

State of New Jersey

CHRIS CHRISTIE
Governor

KIM GUADAGNO Lt. Governor DEPARTMENT OF ENVIRONMENTAL PROTECTION
WATER RESOURCE MANAGEMENT
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BOB MARTIN Commissioner

September 26, 2016

Dear Water System Owner/ Operator,

I am writing to you to make you aware of new resources the New Jersey Department of Environmental Protection (DEP) has available to assist you in implementing or refining asset management practices at your water system.

- 1. DEP's asset management website (http://www.nj.gov/dep/assetmanagement):
 - Provides an overview of asset management and its principles;
 - Applicable regulations and requirements;
 - Current status of asset management activities in the State;
 - Resources, guidance, and tools;
- 2. Technical Guidance and Asset Management Checklist (available through the website);
- 3. Financial assistance through New Jersey's Environmental Infrastructure Trust (NJEIT) (https://www.njeit.org/)

DEP regulations require drinking water and clean water systems to have adequate facilities and equipment which are properly operated and regularly maintained. This requires the technical, managerial and financial capacity to do so. Asset management is a process that can help meet those objectives.

Asset management is a set of practices that can help assist in the operation, maintenance, and management of a water system's equipment and infrastructure to meet its desired level of service in a cost-effective manner. Asset management can help ensure that there is sufficient investment in and planned maintenance, needed repair, replacement, and upgrade of the physical components of a water system. In addition to improving the protection of public health and the environment by ensuring water systems work as intended, implementing asset management practices also provides improved service reliability, safety, and security of the water utility.

Investing in our water infrastructure is critical. Asset management ensures a high level of return on those investments by enabling efficient and cost-effective operation of the system. Asset management helps utility managers improve their knowledge of their system, allowing for better financial and management decisions and improvement of operations. The preventative maintenance and reduction of unexpected or emergency situations will not only reduce costs but improve service reliability. The reliability of a water system also promotes economic

development. Additionally, funding sources for water infrastructure may give applicants higher priority ratings for having an asset management plan or associated capital improvement plan.

Because the State of New Jersey sees the value in owners/ operators of water systems having a program to manage their assets, the DEP has begun to ask for evidence of asset management practices and has been working closely with a few water systems in understanding their asset management programs. Working in conjunction with water utility representatives and water industry associations, DEP continues to develop resources and guidance to support asset management amongst State water utilities and owners of water infrastructure, such as drinking water and wastewater treatment facilities, drinking water distribution and wastewater collection systems.

We look forward to working with you to identify resources and assist you in advancing your asset management practices. If you have any questions, feel free to contact Jaime D. Gray, of my office, at Jaime.Gray@dep.nj.gov.

Sincerely,

Daniel M. Kennedy, MCRP, PP/AICP

Assistant Commissioner

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