

# MUNICIPAL WATER/WASTEWATER PRIVATIZATION

**Francie Ciesla McManimon**  
McManimon, Scotland &  
Baumann, LLC

**Nancy Wohlleb**  
Mott MacDonald

**Sharon McCullough,**  
Borough of Haddonfield

**Dennis Doll**  
Middlesex Water Company

**Peg Gallos**  
Association of  
Environmental Authorities  
of New Jersey

# STATEWIDE WATER AND WASTEWATER SYSTEM SNAPSHOT

- Many municipalities facing system components 50 to 100+ years old
- Frequent water main breaks
  - Service interruption
  - Costly repairs
  - Damage to roads, businesses and homes
- Leaks - New Jersey has an average of 25% to 30% leakage rate
  - Costly to ratepayers
  - Inefficient use of rate payer revenue – could be used for system improvements

# STATEWIDE WATER AND WASTEWATER SYSTEM SNAPSHOT

- Many sewer pipes well beyond 50 year useful life
  - Rain/ground water seeps into pipes
  - Excess capacity
- Antiquated pump stations
  - Increase flow to pump – increase costs
- Statewide lack of capital investment in both water and wastewater systems
  - No appetite to increase rates for ratepayers or debt for taxpayers
  - Decreased revenues during Covid

# MUNICIPAL RESPONSIBILITIES

- Municipalities are tasked with:
  - Providing and distributing an adequate supply of water  
(*N.J.S.A. 40:14B-2*)
  - Water Quality Accountability Act (*N.J.S.A. 58:31-1*)(2017, amended 2021)
  - Lead service line replacement
- Providing for the collection and treatment of sewerage through adequate sewerage facilities (*N.J.S.A. 40A:26A-2*)

# 2023 NJLM MINI- CONFERENCE

Municipal Water and Wastewater Systems- Stay  
Public or Go Private?

System Assessments 101

Poll Question:

*What word comes to mind when you  
hear Water and/or Wastewater  
Infrastructure?*

# SYSTEM ASSESSMENTS 101

Water System Infrastructure

Source & Supply  
(Surface &  
Groundwater)

Treatment &  
Waste "Disposal"

Inter –  
connections &  
Metering

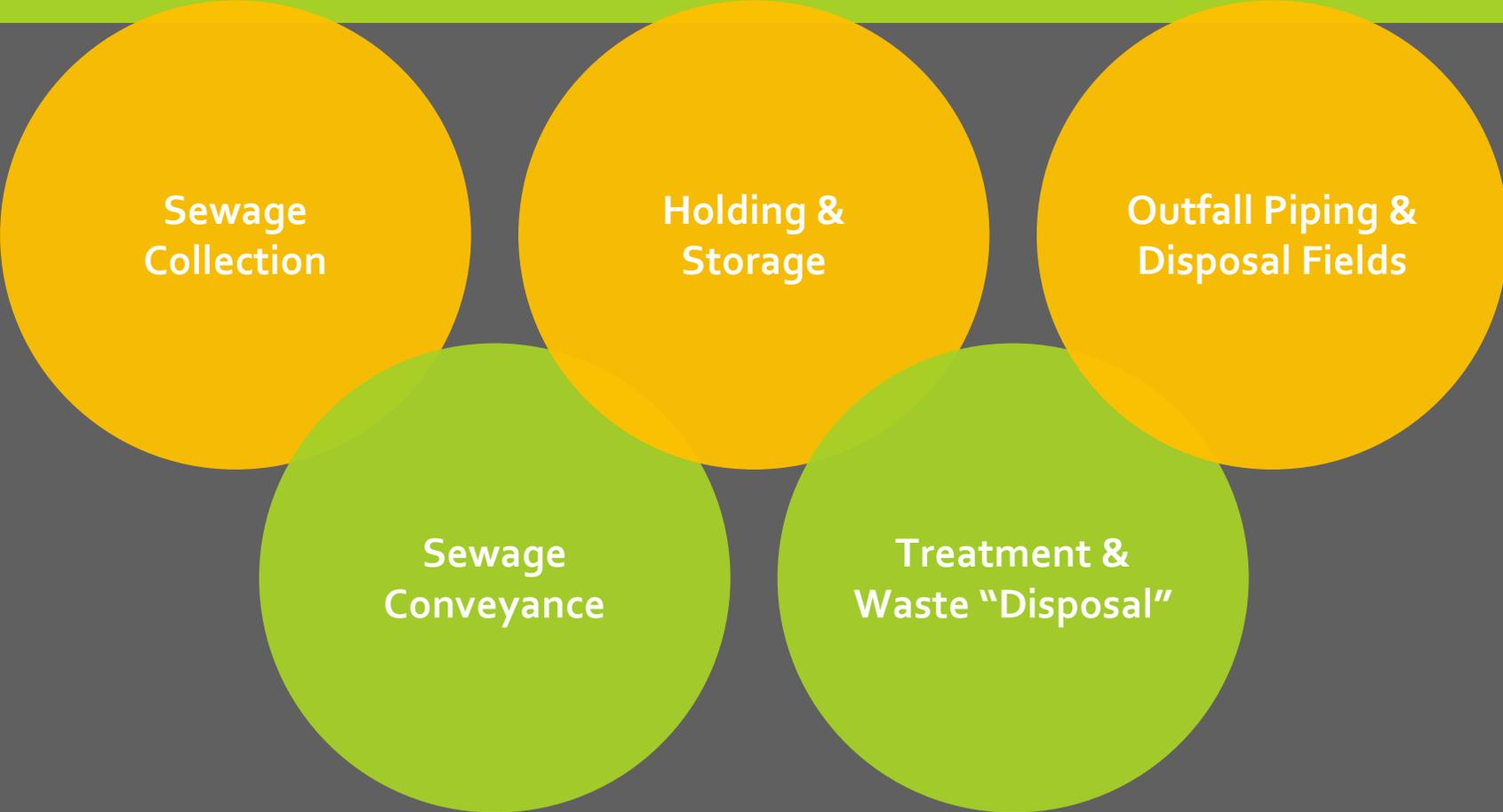
Storage (Tankage  
& Reservoirs)

Transmission &  
Booster Facilities

Distribution &  
Service Metering

# SYSTEM ASSESSMENTS 101

## Wastewater System Infrastructure



The diagram consists of five overlapping circles arranged in two rows. The top row contains three yellow circles, and the bottom row contains two green circles. The circles overlap in the center, creating a central area where all five components meet.

Sewage  
Collection

Holding &  
Storage

Outfall Piping &  
Disposal Fields

Sewage  
Conveyance

Treatment &  
Waste "Disposal"

# SYSTEM ASSESSMENTS 101

Other Infrastructure

Reclamation /  
Reuse Systems

Irrigation  
Infrastructure

(ISSDS, Septic  
Systems)

Real Estate /  
Mitigation  
Lands

Stormwater  
Systems (Green  
& Grey)

Combined  
Sewer System  
Infrastructure

Private Wells

# SYSTEM ASSESSMENTS 101

## Infrastructure Owner Responsibilities (Legal & Philosophical)

### Legal

- Provide the Service
- Regulatory Compliance
- Raise Revenue as a Fiduciary Responsibility
- Expend Public Funds to operate, maintain, renew, replace, increase, decrease infrastructure
- Safeguard Public Health & Safety

### Philosophical

- Support/Coordinate/Stakeholder Role with Other Public Services & Governmental Unit Programs/Plans
- Support Business & Commerce
- Document and Make Accessible Decision Making
- Community Education/Outreach

Poll Question: Can you think of other legal or philosophical responsibilities?

# SYSTEM ASSESSMENTS 101

## Ownership and/or Operational Options (Overview)

1

### Public (Single Muni)

Sewer Department

Utility

Interdepartmental  
Shared Services

2

### Public (Single Muni)

Sewerage Authority

Municipal Utilities  
Authority

3

### Public (Multiple Municipality)

Shared Services

Joint Meeting

Sewerage Authority

Municipal Utilities  
Authority

County Utilities  
Authority

4

### Public (Consolidated Regions)

Regional Authority

Watershed Boundaries

Unique Area Boundary

Commission

5

### Public (Private Engagements)

Contract Operations

Franchise Rights

Concession Agreements

Private Acquisition

# SYSTEM ASSESSMENTS 101

What does it take to Assess these systems?

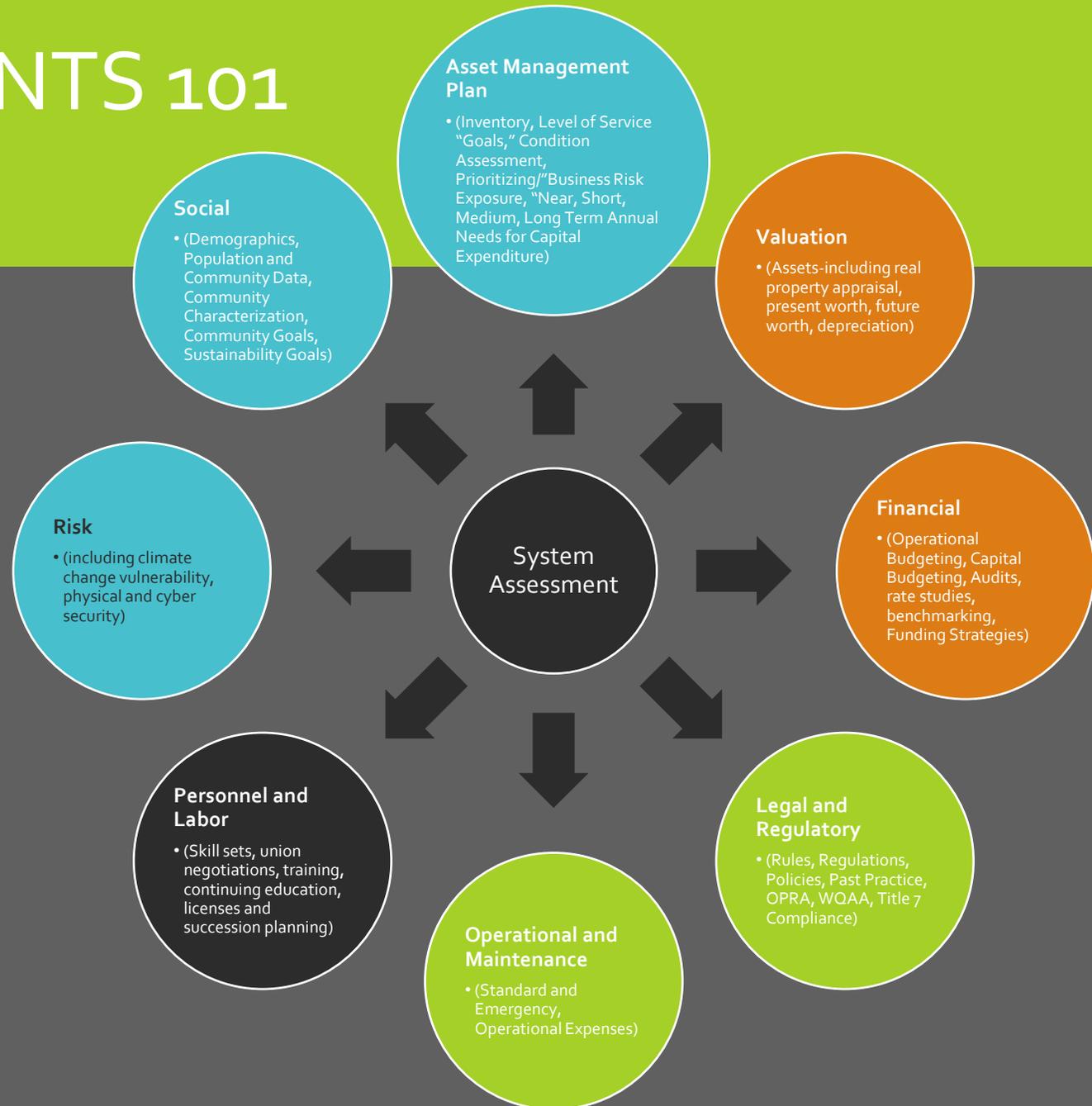
Process → Collaborative & Detailed

Timetable → Depends

- System Size & extent
- Data Readiness & Availability
- \*Condition Assessment Approach
  - Random Response
  - Systematic Naïve
  - Systematic Intelligent

Cost → Same as above but also depends on:

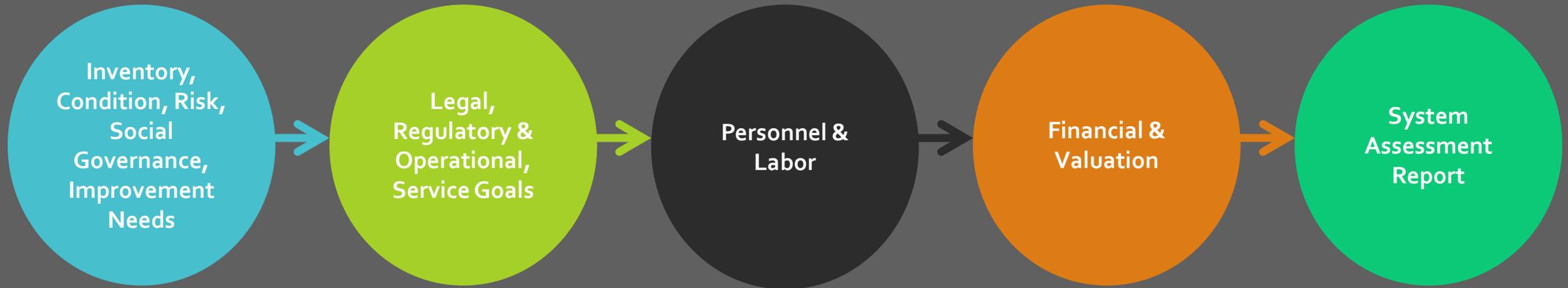
- Need for external partners
- Service Goals



\*As Defined in WEF MOP 7, 7th Edition

# SYSTEM ASSESSMENTS 101

## Collaborators for Assessment



### Collaborators

Engineering  
Operations  
Administration  
Risk Management  
Climate Change Specialists

### Collaborators

Engineering  
Legal  
Operations  
Administration  
Public & Users

### Collaborators

Legal & Bond Counsel  
Operations  
Administration  
Accounting

### Collaborators

Engineering  
Legal & Bond Counsel  
Operations  
Administration  
Accounting  
Financial Planning

# SYSTEM ASSESSMENTS 101

## Key Points

1

Know what you have, where it is & document what you do. Engage the collaborators and stakeholders

2

System Assessments and their elements are a BMP regardless of infrastructure ownership

3

Use Smart Tools to maximize data capture, analysis and trending to support decision making

4

Water and Wastewater Infrastructure are truly “assets” as they support human function & behaviour and indicators of quality of life



Thank you

# BOROUGH OF HADDONFIELD

- 2015 sale of water and wastewater systems
- Determine current financial position
- Advisory Committee/Task Force
- Obtain your facts
  - Assess condition of the system(s)
  - Analyze staffing impact
  - Analyze financial impact
- Assessment of options
- Bid process
  - Ensure you provide as much detail as possible
  - Include special requests
  - On-site visits
  - Once bids are received – review and assess financial data
- Referendum
  - Information Campaign
- State agencies
- Post sale issues

Francie McManimon  
[Fmcmanimon@msbnj.com](mailto:Fmcmanimon@msbnj.com)

Sharon McCullough  
[smccullough@haddonfield-nj.gov](mailto:smccullough@haddonfield-nj.gov)

Peg Gallos  
[pgallos@aeanj.org](mailto:pgallos@aeanj.org)

Dennis Doll  
[DDoll@middlesexwater.com](mailto:DDoll@middlesexwater.com)

Nancy Wohlleb  
[Nancy.Wohlleb@mottmac.com](mailto:Nancy.Wohlleb@mottmac.com)