

Echoes Sentinel Editorial: Long Hill Sewer Sale is Best Option in Bad Situation

Selling off Long Hill Township's municipal sewer system is not an ideal choice, but it is the right choice given the circumstances.

After months of renewed debate, township voters will again be asked to make that choice on Tuesday, Nov. 5, when they vote on a referendum to sell the system to New Jersey American Water (NJAW) for \$12.7 million. While voters rejected a nearly identical referendum in 2017, the question has again been raised in response to skyrocketing sewer rates.

If sold, NJAW has agreed to cut sewer rates by 11 percent and freeze them there for two years. The company has also agreed to raise rates by no more than 9 percent over the following three years. As has been noted by members of the Township Committee, ratepayers would pay less in 2025 than they do today.

If the sale is rejected, sewer rates are projected to nearly double in the next five years after increasing by about 40 percent over the past two years as the township has sought to pay for millions in needed upgrades on its own. The water company can provide long-term rate stability in the future as all rate changes are regulated by the Board of Public Utilities.

The unfortunate fact is Long Hill residents would be better served by getting out of the sewer business entirely than by sinking tens of millions of taxpayer money into overburdened and long-neglected infrastructure just to patch it up to decent standards.

For years we have heard from opponents of the sale that the township would be losing an asset if it sells the system. Sure, the system is nominally an asset, but of what real value is a continuously depreciating asset that hasn't received proper funding in more than 40 years?

The system is unfortunately more of a burden to taxpayers at this point. It's a money pit.

There is no benefit to keeping the system that is superior to receiving \$12.7 million and erasing the entire municipal debt. Paying off all existing debt would be a significant boon to taxpayers on top of the sewer rate relief offered by the sale.

On the other hand, if the referendum fails, the township would only add to its debt, borrowing significant amounts of money to pay for the prescribed upgrades and paying interest on the loans for the foreseeable future.

While we certainly understand opposition to privatization on philosophical grounds, the decades-long mismanagement of this distressed asset makes a sale the most appealing option.

Many have also expressed opposition to the sale based on the grounds that residents voted against it just two years ago. While we find this to be a valid concern, the pros of the sale simply outweigh the cons.

We encourage Long Hill residents to vote “yes” on Tuesday, Nov. 5, to make the best of a bad situation.

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