

Bond Case Briefs

Municipal Finance Law Since 1971

New Jersey Town Weighs Sale of Water and Sewer Utilities.

Voters in Haddonfield, N.J., will consider a referendum Tuesday on whether or not the borough, located east of Philadelphia, should move forward with plans to sell the community's water and sewer utilities to a private company.

Haddonfield Borough officials decided to sell the utilities to Voorhees-based New Jersey American Water for \$28.5 million, but the sale hinges on Tuesday's results.

"It's the most sensible thing to do," Commissioner John Moscatelli told the [Courier-Post](#). "I anticipate rates might actually be lower given the high level of capital we would need to invest and the small base of accounts."

Opponents of the sale say the borough no longer will set rate increases or the schedule for repairs to the system.

The sale will "sacrifice local public control over services that are essential for public health and well-being," said resident Dan Bailiff, who opposes the sale.

New Jersey American Water will be subject to oversight by the state public utilities board that the borough's commissioners do not face, according to spokesperson Peter Eschbach.

"The three commissioners can do whatever they want," Eschbach said. "They recently raised rates 25 percent. Part of being a monopoly means we are subject to heavy regulation. For us to raise rates, we have to go through an exhaustive legal process overseen by a judge."

NCPPP

By Editor

November 3, 2014