship grant program, increasing the fund by \$3.5 million over five years.
- Strong community partnerships and sponsorships with local businesses, schools and nonprofit organizations.
- Online customer portal, MyWater, and several convenient billing and payment options.

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

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Now, we can finally get down to work on investing proceeds in a way that brings transformational changes to our communities and benefits our residents for years to come.

**Robert Dandoy**  
Mayor, City of Butler



## COMMUNITY PARTNER

In addition to a growing list of local nonprofit sponsorships, collaborations and partnerships, the American Water Charitable Foundation awarded \$25,000 to the Butler County Area Vocational-Technical School through its annual Workforce Development Grant Program. The funds will help underwrite the purchase of equipment for educating and training students to prepare them for high-priority occupations.

## QUESTIONS?

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