TRUST IN WATER

How Private, Regulated Wastewater Providers Are Transforming Communities

Executive Summary

Wastewater infrastructure operates largely out of sight–but when systems fail, the consequences are immediate and measurable: untreated discharges, regulatory violations, degraded waterways, and risks to public health. Across the country, many communities face the same underlying pressures: aging infrastructure, increasingly stringent environmental requirements, and limited local resources to fund long-term system improvements.

In response to these challenges, a growing number of communities are turning to a different approach–partnering with private, regulated wastewater providers to stabilize and modernize essential wastewater infrastructure. This approach combines access to capital, technical expertise and economies of scale to alleviate many financial and compliance burdens faced by government-run systems with a legacy of underinvestment.

The evidence is increasingly difficult to ignore. Across a diverse set of communities, private, regulated wastewater providers are consistently leading in wastewater system transformation –demonstrating that even long-standing wastewater challenges can be resolved through long-term investment and operational excellence.

The following case studies highlight how this approach is working in practice.









Scranton, Pennsylvania

Key Outcomes

- Reduced regulatory violations from more than 15 to zero, restoring consistent compliance
- Invested more than $287 million in system upgrades and combined sewer overflow (CSO) controls
- Advanced more than 40 CSO reduction projects, completed or in progress
- Increased system capacity to capture and treat an additional 118 million gallons annually

A History of Chronic Violations

Scranton's wastewater system faced long-standing regulatory violations tied to a complex combined sewer system, resulting in repeated overflows into the Lackawanna River. Years of deferred maintenance and constrained capital investment limited the system's ability to meet evolving environmental standards, ultimately resulting in a federal consent decree mandating long-term corrective action.

A Structured Path to Compliance

Following the transition to a private, regulated wastewater service provider, a 25-year long-term control plan was implemented alongside sustained infrastructure investment and operational modernization. These actions by the private provider focused on reducing overflows, modernizing treatment operations, and strengthening system-wide maintenance.



McKeesport, Pennsylvania

Key Outcomes

- Over $95 million invested to upgrade more than 14 miles of wastewater mains, construct a new pump station and rehabilitate an aging wastewater treatment plant constructed in the 1960s
- Improved water quality in the Monongahela and Youghiogheny watersheds through the elimination of raw sewage discharges and diversion of millions of gallons of untreated wastewater annually
- $40 million in proceeds returned to the city for community reinvestment

Eliminating Untreated Discharges

For decades, portions of McKeesport and nearby Dravosburg had experienced untreated sewage discharges into local waterways, driven by aging infrastructure and system failures. These conditions created persistent environmental risk and regulatory exposure that the community lacked the resources to address without additional investment and expertise.

Strengthening Watershed Protection

Transitioning to a private, regulated wastewater provider enabled a comprehensive reinvestment program to modernize system infrastructure and eliminate illegal discharges. Strategic investments to upgrade collection systems and regional connections improved the system integrity and reduced untreated discharge pathways.



Exeter, Pennsylvania

Key Outcomes

- Pennsylvania American Water invested more than $32 million between 2019 and 2025 to expand system capacity to manage wet-weather flows
- Expected to divert approximately 7.5 million gallons of wastewater annually from the Schuylkill River upon completion of planned improvements
- Established a clear, sustainable path toward long-term regulatory compliance and environmental protection

Addressing Systemic Vulnerabilities

A major storm event resulted in approximately four million gallons of untreated sewage discharging into the Schuylkill River, triggering regulatory enforcement and exposing system vulnerabilities. The township faced mounting infrastructure needs alongside financial constraints that limited its ability to prevent future failures.

Creating Long-term Resilience

Transition to a regulated private wastewater provider enabled rapid system stabilization and implementation of a long-term investment strategy. Capacity expansion, treatment upgrades, and collection system improvements strengthened resilience to wet-weather events and ongoing regulatory demands.





Sheridan, Indiana

Key Outcomes

- $11.4 million invested in treatment plant and system upgrades
- New treatment facility with 1 MGD capacity (up to 3 MGD wet weather)
- Elimination of chronic bypass events and overflow violations
- Reduced pollutant discharge to local waterways
- Stabilized path toward regulatory compliance

Eliminating Chronic Overflows

Sheridan's wastewater system, with infrastructure dating to the 1950s, experienced repeated overloads, including 25 bypass events and 12 overflow violations under regulatory permits. Limited financial capacity and existing utility debt constrained the Town's ability to invest in necessary upgrades.

Restoring Compliance

After transitioning to wastewater service from Indiana American Water, a private, regulated wastewater service provider, a targeted capital program was implemented to replace the aging treatment facility and modernize collection infrastructure. Expanded system capacity and upgraded treatment processes improved performance during peak wet-weather conditions placing the system on a path back to compliance.



Ironton, Missouri

Key Outcomes

- $3.7 million acquisition delivered immediate local value to the community
- More than $2.5 million invested in system improvements to date with an additional $8.4 million committed for long-term infrastructure upgrades
- Enhanced protection of Stouts Creek and surrounding watershed

Stabilizing Operations and Advancing System Performance

Ironton faced aging infrastructure, recurring violations, and increasing regulatory pressure, compounded by limited financial resources. These constraints raised concerns about long-term system viability and the potential for continued environmental impact.

Restoring Reliability Through Targeted Upgrades

Following a voter-approved transition, a private, regulated wastewater provider implemented targeted investments to stabilize operations and improve monitoring capabilities. Early upgrades to treatment and collection systems have begun to address deficiencies while establishing a more reliable operational baseline.



York, Pennsylvania

Key Outcomes

- Invested $13.7 million to date, with an additional $60 million in planned capital improvements through 2030
- Diverted up to 70 million gallons during peak flow events
- Reduced overflow risk and associated pollutant loading, strengthening protection of Codorus Creek and downstream waterways

Restoring Compliance and Reducing Overflow Risk at Scale

Years of underinvestment led to aging infrastructure, repeated violations, and environmental impacts to Codorus Creek, alongside significant fiscal strain to the City of York. A large budget deficit and extensive legacy infrastructure limited the City's ability to fund needed system-wide improvements.

Delivering System-Wide Modernization

Transition to a regulated private wastewater provider enabled a comprehensive modernization program focused on interceptor replacement and targeted rehabilitation of the wastewater collection system in York. Improvements included upgrades to critical conveyance infrastructure to better manage wet-weather flows and reduce system bottlenecks during peak conditions. These investments improved flow reliability, reduced pressure on aging assets, and strengthened the system's ability to handle heavy rainfall events without overflows impacting Codorus Creek.



Godfrey, Illinois

Key Outcomes

- Addressed and stabilized requirements under the EPA consent decree, restoring a clear path to sustained regulatory compliance
- Invested $30.9 million in system improvements since transition, with an additional $32.2 million in planned capital investment
- Directed approximately $20 million toward wastewater treatment plant upgrades to improve performance, reliability, and regulatory compliance

Resolving Consent Decree Challenges and Restoring Stability

Godfrey's wastewater system operated under an EPA consent decree, with aging infrastructure and limited financial capacity preventing required upgrades. These conditions threatened long-term compliance and placed increasing pressure on local resources and rate structures.

Restoring Compliance Through Targeted Investment

Following the transition to Illinois American Water in 2019, more than $30 million was invested to upgrade aging infrastructure and address EPA consent decree requirements. Improvements included upgrades at the Godfrey Wastewater Treatment Plant–such as blower system enhancements–and targeted projects across the collection system to reduce sanitary sewer overflows. Additional projects reinforced critical infrastructure near La Vista Creek, including replacement of sections of a 24-inch effluent main and stabilization of creek banks to prevent erosion and protect sewer assets during high-flow conditions.

Conclusion

The challenges facing wastewater systems are not unique to any one community—they are national in scale and increasing in urgency. Aging infrastructure, rising regulatory expectations, and constrained local resources continue to place essential services under stress.

The case studies presented here demonstrate that **system transformation is both achievable and repeatable**. Across diverse geographies and system types, partnerships with private, regulated wastewater providers have consistently delivered meaningful outcomes—restoring compliance, reducing environmental impacts, and enabling sustained infrastructure investment.



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Trust in Water is a 501(C)(4) non-profit entity created to provide education about the role of private water and wastewater providers as trusted partners in delivering safe, clean, reliable, and sustainable water solutions to communities across America.