

OUR WATER TRANSFORMED: AN ACTION AGENDA FOR NEW JERSEY'S WATER INFRASTRUCTURE

APPENDIX

Jersey Water Works: Recommended Solutions for 2017 - 2020

This is the full list of strategic solutions adopted by the Jersey Water Works Steering Committee that can lay the groundwork for wide-scale transformation of New Jersey's water infrastructure systems. These solutions can be implemented by many different parties.

Note: Priority solutions are shown above the dotted line, with immediate solutions shown in black, and longer-term solutions shown in gray.

1. Incentivize and require asset management programs

- Require asset management programs with phased implementation for drinking water, wastewater, and stormwater systems, including through capital improvement plans and funding.
- Authorize stormwater utilities and stormwater fees.
- Provide more state matching grants.
- Build capacity of small and poor performing utilities, including through peer-to-peer networks.

2. Educate the public and elected and appointed officials

- Raise awareness among the public and elected and appointed officials of the importance of taking care of water infrastructure.
- Educate on the costs of inaction, i.e. of not doing asset management and on the potential loss of community benefits.
- Require utilities to provide, and state agencies to collect and publish, simple metrics of system condition and utility finances.
- Require training for utility boards and local officials.
- Require utilities to integrate community master plan and redevelopment vision, as well as focused community input, into their asset management program.

3. Support and shape existing and new government funding initiatives

- Support and shape new state funding for water programs that advance Jersey Water Works goals.
- Communicate the importance of federal State Revolving Fund and U.S. Department of Agriculture financing programs.

4. Create a framework to assess the size of the "water infrastructure funding gap"

- Assess: How do we measure this? How do individual utilities stack up? State total?
- Emphasize a full-cost pricing approach that accounts for all costs of a project over its expected

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life.

- Consider short- and long-term goals, including goals for clean water and levels of service. Note that permit-compliance should be a floor and not a ceiling.
- Include cost of implementing formal stormwater systems with separate full cost pricing, clear financing and coordination with water and sewer systems.
- Ensure affordability of water and sewer service for low-income households.

5. Excite the public to create a groundswell of support

- Foster the use of a results-oriented communications approach by water utilities.
- Identify cross-sector collaborations for utility public outreach.
- Reinforce the connection between investment in water infrastructure and community benefits (clean rivers, healthy neighborhoods, etc.)

6. Work with state regulatory and utility management as follows:

- Support workforce development at the state regulatory and utility management level through education and training to increase professional capabilities and program efficiencies.
- Promote increased state level coordination by regulatory agencies including DEP, BPU and DCA in setting metrics, ensuring reporting, and other requirements regarding system performance, cost efficiency and capital investment.
- Encourage utilities to optimize internal efficiencies to increase financial capacity and build the case for rate increases, if truly required.

7. Increase the use of water use efficiency and green infrastructure as cost reduction strategies.

- Promote best practices for conservation of water, including rate structure and design.
- Reduce water loss from drinking water distribution systems, including reducing leakage from old pipes and measurement errors that lead to under-billing.

8. Standardize state requirements for bid regulations and authorize bidding and financing of both design and build costs together (i.e. design/build contracts.)

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