



Pulitzer Prize Winning Author Among Speakers at AEA Spring Conference

AEA is welcoming a Pulitzer Prize winning author as its keynote speaker and moving to the Boardwalk for its spring conference this year in Atlantic City. On Tuesday, March 14 and Wednesday, March 15, AEA members and friends will gather at Bally's for networking and education, plus the annual Wave Award Luncheon. This year the awards luncheon will feature a graduation ceremony for the 14 men and woman who completed the Environmental Professional Development Academy, a pilot training program started in 2016.

The conference begins at 11 a.m. when the exhibit hall opens, fol-

lowed by lunch at 11:30. The Tuesday afternoon program includes a panel on preparing the next generation of managers. Panelists will include Jennifer Jones, assistant organizational development administrator human resources and organizational development at Passaic Valley Sewerage Commission, and Gina Scully, retired administrator who served more than 30 years at Pemberton MUA. Following the panel, registrants will attend one of two concurrent sessions, one on biosolids and the other on drinking water. The biosolids presentations will focus on an energy efficiency partnership Rahway Valley SA is participating in and wastewater resource recovery. For drinking water, there will be a presentation on emerging contaminants and another about Monroe Township's basin transfer plan.

At 4 p.m. everyone will recon-



Dan Fagin

vene in a plenary session for a very special presentation entitled, *Connecting the Dots in Toms River and Beyond*. Professor of Journalism and former Newsday reporter Dan Fagin will discuss his Pulitzer Prize winning book, *Toms River: A Story of*

Continues on page 10

Highlights

NJM Insurance available to Members

Page 7

45 Years of Advocacy, Education & Outreach

Page 8

New Procurement Standards

Page 12

AEA Monitors Privatization

By Peggy Gallos

The AEA Board of Directors continues to keep a weather eye on developments relating to privatization in New Jersey and has made it one of its top priorities in 2017. With a new, pro-privatization administration in D.C. and ever-increasing interest of private equity firms in water as an investment, 2017 could prove to be the landmark year in New Jersey for

privatization (often called, rather euphemistically, “PPPs” or “public-private partnerships”). Pressure to outsource management or sell systems outright here or as Chris Ward of NY AECOM put it, to “drive investment into PPPs,” will continue to be as great as we have seen it or even greater.

All the ingredients are there. For decades, municipal governments receiving less and less State sup-

Continues on page 3

LEADERSHIP IN ENVIRONMENTAL AND REDEVELOPMENT LAW, LITIGATION & NOW *CLIMATE CHANGE RESILIENCY*

Recognizing the ever-increasing challenges that our local government entities face as the result of extreme climate forces affecting public health, safety and the environment, Maraziti Falcon, LLP has developed a practice area devoted to assisting our clients to increase resiliency and strategically plan for a changing climate.

Extreme weather conditions and excessive regional, local and coastal flooding and storm surges threaten infrastructure, transportation and our clients' ability to protect assets, resulting in a need to adapt governance to meet these challenges and revise existing policies and ordinances to better protect against the adverse effects of these life-altering events.

This practice area complements Maraziti Falcon's existing practice devoted to the counseling of public and private entities regarding environmental, redevelopment, land use law, government, construction law and litigation.



*Environmental and Redevelopment Law,
Litigation & Climate Change Resiliency*

150 JOHN F. KENNEDY PARKWAY, SHORT HILLS, NEW JERSEY 07078
(973) 912-9008 • FAX (973) 912-9007 • WWW.MFHLAW.COM

The Authority View

AEA-NJ Newsletter is published three times a year by the The Association of Environmental Authorities
2333 Whitehorse-Mercerville Road
Suite 2, Mercerville, NJ 08619
609-584-1877 • Fax 609-584-8271
Web Site: www.aeanj.org

2017 Leadership Team

Officers

MICHAEL RUPPEL, PRESIDENT
South Monmouth RSA

DAVE HARPELL, 1st Vice President
Jackson Township MUA

JUSTIN FLANCAUM, 2nd Vice President
Lakewood Township MUA

RICHARD BRAND, TREASURER
East Windsor MUA

RICK DOVEY, PAST PRESIDENT
Atlantic County UA

Directors

DIANE ALEXANDER, ESQ.
Maraziti Falcon

CHRISTINE BALLARD
T&M Associates

STEVE BLANKENSHIP
Hamilton Township MUA

BRIAN BRACH
Manasquan River RSA

SUE BRASEFIELD
Maser Consulting

SCOTT CONKLIN
Ocean County UA

BOB FISCHER
Bayside RSA

MICHAEL GIANFORTE
Two Rivers Water Reclamation Auth.

MANUEL PONTE
R3M Engineering

JOSEPH RIZZUTO
Cape May County MUA

STEVE SPECHT
Brick Township MUA

GREG TRAMONTOZZI
Passaic Valley SC

RICHARD WATSON
Hamilton Twp. DWPC

LEGAL COUNSEL

JOHN NAPOLITANO, ESQ.
Cleary Jacobbe Alfieri Jacobs LLC

EXECUTIVE DIRECTOR
Peggy Gallos

OFFICE MANAGER
Karen Burris

Privatization

Continued from page 1

port transferred funds away from water infrastructure funds, deferred upgrades and maintenance schedules, and pushed pipe and pump replacements to “next year.” Many avoided rate increases. At the same time, municipalities accumulated pension and other types of debt.

So while there is great need, there are no great options for funding not financed directly from each system users. Our state’s Transportation Trust Fund’s empty pockets were addressed finally, but New Jersey does not maintain a similar funding source for water infrastructure projects. It is harder to make the case for a water-version of the TTF given that our state has failed to adopt an updated Water Supply Management Plan (last adopted in 1996), which would provide clarity for water supply planning. The new federal Water Infrastructure Finance and Innovation Act (WIFIA) provides loans and credit enhancement but is aimed at large-scale projects.

Enter the newly minted administration in D.C. It has put forward an infrastructure investment plan that relies on privatization, not public expenditure via bonds. With a big boost from that and the availability of about \$140 billion in private equity funds, the record \$57.5 billion invested in 2016 is likely to be broken in 2017. “A critical component ... is private investment,” according to an article in The Hill (12.28.16). The idea is to “build up infrastructure through the private sector (financed almost entirely through tax breaks)...” According to the same article “private companies will not only independently pay for and build the internal improvements but also own them.”

The Administration’s plan calls for raising \$167 billion through “private investment.”

The Bayonne Deal

One early indicator of how private equity is becoming involved is Bayonne, and it isn’t your grandmother’s form of privatization. Familiar to many of us are either outright purchase by an investor-owned utility or contract-ops arrangements. An example of the former is New Jersey American’s purchase of Haddonfield’s system for \$28 million. Examples of the latter are arrangements Jersey City MUA, Monroe Township, and North Hudson SA have. The Bayonne deal is different. It involves a public agency, an investor-owned utility, and a *private equity firm*.

Kohlberg Kravis Roberts (KKR) and Suez (then United Water) entered into a 40-year contract with Bayonne in 2012. Bayonne received \$150 million upfront, which it used mostly to pay down debt. KKR/Suez committed to spend \$157 million over the next four decades. KKR investors are guaranteed minimum revenue, and if the utility does not produce the revenue to achieve that, then rates can be increased.

Bayonne indeed raised rates 13.25 percent in 2015 and 28 percent overall since the deal was struck, despite promises made in public statements that rates would stay flat for four years. Liens tripled in 2013 and remained high in 2015. 465 were recorded, far more than what was typical prior to the KKR deal. A Wall Street Journal article (12.22.2016) says that KKR is “shopping its stake in water ventures in

Continues on page 11



President's Message

AEA Comes on Strong in its 46th Year

The AEA Board of Directors met Jan. 19 at the Hamilton Township conference center, not far from the AEA office in Mercerville, to take its annual look at what was accomplished in 2016 and what the goals and objectives for 2017 and beyond should be.

First we reviewed the AEA mission, which is to deliver information, education, and advocacy programs and services that help member organizations provide excellent service to ratepayers. We discussed areas of accomplishment which included that AEA successfully piloted a program called the Environmental Professional Development Academy (EPDA), continued its successful mentoring program, welcomed several new authorities and associate member firms to its membership, and continued its strong program of legislative advocacy.

In 2017, the board strongly endorsed continuing our legislative advocacy and regulatory “watchdog” activities and determined to become an even more prominent “voice” on issues which impact our members and their ratepayers. We also plan to remain committed to developing educational programs on the latest technologies, asset management, operational methodologies, new

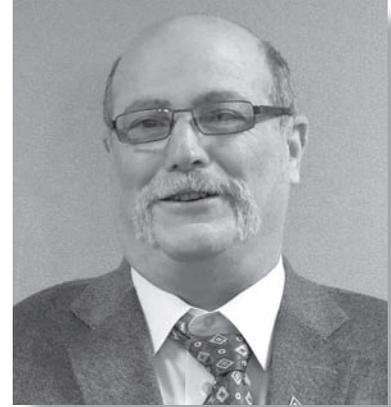
regulations, management & leadership, and ethics. A key part of that will be continuing the Environmental Professional Development Academy and creating training that reaches board members/commissioners, and intermediate level staff in our member organizations.

We will continue to seek innovative ways to grow our membership and hope to add five new members this year. At the same time, we want to reconnect with members who may be less active.

We recognize the need to promote AEA externally to new members and internally to commissioners and staff of member authorities and townships to create a sense of “ownership” in these groups. Where appropriate, we hope to partner with other organizations serving the water, wastewater, and solid waste utility sectors and municipalities on educational and other programs and identify where we can provide complementary services to members unique to AEA. We will also target agencies who could benefit by membership in AEA and directly reach out to them.

We will continue to provide information and presentations to members, legislators, regulators, rate payers, and the public at large on the costs of privatization, and we will continue to report on public agency success stories.

The 50th anniversary for AEA is around the corner – in 2021, and the



By Mike Ruppel

board felt this was the perfect time to prepare a five-year strategic plan to get us to that milestone and beyond. The creation of a plan will engender long-range thinking and planning on topics including branding, succession planning, use of shared services, cooperative purchasing, committee realignments, diversity, budget planning, and use of reserve funds.

Never in the history of this association has the need for your continued participation, feedback, and overall support been more critical. The realities we are facing today promise that the challenges we will face tomorrow will undoubtedly be further reaching and more complex. We hope we can count on you.



From the source to the tap,
trust H2M with your H₂O.

H 2 M water

practical approach. creative results.

comprehensive water supply + water resources engineering
538 Broad Hollow Road, Melville, NY 11747 | t 631.756.8000
h2m.com



Alaimo Group
Consulting Engineers

200 HIGH STREET, MOUNT HOLLY, NJ 08060
Tel: 609-267-8310 Fax: 609-845-0300

2 MARKET STREET, PATERSON, NJ 07501
Tel: 973-523-6200 Fax: 973-523-1765

www.alaimogroup.com

Executive Director's Message

Who Needs a Local Source of News? You do

Newspapers in New Jersey are in bad shape. Profits are falling. The Star Ledger cut staff and then cut it again. The Record, purchased recently by Gannett, announced staffing changes—400 will lose their jobs. Cresskill and Tenafly each had

Authority View, who are part of public agencies that are providers of water, wastewater and solid waste services, or who are employed by organizations closely associated with those public agencies, care? After all, aren't reporters an irritation? They write stories that are incomplete or inaccurate,



By Peggy Gallos

FOR RELEASE November 1, 2016

Civic Engagement Strongly Tied to Local News Habits

Local voters and those who feel attached to their communities stand out

BY Michael Barthel, Jesse Holcomb, Jessica Mahone and Amy Mitchell

their own weekly newspaper providing pages of local news, but they were merged to a regional paper. There are 21 counties and well more than 500 municipalities in the state. Today there are just 16 dailies, 12 group weeklies, and 15 independent weeklies, according to the NJ Press Association website.

Some local news has migrated to online platforms: NJ Arts, NJ Spotlight, Politico NJ. A chain called TapInto.net operates franchise sites for 60 towns in New Jersey. In my own town, the owner of a local B&B runs a "good news" Facebook page. No doubt there are others like this.

Why should the readers of

and they take up staff time. Reporters wrote unflattering stories about executive director salaries in Stafford and Mount Holly. News stories on indicted officials or ones that oversimplify or misinterpret drinking water information frustrate many of us.

But if you say good riddance to nosey local media, think again. Local media is by and large a good thing. It's kind of like a visit to the dentist—it can be unpleasant or disruptive, but it is necessary and can help you avoid worse problems down the road. Local media coverage may not always be comfortable, but it is a useful tool. Local newspapers and

local media and local public agencies like municipalities and authorities are, as the old New Jersey tourism slogan said, "perfect together." Without local news coverage, you can't connect with your ratepayers. Without local news coverage, you don't have a platform to tell your side of a story.

In this digital world, it isn't surprising that news printed on paper is going the way of other wood-pulp formats--the telephone directory, the birthday card, or the monthly electric bill in the mail. But what shouldn't be lost is local news. Why? Because consumers of local news are the same people who care about your utility.

A recent Pew Research Center study found that civically engaged people are more likely to value and use local news sources. And civically engaged people are the ones who are most likely to take their Girl Scouts to tour your plant, or question your mayor's plan to sell the water system.

When Evesham Township MUA was under consideration to be dissolved, civically engaged citizens were instrumental in broadening and deepening the community dialogue. They questioned the rather one-dimensional story the township's ambitious mayor was putting forth.

Continues on page 6

Who Needs a Local Source of News?

Continued from page 5

They ran a Facebook page with updates and information relating to the matter. Their involvement drew the local press, which did reporting that included views on both “sides” of the issue. As I write this, momentum to dissolve the authority has slowed.

Executive Director of Landis SA, Dennis Palmer, will tell you that his efforts to build rapport with the local press have paid off more than once. He makes sure the community knows that his commissioners oversee an efficient and innovative organization. He invites the local press to cover his annual poster contest. He made sure to request press coverage when he was giving a tour to African engineering students and when his board engaged in an innovative approach to capital financing. He also relies on the local press to tell his side of a story involv-

ing his authority. He was able to do this not long ago when his mayor was holding secret meetings about dissolving the authority.

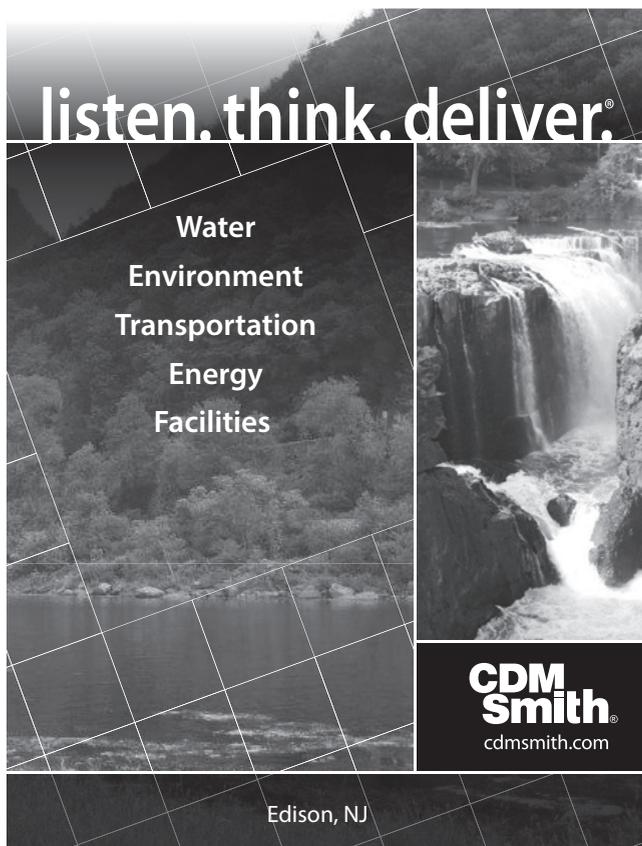
One executive director, faced with successive sewer line breaks in a short space of time, prepared media statements (releases), to be distributed to the local media. She tells me this is part of her SOP for such situations. It enables her to get out in front of events that could affect the perception of her customers or of local officials. It also enables her to alert her community about changes in traffic patterns or about service disruptions.

The press is taking some pretty hard hits lately. That’s too bad. Let’s not forget that a free press, promoting transparency and public dialogue, are one of the principles our Founders fought for. Those of us involved in local government have an interest

in a vibrant and engaging local news source.

So my advice is, if you have an old-fashioned local weekly or a daily that covers local news, support it. Subscribe to it. Send press releases out when you have a good story to tell. If you don’t have a community newspaper, seek out the online versions such as the TapInto or even your community Facebook page. Recognize that reporters these days gather news tips on Twitter – so start tweeting!

Locally engaged people read local news. These are the very people most likely to value you and the fact that you too are local.



listen. think. deliver.®

Water
Environment
Transportation
Energy
Facilities

**CDM
Smith**
cdmsmith.com

Edison, NJ

Authority View is written and edited by AEA staff and volunteer contributors.

It is printed by Hermitage Press, Trenton NJ.

Editor:

Peggy Gallos

Associate Editor:

Karen Burris

Advertising Manager:

Karen Burris

**Contributing Writers,
this issue:**

Digesh Patel

Erica Rosso

Graphic Designer:

Trend Multimedia

AEA Members Now Eligible to Apply for NJM Auto, Homeowners Insurance

By Erica Rosso

Public sector employees including those who work for AEA member organizations are now eligible for auto and homeowners insurance through NJM Insurance Company. Originally this insurance was limited in availability to members of the New Jersey Business & Industry Association (NJBIA) and their employees.

NJM is a leading provider of personal lines insurance in the State, covering more than one million drivers and 318,000 homes, apartments and condos. The company also offers umbrella insurance, and makes motorcycle, ATV and watercraft insurance available to its personal lines policyholders. Its mission is to deliver value-based insurance solutions for the benefit of its policyholders while maintaining the highest levels of service, integrity and financial stewardship. In addition to competitive rates, NJM has nationally recognized customer service, which is provided by a staff of 2,500 New Jersey-based employees.

NJM's has delivered dividends to

its policyholders each year since 1918. Over that time, the Company has paid nearly \$6 billion in dividends to policyholders, helping to reduce insurance costs for generations of New Jersey drivers, homeowners and businesses. In 2016 alone, NJM auto insurance policyholders received an average of \$218 in dividends.

To get more information on NJM's personal lines products, go to njmmunicipal.com or call 1-844-213-4710 to speak with one of our representatives. If you would like to request informational posters or brochures to share with colleagues, or schedule an NJM representative to visit your worksite to provide free, no-obligation quotes for employees, please email us at PLSales@njm.com.



Erica Rosso

About the Writer: Erica Rosso is in Personal Lines Sales at NJM. Her contact: ERosso@njm.com or (609) 883-1300 ext. 7282.

Did You Know?

AEA members provide services to approximately 8 million people in New Jersey.



SUBURBAN CONSULTING ENGINEERS, INC.

100 Valley Road, Suite 202, Mt. Arlington, NJ 07856
2430 Highway 34 Building A, Suite 1R, Wall, NJ 07719

CIVIL ENGINEERS ♦ MUNICIPAL ENGINEERS
LAND SURVEYORS ♦ LANDSCAPE ARCHITECTS
ENVIRONMENTAL SCIENTISTS ♦ PLANNERS

EXCELLENCE ♦ ECONOMY ♦ ENVIRONMENT

www.suburbanconsulting.com ♦ info@suburbanconsulting.com



45 Years of Advocacy, Education and Outreach

1970s

1971 Authorities Association of NJ founded

Advocacy begins on legislative front as AANJ announces opposition to three bills

A long tradition of keeping members informed begins when AANJ issues 1st edition of newsletter

Public education and outreach efforts get boost when AANJ is represented on "Jerseyfile" TV show

1980s

AANJ's valuable role in analytical and impact assessment matures when it studies statewide management plan

Our valuable role in analytical and impact assessment matures when AANJ studies statewide management plan

AANJ secures 29 amendments to NJ Clean Water Enforcement Act

Efforts made to recruit drinking water authorities

AANJ helps members adjust as grant funds decrease

1990s

1991 -- AANJ becomes the Association of Environmental Authorities

Advocacy in legal realm is the focus, as AEA files amicus brief in change-of-use matter

Public education efforts extend to kids when AEA publishes teacher environmental guide

Going beyond environmental regs, AEA educates members on alternative dispute resolution

AEA creates member database and logs nearly 100 hours at "Mega-rule" meetings

2000s

AEA matters: Senate President, Minority Leader, & four Legislators address Conference

After 9/11, AEA invited to serve on new Industrial Advisory Committee to Domestic Security Task Force and helps develop wastewater security best practices

Responding to changing needs, AEA forms effluent reuse Committee

AEA, NJWEA Begin annual joint Session; AEA creates CD of commissioner orientation book

Public education and advocacy efforts come together as AEA publishes brochure on value of authority model of utility service delivery

AEA hones reputation as thought leader: President discusses preserving water resources on "Caucus NJ"

2010 to 2015

AEA submits comments to Red Tape Commission Suggesting ways to improve regulatory process; establishes HR committee

We demonstrate our key role as a network & resource by holding daily conference calls to help facilitate aid to members devastated by Superstorm Sandy

Water Resources Association honors AEA with Special Recognition Award for Sandy efforts; AEA successfully defangs bill to raid county authority funds

When Legislature fast-tracks bill to make easier and less transparent the steps required to sell a clean water system, AEA raises the alarm and helps lead statewide opposition

AEA helps preserve new-member MUA by advising it on demonstrating value to community, enhancing best practices

2016

AEA becomes direct provider of TCHs; establishes pilot training academy.

AEA celebrates 45 years

Pulitzer Prize Winning Author Among Speakers at AEA Spring Conference

Continued from page 1

Science and Salvation, which tells in great depth the story of the drinking water contamination in Toms River. Many conference attendees will know elements of this story. Mr. Fagin will enlarge their understanding with a presentation about the writing of the book, its aftermath in Toms River, for environmental journalism, and more. Prof. Fagin will also discuss the role of journalism in democracy. He will also be on hand to meet attendees and sign his book.

On Wednesday, continental breakfast is at 7:30 a.m. and the day's presentations begin at 8:30. First up will be a presentation on redevelopment agreements by attorney and long-time AEA associate member Joe

Maraziti. Following that, several AEA members will discuss work AEA has been doing on connection fee reform. Later, Pilar Patterson of Kleinfelder and Diane Alexander of Maraziti Falcon will discuss the committee's current agenda and provide an update from a meeting that a group of committee members had with the NJDEP to discuss Sufficiently Sensitive Testing Methods regulations.

At 11 a.m., the attendees will split, to attend one of two presentations, one on energy and the other on the recycling market.

Following the morning presentations, join AEA members, family and colleagues for the annual Wave Award luncheon and Environmental Professional Development Academy

recognition event.

"We planned a spring conference that included content for water, wastewater and solid waste," says Bill Gettings of AEA member firm Hazen and chair of the AEA Education and Conference Committee. As this article is being written, a sub-committee of the E&C Committee, is reviewing conference abstracts and determining how many water and wastewater TCHs and engineering PDHs will be assigned.

Conference materials can be found at www.aeanj.org and were distributed to members via email. Please contact Karen or Peggy if you have any questions.

Guaranteed Environmental Maintenance Services



Industrial Cleaning Sewer, Storm Water, Water Line Cleaning and Maintenance

- Water Line Leak Detection
- Vacuum Truck Services
- Sewer Line Cleaning
- Water Blasting
- CCTV/Sonar Pipeline Inspection



Dredging & Dewatering Services

- Digester/Tank Cleaning
- Hydraulic Lake and Marina Dredging
- Lagoon Cleaning
- Sludge and Sediment Dewatering
- Excavation and Soil Solidification

All Work Performed to Your Complete Satisfaction

Call Us Toll Free 1-800-635-9689



Mobile Dredging & Video Pipe, Inc.

The Environmental Protection Specialists
3100 Bethel Road ■ Chester, PA 19013
www.mobiledredging.com



Insight. Expertise. Innovation.

We deliver on your environmental challenge.

- Wastewater Engineering
- Regulatory Support
- Stormwater Management

Research Park
321 Wall Street
Princeton, NJ 08540
609-924-8821

www.kleinfelder.com
(formerly Omni Environmental)

AEA Monitors a Pro-Privatization Atmosphere

Continued from page 3

New Jersey and Pennsylvania.” KKR hopes to sell its 90% stake in Bayonne for a profit. In other words, KKR wants to “flip” Bayonne’s water system. The enticement to buyers: steady returns.

An important point here, and one that AEA members should keep in mind as the inevitable privatizations “gospel” reaches their communities, is that private equity deals are more expensive than direct contracts or direct purchases. According to the New York Times (*In American towns, private profits from public works*, 12.24.2016.), private equity firms earn eight to 18 percent higher than investor-owned utilities.

Other Factors

It is also worth noting that there are other factors contributing to the pro-PPP environment. Over the last year, DEP and DCA have finalized guidance and regulations to implement the Water Infrastructure Protection Act, which will help investor-owned utilities to purchase water systems because it streamlines, under certain conditions, the process of purchase. (AEA and the Ratepayer Advocate noted when the bill was in the Legislature that it is likely to inflate purchase prices and thus increase the burden on ratepayers.)

Another factor of note is that there is great attention being given to water than many of us have seen for years. The State is getting serious about CSO remediation and storm water pollution, as reflected by recently issued CSO and MS-4 permits and by NJDEP efforts to promote regional and inter-local solutions. The tragedy of Flint prompted New Jersey lawmakers to introduce a flurry of water-related bills. It also led to the creation of the Joint Legislative Task Force on Drinking Water. AEA, represented by Pam Carolan, Dave Harpell and Peggy Gallos, accepted an invitation to testify before the

Task Force in November. AEA told the Task Force the many ways public agencies invest in their systems and criticized diversion of water and sewer funds, but our team was struck by the degree to which Task Force members seemed to see privatization almost as the only viable option.

Asset management is getting more than just lip service these days, and that is also a factor that will ratchet up the pressure on small or under-invested systems. Last year, NJDEP did some serious research in to how much asset management is going on in New Jersey. (Turns out the answer is -- far more than they thought, by the way.) CSO permits and NJEIT funding applications include asset management-related requirements. Senator Steve Sweeney, the Senate President, has sponsored a

bill (S2834) that requires asset management. AEA supports asset management and supports the bill—but when Pam Carolan, Steve Blankenship and Peggy Gallos testified before Sen. Bob Smith’s Environment and Energy Committee in January, they also noted that S2834 might increase pressure to privatize.

Rome wasn’t built in a day and privatization won’t happen all at once. It will happen here and there, one, two or three communities at a time. In the meantime, AEA will continue to proclaim the positives of public ownership and operation and help its members articulate their value to their communities.

About the writer: Peggy Gallos is the executive director of AEA.



AND T&M
YOUR GOALS. OUR MISSION.

WATER/WASTEWATER MGT.
OPERATOR ASSISTANCE
CONSTRUCTION MGT.
PUBLIC DRINKING WATER SUPPLY
ENERGY REDUCTION
WATER TREATMENT DESIGN & ENGINEERING
WATER MAIN DISTRIBUTION DESIGN & REHABILITATION

800.323.3647
tandmassociates.com

CONSULTANTS | ENGINEERS | ENVIRONMENTAL SPECIALISTS

Are You Complying with the New Procurement Standards Under Uniform Guidance?

For all state, local and non-profit entities that receive federal awards, whether direct or pass through, Uniform Guidance took effect with fiscal years that began after December 26, 2014. Procurement standards is one of the many areas that management and staff at all state, local and nonprofit entities need to review and understand, to be in compliance with the Uniform Guidance.

In the new uniform guidance, there are five general procurement standards.

Every organization receiving federal awards must maintain written policies and procedures that meet the federal law, Uniform Guidance and state-imposed regulations. Costs incurred must be necessary and cost-effective.

All procurement transactions must provide full and open competition.

Every organization must have a written conflict-of-interest policy. Organizations must maintain documentation addressing cost and price analysis, and vendor selection, as applicable for selected method of procurement. There are five methods of

procurement: 1. Micro-purchases are less than \$3,000 (\$2,000 for procurement subject to Davis Bacon Act), no competitive quotes are required, and purchases are spread out among qualified suppliers. 2. Small purchases are between \$3,000 and \$150,000

Rate quotes for them must be obtained from an adequate number of qualified suppliers, and quotes can be obtained from suppliers or public websites. 3. Sealed bids are more than \$150,000. Formal solicitation is required, and the lowest bidder for the fixed prices wins the contract. 4. Competitive proposals are more than \$150,000. There must be a written policy for conducting technical evaluations of reviewing proposals and selecting the supplier. The most advantageous bid wins, and price and other factors considered. 5. Noncompetitive proposals are sole-source procurement for any amount. The proposals must meet specific criteria such as: good/service available from single source; competition that is deemed inadequate, after attempts through one of the other methods mentioned above; and public emergency does not allow for the time for competitive proposal process. Written pre-approval must be



*By Digesh Patel, CPA, MBA, CGMA,
Director, The Mercadien Group*

obtained from the federal awarding agency.

As mentioned above, this is just one of the many areas that Uniform Guidance has incorporated significant changes, which are important for all entities to understand.

***About the Writer:** Digesh Patel is a member of Mercadien's Government Services Group and can be reached at dpatel@mercadien.com or 609-689-9700.*

Greenbaum Rowe
Smith & Davis | LLP
COUNSELORS AT LAW

DENNIS A. ESTIS
Chair, Construction Practice Group
General Counsel, Rahway Valley Sewerage Authority

T: 732.476.2510
F: 732.476.2511

destis@greenbaumlaw.com

Woodbridge | Roseland
www.greenbaumlaw.com



THE BUZAK LAW GROUP, LLC
Attorneys at Law

MONTVILLE OFFICE PARK
150 RIVER ROAD SUITE N-4
MONTVILLE, NEW JERSEY 07045

EDWARD J. BUZAK
EJBUZAK@BUZAKLAWGROUP.COM

(973) 335-0600
FAX: (973) 335-1145

AEA welcomes the following new board members



*Diane Alexander,
Esq., Maraziti
Falcon*



*Christine
Ballard, T&M
Associates*



*Steve
Blankenship,
Hamilton Twp.
MUA*



*Brian Brach,
Manasquan
River RSA*



*Steve Specht,
Brick Twp. MUA*



*Greg
Tramontozzi,
Esq., Passaic
Valley SC*

Tomorrow's Citizens



Amy Menzel gives overview of wastewater treatment process to school children from Millville during a tour of the Atlantic County UA treatment plant.

Learning How to Address Cyber Threats



The AEA IT Committee presented its third workshop in January at the Ocean County UA. The theme was cyber security. Among the presenters was Elke Sobieraj, Chief of Private Sector Assessments for the U.S. Department of Homeland Security Office of Cybersecurity & Communications. She briefed 35 attendees on "Cybersecurity Risks to Industrial Control Systems."



Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

**A Professional Association
Certified Public Accountants**

401 Wanaque Avenue
Pompton Lakes, NJ 07442

Phone: (973) 835-7900
Fax: (973) 835-6631

fwcc@optonline.net



300 LIGHTING WAY
SECAUCUS, NEW JERSEY 07096
T: (201) 863-4400 | F: (201) 863-2866
LAWWMM.COM

WMM is a full-service law firm established in 1962, with decades of experience among its public finance attorneys serving local governments, and their political subdivisions, statewide.

Jason P. Capizzi, Esq.
John L. Kraft, Esq.

David McPherson, Esq.
Mark McPherson, Esq.

James Spanarkel, Esq.
Eric McCullough, Esq.

Advertiser Index

These advertisers support your association.

Alaimo Group.....	Page 4
CDM Smith.....	Page 6
Ferraioli, Wielkotz, Cerullo & Cuva.....	Page 13
Greenbaum, Rowe, Smith & Davis.....	Page 12
H2M Architects.....	Page 4
Hazen and Sawyer.....	Page 14
HDR.....	Page 14
Kleinfelder.....	Page 10
Maraziti Falcon.....	Page 2
Mobil Dredging & Plumbing.....	Page 10
Mott MacDonald.....	Page 15
Suburban Consulting Engineers.....	Page 7
T&M Associates.....	Page 11
The Buzak Law Group.....	Page 12
Water, McPherson McNeil, P.C.....	Page 13



Hazen

hazenandsawyer.com

William S. Gettings PE, MBA 333 Thornall Street, Suite 3B
 Direct: 732 491-2811 Edison, NJ 08837
wgettings@hazenandsawyer.com 732 491-2810



Small Changes Big Savings

Minor equipment modifications, improved processes and electrical demand management at three plants will reduce HRSD's operating costs by over \$400,000 annually. **This is where great begins.**



hdrinc.com



We are now Mott MacDonald

Hatch Mott MacDonald in the United States is **Mott MacDonald**. We are now aligned with our global operations in Canada and throughout the world.

With 2300 staff in North America and 16,000 around the world, we are better positioned than ever before to meet your challenges with creativity and innovation.

www.mottmac.com/americas

Transportation
Water and environment
Oil and gas
Power
Building and facilities





2333 Whitehorse-Mercerville Road
Suite 2, Mercerville, NJ 08619



Newsletter of

The Association of Environmental Authorities

2333 Whitehorse-Mercerville Road, Suite 2, Mercerville, NJ 08619
609-584-1877 | Fax: 609-584-8271



Printed on recycled paper

This newsletter is published by the Association of Environmental Authorities of New Jersey three times a year as a service to its members. No material may be reprinted from this publication without the express permission of the editor. The Association of Environmental Authorities of New Jersey assumes no responsibility for opinions or statements of facts expressed by contributors or advertisers, and editorials do not necessarily represent official policy of the organization. Display and classified advertisements are included as an educational service to our readers. Advertising rates and information may be obtained by calling 609.584.1877 or by referring to the AEA web site www.aeanj.org.



AEA is a nonprofit association of governmental agencies and supporting private businesses that are dedicated to maintaining and improving New Jersey's land and water environment by providing high-quality water, wastewater and solid waste utility services to New Jersey businesses and residents at reasonable rates.