



ECOS

THE
ENVIRONMENTAL
COUNCIL OF
THE STATES

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Alexandra Dapolito Dunn
Executive Director &
General Counsel

To: National Association of Clean Water Agencies (NACWA) Members
From: Alexandra Dapolito Dunn, Executive Director and General Counsel
Date: November 5, 2014
Re: Your Input Needed for CWSRF Innovations Report

The Environmental Council of the States (ECOS) is conducting a research project to document innovative projects funded by the Clean Water State Revolving Fund (CWSRF). ECOS is working under a cooperative agreement with U.S. EPA's (EPA's) Office of Water. The project, to be completed in Spring 2015, will include a published report and accompanying national webinar to highlight CWSRF flexibilities, to show the variety of projects the CWSRF can be used to fund, and to offer case studies of completed or ongoing projects to build state capacity and knowledge. ECOS needs NACWA members' assistance to gather examples for the report. We are also sharing this request with the Council of Infrastructure Financing Authorities (CIFA) and the Association of Clean Water Administrators (ACWA).

Background:

The CWSRF has been one of the more successful federal-state-local partnerships, providing \$47.9 billion to nearly 15,300 job-producing projects around the country. Projects supported by the CWSRF have delivered significant environmental, economic, and public health benefits nationwide. More than just a traditional infrastructure funding and construction program, the CWSRF has evolved into a flexible and dynamic program that is meeting the diverse needs of communities of all sizes in America.

Over the years, CWSRF administrators and municipalities have worked together to take new and innovative approaches to using these funds to support cutting-edge and novel water quality projects. These approaches and projects show the CWSRF is flexible, successful, and able to meet the complex and diverse water quality needs of communities of all sizes and levels of sophistication.

Our Project:

We are seeking basic information regarding projects and approaches that demonstrate unique uses and dispersion of CWSRF funds. The uniqueness and creativity of the work could lie in the project itself or in the financing approaches, terms, and conditions. Both types of examples are relevant to this effort. We expect to ultimately profile 15 or so projects, in a variety of large, medium, and small communities, and in rural, suburban, and urban settings. Projects to be included could be in the following categories (not limited to this list):

- Renewable Energy
- Land Acquisition
- Flow Restoration
- Green Infrastructure
- Climate Resilience
- Drought
- Site Remediation and Cleanup
- Water Efficiency
- Nonpoint Source Control
- Technical Assistance
- Flexible Financing Terms
- Loan Guarantees

An example of the type of initial information we are seeking follows. Thanks to Sandy Sutton of the Water Infrastructure Finance Authority of Arizona for sharing these examples in response to a recent CIFA recent discussion about ECOS' project:

Clean Water - Douglas – large (17,000), disadvantaged, green

To mitigate rising energy costs, the City of Douglas obtained a \$1.3 million loan from the Water Infrastructure Finance Authority (WIFA) of Arizona to design and install a 300-kilowatt solar system to power their wastewater treatment plant. After evaluating the community's financial need, WIFA provided \$400,000 in principal forgiveness. The solar array is projected to generate nearly 520,000 kilowatt hours of electricity per year, or 50 percent of the plant's electric requirements. The City expects to reduce the plant's electricity costs by approximately \$60,000 per year and receive an estimated \$30,000 annually in performance-based incentives from the power company, bringing their annual savings to approximately \$90,000 (\$1.8 million over the next 20 years). Contact: (Phone and Email)

Clean Water - Clarkdale - small

WIFA's 2013 Clean Water Project of the Year was for Clarkdale's Broadway Reclamation Facility, a \$5.5 million infrastructure project to replace an outdated lagoon treatment system with a recycled and refurbished mechanical wastewater treatment facility. After it was determined that their original plans to construct a new plant were cost-prohibitive, Clarkdale officials decided to purchase and refurbish a decommissioned wastewater treatment plant from a subdivision in Surprise, AZ saving the community nearly \$9 million. The outdated lagoon system posed significant water quality threats to the adjacent Verde River. With the new enclosed wastewater treatment plant, potential discharge to the Verde River is eliminated. This project is an incredibly innovative and sustainable solution to improve water infrastructure and protect water quality. Contact: (Phone and Email)

Timing:

We would appreciate it if you could share examples with ECOS' Layne Piper (lpiper@ecos.org) by Tuesday, November 25. In December, ECOS will select the projects to be featured. ECOS will conduct phone interviews with the project sponsors and, if appropriate, with the CWSRF recipients, to help document the innovative approach in a succinct and replicable manner. ECOS will write the case studies in early 2015, and will share drafts with the parties referenced in each case study. The report will be designed and finalized shortly thereafter. In Spring 2015, ECOS will release the report and hold a national webinar to present the report and to hear from the project experts. We share a link to an audio video recording of the webinar for future use and viewing.

My Contact Information:

Please feel free to reach out to me with any questions about this project at 202-266-4929 or adunn@ecos.org. Thank you for your help!

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