

# FY 2016 Association Business Plan

*Approved by the Board of Directors  
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# FY 2016 Association Business Plan

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# FY 2016 NACWA Association Business Plan

## ORGANIZATION OVERVIEW

The Association of Metropolitan Sewerage Agencies (AMSA) was founded in 1969 and incorporated in 1970. In 2005, the Association's 35<sup>th</sup> anniversary, AMSA became the National Association of Clean Water Agencies (NACWA). In 2015, NACWA celebrated its 45<sup>th</sup> anniversary, said farewell to its long-time Executive Director, Ken Kirk – and welcomed its new Chief Executive Officer, Adan Krantz.

NACWA is governed by a Board of Directors that is charged with responsibility for the management of the affairs of the Association. The Board of Directors is comprised of not less than ten nor more than thirty directors elected on a regional basis (using U. S. Environmental Protection Agency federal regions). By Board action in 2005, the composition of the Board of Directors also includes three At-Large seats. The maximum number of individuals that may serve on NACWA's Board is thirty-three.

The Association's day-to-day operations are conducted by its National Office. The 21-member National Office staff is led by a Chief Executive Officer.

## Organization History

From its initial beginnings as a small group of individuals primarily concerned with the federal funding of wastewater facilities, the Association has grown into an organization of 277 public agencies providing clean water and stormwater management, and conveyance system services, serving the majority of the sewer population nationwide. Forty-five years after the passage of the Clean Water Act, NACWA's Member Agencies are fast becoming Water Resources Utilities of the Future – transforming the way they deliver clean water services. At the heart of this transformation is the emergence of new technologies and innovations that can stretch ratepayer dollars, improve the environment, create jobs and stimulate the economy. Today, NACWA's Member Agencies are joined in membership by three categories of Affiliate Members: Corporate Affiliates, Legal Affiliates and Supporting Affiliates – placing the Association's total membership at 362.

The Association had its beginnings in 1969 when a committee comprised of representatives from 15 large sewerage agencies met to share concerns regarding federal directives for water pollution control. One year later that committee became AMSA, an association committed to working toward to common goals of large wastewater agencies throughout the United States.

For the Association, the past 45 years have seen many changes, and much progress. The Association has witnessed the move of its national headquarters from Seattle, Washington to Washington, DC and the transformation of the Federal Water Pollution Control Administration into the U.S. Environmental Protection Agency. It has participated actively in nearly four-and-a-half decades of federal legislative and regulatory activity that included the 1972 Federal Water Pollution Control Act, as amended over the years, as well as scores of other legislative efforts and their subsequent rules and regulations.

In 1990, AMSA concluded a nearly 15 year period of management by a consulting firm and became a free-standing association. In doing so it set a course for the future that has allowed the Association to rise in prominence in its relationships on Capitol Hill, and with an array of federal agencies including the Environmental Protection Agency. This course significantly expanded the Association's effectiveness and

sophistication in its involvement with environmental legislation, regulations and litigation, and enabled it to become a leading voice on environmental issues. In 2000, the Association purchased its own national headquarters, located at 1816 Jefferson Place, NW, Washington, DC, from which it currently conducts all initiatives.

In February of 2005, following a year-long *Strategic Planning Initiative*, the Association voted to change its name – and on May 1, 2005 the Association of Metropolitan Sewerage Agencies (AMSA) became the National Association of Clean Water Agencies (NACWA). With the conviction that the past would serve as the foundation of the future, the Association marked its 35<sup>th</sup> anniversary in May, 2005 as NACWA – clearly committed to America’s waters.

In July of 2007, NACWA acted to amend Article IX. Membership of its *Bylaws* to allow the Board of Directors to identify “other publicly owned agencies that ensure and provide clean and safe water” as full members of the Association. In July of 2009, NACWA’s Board of Directors exercised this right and identified publicly owned stormwater management agencies and satellite collection systems as entities eligible for Association membership as full Member Agencies. This broadened eligibility for NACWA membership further moved the organization in a direction consistent with its goals and objectives – as well as the priority it places on holistic, watershed-based approaches to water quality improvement.

NACWA celebrated 40 years of clear commitment to clean water in 2010 with the theme *NACWA at 40 . . . A Watershed Moment* and a year of introspection, innovation and recognition. For the Association, this significant milestone was truly a watershed moment.

The Association’s 45<sup>th</sup> anniversary, in 2015, not only marked a milestone for the Association, but also for its long-time Executive Director, Ken Kirk, who retired in July having served the Association for nearly four decades. In anticipation of the transition in leadership, the Association’s Board of Directors spent 2014-2015 focused on planning for succession and the future of the organization. This process culminated with the June 5, 2015 selection of Adam Krantz as the Association’s new Chief Executive Officer.

## Organization Governance Documents

Four governance documents and *Financial Policies* provide structure and direction to NACWA. The Association’s governance documents include *Bylaws*, a *Strategic Plan*, *Policies & Procedures of the Board of Directors*, and a *Business Plan*. Of these, only the *Bylaws* requires a vote of the membership to amend. The other governance documents may be amended by the Board of Directors at their discretion. The following information provides an overview of the Association’s key governance documents.

### Bylaws

The Association’s *Bylaws* were first adopted by the members of the Association at a regular business meeting held in Houston, Texas, October 10, 1979. Over the years they have been updated to incorporate amendments adopted by the membership, most recently in July of 2015. Specifically, NACWA’s *Bylaws* legally establish the Association’s name; purpose; principal place of business; Board of Directors; Officers; Committees; Staff; Amendments; Membership; and, Payments for Services, Funds & Donations.

## Strategic Plan

NACWA's *Strategic Plan* is built around a core ideology and envisioned future for the Association, along with the 'big audacious goal' of '*NACWA's advocacy has contributed directly to a sustainable environment in which a balance has been achieved between the protection and use of the country's water resources, resulting in profound benefits to the economy, the environment, and the public*'. The *Plan* identifies outcome-oriented goals, objectives, and strategies. NACWA considers its *Strategic Plan* to be a dynamic document, open to revisions, as appropriate, to achieve Association goals. A review of NACWA's *Strategic Plan* was undertaken in 2007 by the Association's Board of Directors, under the auspices of its Strategic Planning Committee. The Association revisited and updated its *Strategic Plan* in 2010, marking its 40<sup>th</sup> anniversary, and again reviewed and revised the *Plan* between November 2012 and April 2013, responding to the dynamic environment in which the Association operated. As part of its succession planning, the Association's leadership has revisited all of its governance documents – including the *Strategic Plan* – to position the organization for the future. NACWA's *Strategic Plan* was amended most recently in April of 2015 (*Most Relevant Assumptions* only).

NACWA's *Strategic Plan* includes both a core purpose and core values as follows:

### Core Purpose:

Be the leading advocate for responsible national policies that advance clean water.

### Core Values:

- Integrity and credibility in all we do.
- Scientifically, economically, and socially informed environmental policy.
- Visionary and results-oriented leadership embracing innovation and diverse input.
- Collaboration as a preferred strategy.
- Fiscal responsibility.
- Environmental stewardship.

## Policies & Procedures of the Board of Directors

The *Policies & Procedures of the Board of Directors* provide an operational road map for the Association. NACWA's *Policies & Procedures* contains sections addressing Membership & Engagement; the Board of Directors; Officers; Association Management; Standing Committees; Targeted Action Fund Project Evaluation Guidelines; Awards; Meetings & Conferences; Affiliate Participation; the Council of Presidents; and, the Association Electronic Communications. The ever-evolving nature of this particular governance document ensures its responsiveness to the new choices and challenges faced by NACWA. Amendments to the *Policies & Procedures* are considered first by the Association's Strategic Planning Committee and subsequently by the Board of Directors.

## BUSINESS CLIMATE

### Association Business Climate

Associations today are challenged by socio-demographic, technological, economic, environmental, and political trends – each presenting a complex array of challenges along with a varying set of opportunities (*Trends that Impact Associations, ASAE*). As industries, professionals, and the causes they serve confront rapid and unpredictable change, associations must think differently and adapt quickly in order to remain viable and effective. (*Tecker International, LLC, 2014*).

The findings of the Association's summer 2014 market research indicated that NACWA "...has been responsive to identifying and meeting the needs of its members." As reported in the research's *Executive Summary*, "By comparison with other trade and individual membership associations we've worked with, it is clear that NACWA is ahead of the curve in terms of meeting the needs and interests of its members and their employees. This statement is supported by the fact that NACWA scored considerably higher on questions related to interest and satisfaction in member benefits." When asked whether NACWA provides their organizations with the resources they need, a majority of respondents agreed or strongly agreed with this statement.

Many of the recommendations resulting from the NACWA's research affirmed that initiatives already underway or planned are on target – among them redesign of the *Clean Water Current* and other communication vehicles; redesign of the Association's website; greater emphasis on bringing the Association to its members outreach through state and regional meetings; increased marketing of key member benefits; and, enhancing outreach and engagement.

As NACWA continues to focus on improving member engagement as a strategy to both retain and grow the membership, the Association's future decisions can be informed, as well, by generational trends which suggest greater customization of communications and services is worthy of review. As more gen X-ers assume leadership positions, they also desire a completely customized membership experience tailored to their specific tastes. In order to capitalize, associations will need to adapt their messaging and communications (*Spot Trends Now, Build a Stronger Association Later, April, 2014*). Many organizations are rethinking how they send out and target communications and realizing that a more segmented approach is important in appealing to members (*Six Trends on the Radar Screens of Association Marketers, October, 2013*).

The Association, like many others, had begun to take advantage of the increasing availability of data to guide and inform its efforts. Associations are shepherds of massive amounts of member data ranging from website activity, volunteer history, and event attendance. All of this data serves as an "audit" trail of members, capturing what is happening with individuals and groups. Associations will find success by seeking new opportunities to create data points to make more informed decisions about their members as well as their programs, products, and services. (*Spot Trends Now, Build a Stronger Association Later, April 14, 2014*).

As NACWA tracks and considers evolving developments, the Association has remained nimble and responsive to member needs – and focused clearly on advocacy. The environment, however, in which NACWA exists is a dynamic one. Many water sector associations, NACWA among them, have undergone or will undergo changes in long-time staff leadership. Within the last 12-18 months, the Water Environment Federation (WEF); the Water Environment Research Federation (WERF); the Water & Wastewater Equipment Manufacturers Association (WWEMA); WaterReuse; the Association of Clean Water Administrators (ACWA); and the Environmental Council of the States (ECOS) all experienced change in the position of chief staff executive. NACWA will welcome its new Chief Executive Officer on August 1, 2015. These changes potentially bring new opportunities for collaboration and engagement within the sector, but also warrant the time and attention necessary to build new relationships.

NACWA continues to see increased stabilization and improving conditions for its members – and in turn – the Association. Membership renewals have recovered – exceeding pre-recession levels in FY 2012 – and remain consistent from through FY 2012, FY 2013, and FY 2014. Since FY 2012, NACWA has seen conference attendance steadily increase.

During the coming year, NACWA must not only continue to ensure that the membership experience brings a high level of added value, but also strive to better communicate both the value of membership and the power of association to its public Member Agencies and Affiliates. Fortunately, NACWA's structure and organization allow it to respond quickly and effectively to new and evolving opportunities – diversifying its issue agenda to encompass the needs of the water resources utility of the future, improving its analysis of key legislative, regulatory, and legal issues, engaging its members in timely new offerings, and building upon its engagement in social media.

NACWA will continue to work aggressively to ensure its value to existing and potential members – making the case that now, more than ever, membership in the Association can reap huge benefits for public utilities and the Affiliate community. The Association's staff continues to focus its energies and attention on shaping a knowledge-based organization and providing the results-oriented advocacy and intelligent analysis that is essential to the success of the Association in retaining and attracting membership.

## Utility Business Climate

With Detroit now emerged from bankruptcy and setting up a plan for the future, pundits are looking to developments in Illinois, Puerto Rico and New Jersey for insight into municipal stability, but “[b]roadly speaking, muni credit trends are relatively stable.” Moderate economic growth has left these and other state and local issuers “without a tremendous amount of cushion, and a swing here or there could push them out of balance,” but for the time being there does not appear to be any bankruptcies or other major issues on the horizon (*Can munis repeat 2014 strong returns? – Fidelity Viewpoints*).

At the clean water community level, preliminary figures from NACWA's 2014 *Financial Survey* suggest that the financial health of the nation's clean water utilities, as a whole, remains strong. The consolidated balance sheet prepared for the *Survey*, along with the average and median values for key metrics such as operating and debt ratios, indicate that the clean water community is in good financial condition overall. While the *Financial Survey* indicates that capital spending declined 11 percent between 2010 and 2013 for survey respondents participating in both surveys, construction spending trends, as reported by the U.S. Census Bureau, show a 15 percent increase in public spending on water and sewer construction between April 2014 and April 2015.

The administration, in its Fiscal Year (FY) 2016 budget request, again proposed to scale back the tax exemption benefit for municipal bonds and proposed \$333 million in cuts to the Clean Water State Revolving Fund (CWSRF), threatening the two most important funding mechanisms for clean water utilities. While the municipal bond proposal is not likely to be implemented this year, it does not appear that Congress is ready to restore the Administration's cuts to the SRF as it has done in past years. In fact, House and Senate Appropriations Committee proposals for FY 2016 both provide \$1.8 billion for the SRFs – a 23% cut from current levels and \$68 million less than the Administration's request. Despite their actions, Congress in general remains active on the infrastructure front with proposals like Senator Bernie Sanders' (I-VT) \$1 trillion *Rebuild America Act* and the *BRIDGE Act* introduced by Senators Mark Warner



(D-VA) and Roy Blunt (R-MO). In addition, the Administration is working to provide infrastructure funding assistance to the utility community through the formation of a new Water Infrastructure and Resiliency Finance Center that will be run out of EPA's Office of Water. Neither the President nor Congress appear ready to fund projects through the *Water Infrastructure Finance and Innovation Act* (WIFIA), but House appropriators are supporting the Administration's request for \$13 million in technical assistance and grants to support integrated planning.

New and old models for partnering between public and private entities continue to garner significant attention, especially in light of the new EPA Finance Center, which will reportedly focus in part on public-private partnerships, and the Administration's Qualified Public Infrastructure Bond (QPIB) proposal, which would essentially replicate the current private activity bond (PAB) program, but eliminate the volume caps. But there remains a healthy level of skepticism among many in the clean water community toward private engagement, with the exception of discrete, 'bolt on' projects that lend themselves better to involvement of the private sector. NACWA's collaboration with Global Water Intelligence on the American Water Summit in October 2015 will help to shine a light on where there are real opportunities for additional private sector involvement, but such involvement is increasingly being viewed as only one of many tools, not a solution to the sector's funding woes (*Findings and Recommendations of the Special Panel on Public-Private Partnerships*, House Transportation & Infrastructure Committee).

New regulations continue to add to existing clean water needs, including the new rules for sewage sludge incinerators scheduled to go into effect in March of 2016, and a list of new and revised water quality criteria for pollutants like ammonia that are being rolled out by the states. Over the past year EPA began work on new criteria for viruses that could have significant and widespread impacts for the utility community when final in late 2016. While the Integrated Planning Framework has provided utilities with a new tool for planning and sequencing clean water investment, there is some fear that the Framework may give EPA more freedom to add more regulations. The release of the Clean Water Rule (Waters of the U.S. Rule) this year was generally a positive development for the clean water community, with EPA adding new exemption language for stormwater and reuse that should help to clarify the regulatory status of certain treatment and conveyance units.

For many communities affordability concerns remain a top priority, particularly where federal or state consent decrees are requiring significant spending or where rates are being increased or restructured to ensure adequate revenues are being generated in light of declining usage. How to address affordability concerns remains a topic of discussion among the national water associations as well and will no doubt continue for years to come. Related to affordability and long-term fiscal health, the amount of long-term debt being taken on by clean water utilities remains high and is expected to continue with the growing needs. Debt service expenditure levels have remained relatively constant for the past few survey cycles after increasing to more than 25% of all utility expenses. This trend will be important to track going forward.

NACWA's 2014 *Cost of Clean Water Index* finds that utilities are continuing to increase what they charge for sewer services in an effort to make needed infrastructure repairs and maintain current levels of service. The average cost of wastewater services rose 4.1 percent in 2014, more than double the rate of inflation over the same period. The national average annual cost for a single family residence is now \$448. The results from the NACWA *Index* survey continue to indicate a steady rise in the average service charge, with

projections showing an increase of about 5 percent per year over the next five years. Average annual charges are expected to top \$500 by 2017 and \$570 by 2019.

## Affiliate Business Climate

NACWA's Affiliate Membership category is comprised of private entities whose interests are compatible with the *Bylaws* and objectives of the Association. Our Affiliate Members include engineering consulting firms and other private entities (Corporate Affiliates) and law firms (Legal Affiliates). The following information provides a snapshot of the current business climate for these two categories of NACWA affiliates.

### Corporate Affiliates

Growth in the engineering/consulting, environmental services, and construction industries is expected to be strong over the coming year. As the U.S. economy continues its slow but steady recovery from the Great Recession and the nation's macroeconomic indicators continue to improve, engineering and consulting firms will benefit from the overall improvement in the economic picture. More specific to the water and wastewater sector, expectations are for modest to significant increases in construction and engineering projects over the next year. These factors all combine to indicate a very positive business climate for NACWA's corporate affiliates in the near term.

Two major construction and engineering forecasts support this rosy assessment. The annual McGraw-Hill Construction forecast predicts an overall 9% increase in U.S. construction starts for 2015 over 2014, exceeding the 5% experienced over the past year. And the Association of General Contractors (AGC) also has positive predictions in its Annual Outlook, with 60% of respondents predicting a growth in construction markets for 2015. This is the first time in the history of AGC's annual survey that a majority of respondents have predicated positive market growth. The American Institute of Architects also projects positive numbers for 2015, predicting 8% overall growth in construction starts and related engineering/consulting services.

Digging deeper into some of these projections, there are favorable numbers for public works projects and water and sewer expenditures, more specifically. The McGraw-Hill forecast anticipates a 5% jump in public works projects over the coming year, a strong rebound from the 9% dip experienced in 2014. Similarly, the AGC survey shows that 88% of respondents expect spending on water and sewer projects to be the same or higher in 2015 as compared to 2014. Fully 36% of respondents expected expenditures on water and sewer to be higher and only 12 expect lower, leading to a net positive of 24%, which is among the highest net positive readings of any sector in the survey.

Adding to the good news, 2016 is expected to meet or exceed the growth expectations of 2015. A number of leading construction and engineering forecasts including McGraw-Hill, IHS Economics, and Moody's predict anywhere between an 8% and 13% increase in nonresidential projects for 2016. Nearly a quarter of AGC's responded are also predicting strong growth in 2016.

There are a number factors that could lower expected growth levels, including the rising costs of large scale engineering and construction projects, the possibility of interest rate increases, and uncertainty around potential labor shortages in the construction market. However, even with these variables, the overall outlook for the engineering, consulting, construction and environmental services market remains strong over the next year. This is particularly true since the international market for these sectors –

especially for environmental engineering and consulting that are a focus of many NACWA corporate affiliates – are expected to remain robust and offset any potential market variations in the U.S.

One additional positive factor domestically that should support a continued strong business climate for corporate affiliates is the continued focus of EPA enforcement efforts on municipal clean water utilities. Many of NACWA's corporate affiliates receive significant business from engineering and environmental services projects working with clean water utilities to address projects related to wet weather consent decrees or other enforcement orders. Given budget cuts to EPA enforcement efforts over the past few years, there was some concern from a business climate standpoint that this might result in fewer enforcement actions against utilities and less work on these projects for corporate affiliates. However, recent indications are that while EPA may be reducing enforcement in some areas, the Agency has not reduced municipal wet weather enforcement. Indeed, EPA has made clear that reducing sewer overflows remains one of its top overall national enforcement priorities, and there is no evidence so far to suggest that the number of federal enforcement actions against clean water utilities will decrease in any appreciable way.

#### Legal Affiliates

Like NACWA's Corporate Affiliate members, law firms in the Association's Legal Affiliate category can also expect growth during the 2015-2016 year. However, growth on the legal side is likely to be more restrained than for Corporate Affiliates. This is primarily because law firms experienced a much greater hit during the Great Recession to their bottom lines and are taking a longer time to achieve profitability in a new business environment. More so than perhaps any other industry, the economic downturn forced law firms to drastically adjust their business model and come to grips with a new economic reality where legal fees are under much greater scrutiny.

The good news is that, after years of ruthlessly cutting bloated staff, reducing unnecessary overhead expenditures, and reforming billing practices in order to survive, most major U.S. law firms have returned to moderate growth levels. According to the most recent Citibank/Hildebrandt Consulting Outlook document for legal services, which is well respected in the industry, the legal services sector saw growth of about 5% in 2014, with a similar level of expansion expected in 2015. Although some particular legal services like litigation are expected to remain flat or even decrease slightly in 2015, other services like transactional work are predicted to grow and offset the difference. Firms are also expected to keep tight control on expenses over the next year, further boosting potential profit margins.

The business climate specific to NACWA Legal Affiliates and their work on clean water/environmental issues is also expected to be favorable over the next year. As with the Association's corporate members, EPA's continued focus on municipal wet weather enforcement issues will drive additional business opportunities for law firms to work with clean water utilities. In particular, continued interest by utilities in using the Integrated Planning Framework and the related Affordability Framework will likely generate significant business opportunities for Legal Affiliate members. Increased regulatory focus on stormwater, nutrients, and toxicity issues will also lead to additional demand for legal services.

## FINANCIAL MANAGEMENT

NACWA's Board of Directors oversees the financial management of the Association through its Finance Committee. Chaired by the Association's Treasurer, the Committee reviews the development, and oversees the management, of the Association General Fund and Targeted Action Fund budgets. A

separate and independent Audit Committee is comprised of Board Members and appointed by the President. The Audit Committee is tasked with reviewing the Association's annual audit and reporting its finding and recommendations to the Board.

NACWA's Chief Executive Officer (CEO) is charged with the responsibility for the care and custody of the funds, securities, properties, and assets of the Association. The CEO is supported in these activities by executive and administrative staff and through the services of an outside accounting firm that conducts NACWA's annual audit.

The Association's financial management is further enhanced by guidance provided in *Financial Policies*, and *Procurement Standards for U.S. Environmental Protection Agency Federal Awards*. Each of these documents is reviewed annually and subsequently endorsed by the Board.

### General Fund & Targeted Action Fund Budgets

NACWA's General Fund budget provides for the annual operating expenses of the Association. In addition to the General Fund, the Association maintains a Targeted Action Fund (TAF). Established to commemorate the Association's 25<sup>th</sup> anniversary, NACWA's "stand alone" Targeted Action Fund strengthens the Association's capability to implement its short and long-term objectives. The TAF has provided dedicated funds to gather and analyze data, initiate litigation, bolster advocacy work, and secure the services of consultants having expertise beyond that which the National Office can offer. These funds are dedicated to projects and activities that impact pending legislation and anticipated or proposed regulations and policy initiatives, as identified by the Association's committees. Since its establishment, NACWA's Targeted Action Fund has provided hundreds of thousands of dollars in support of legislative, regulatory and legal initiatives.

### Financial Planning Process

NACWA's strategic, budgetary, and human resource needs planning processes are coordinated each year to ensure effective overall management of the Association. In general, the Chief Executive Officer works closely with the National Office staff to prepare draft General Fund and Targeted Action Fund budgets in a manner consistent with, and supportive of, the Association's *Strategic Plan* in the weeks preceding the spring (April – May) Board of Directors meeting. The proposed preliminary budgets are considered in a joint meeting of the Strategic Planning and Finance Committees and reviewed by the Board of Directors and adopted in preliminary form by the Board in the spring. The NACWA National Office staff then forwards the preliminary budgets and other information on relevant Board actions to the membership for review and comment in the May-June timeframe and the Board approves final General Fund and Targeted Action Fund budgets at the July Board of Directors meeting.

### Auxiliary Funds Financial Statements

NACWA plans for the sustained ownership and operation of its National Office headquarters through a *Reserve Replacement Plan*. The *Reserve Replacement Plan* lets the Association consider significant building-related repair and replacement needs twenty years into the future. Funds to support this effort are segregated and reported to the Board. The Association also tracks financial activity relative to individual initiatives such as the Water & Wastewater Leadership Center and Water Infrastructure Network on separate monthly "Statement of Activities" financials which are distributed to the Board quarterly.

## INCOME SOURCES

NACWA's income sources fall into two primary categories: 1) Member Dues and 2) Other Non-Dues Income. Member dues include funds paid by Member Agencies and non-voting Public, Corporate, Legal or Supporting Affiliate Members. Dues paid by Member Agencies and Public Affiliates are established on separate schedules based upon service area population. Corporate and Legal Affiliate dues are based on municipal revenue and number of environmental attorneys, respectively. For FY 2015, membership dues comprised approximately 83% of the Association's General Fund budget. In FY 2016 membership dues are projected to be approximately 86% of the General Fund budget.

The category of other non-dues income includes numerous sources of funds, comprising approximately 17% of NACWA's General Fund budget in FY 2015 and 14% in FY 2016. Included in this category is income from meetings and conferences, interest income, rental income, sponsorships, publication sales, and income derived from job and other advertisements.

In recent years, the Association has raised additional funds through voluntary contributions to support initiatives such as its *Money Matters... Smarter Investment to Advance Clean Water™* and its *Sewage Sludge Incinerator Advocacy Coalition* (SSIAC). In FY 2013, voluntary contributions provided additional support to NACWA's Targeted Action Fund. The Association's Board took a hard look at the Association's financial sustainability to determine the most viable approach through which the General Fund and Targeted Action Fund could be sustained into the future – thus eliminating the need for voluntary contributions.

## COMPETITIVE ANALYSIS

NACWA continues to maintain a unique niche on the national level among the organizations that count public clean water utilities among their membership. The Association's position as the national advocacy organization representing the interests of clean water agencies, and its prominent role in the federal legislative, regulatory, and legal arenas, make NACWA unique among its peers.

The Association has effectively responded to a changing environment consistently focusing on traditional – as well as evolving issues – and maximizing its use of the power of collaboration. Common members do exist between the 501(c)6 trade association, Association of Metropolitan Water Agencies (AMWA – which includes among its members numerous NACWA Member Agencies responsible for both drinking water and wastewater services), the 501(c)6 National Association of Flood & Stormwater Management Agencies (NAFSMA – which includes among its members public agencies responsible for both wastewater and stormwater services), the 501(c)3 technical and educational organization, Water Environment Federation (WEF – whose membership includes, among others, individuals employed by NACWA Member Agencies and Affiliates) and, the 501(c)3 research organization, the Water Environment Research Foundation (WERF – which includes within its membership both NACWA Member Agencies and Affiliates). With the goals of improving effectiveness, eliminating duplication of effort and enhancing member services, NACWA actively collaborates with these organizations – as well as others – as a preferred strategy.

Recent months have seen efforts by WERF and the Water Research Foundation (WRF) to consolidate. These efforts represent a 'first' in the water sector, as organizations work to eliminate duplication and provide added value to members.

## SUCCESSION PLANNING & STAFF DEVELOPMENT

Nonprofit associations are not unlike other organizations in both the public and private sectors. With more than 76 million Americans in the baby boomer generation reaching retirement age in the coming years, many organizations are becoming concerned that they will face staffing issues and the potential risk of losing years of institutional knowledge. In many associations, the move toward succession planning has mirrored what has happened in the private sector where the Sarbanes-Oxley effect has changed the way many companies and boards do business. A leadership succession process is now seen as vital to the stability of an organization.

In FY 2013 NACWA acted to create both an *Succession Plan* and a *Staff Professional Development Plan*. The *Succession Plan*, adopted by the Board of Directors in November of 2013, includes an organizational assessment; preparatory steps; administrative considerations (e.g. policy and procedural issues, the key functions of the Chief Executive Officer (CEO), and interim management situations); and, the search process and onboarding a new CEO.

The *Staff Professional Development Plan* acknowledges the critical expertise and experience that NACWA's 21-member staff brings to bear on behalf of the Association's membership. In the past, the growth of NACWA's staff – from five in 1990 to 21 today – afforded considerable opportunity for competent National Office staff members to grow and develop professionally through internal promotions, supplemented with additional training and education. The *Staff Professional Development Plan* formalizes an effective means to identify high-potential employees; evaluate the necessary skills and experiences required of all employees; help staff to build upon their existing skill sets; and, help prepare them for potential advancement to other positions at NACWA. The *Plan* summarizes existing programs and employee education benefits, and makes recommendations based on industry best practices and input from NACWA's staff.

NACWA's Board of Directors has moved forward to position the organization for the future through a now complete Chief Executive Officer selection process and by ensuring a real understanding of the complexities, challenges, and changes the organization must address.

## KEY MANAGEMENT FOCUS AREAS FOR FY 2016

NACWA's management strategy for the coming fiscal year focuses on critical areas of external effectiveness and improvements to internal operations as described in the paragraphs which follow. Each of these overarching initiatives will serve to support and enhance the goals and objectives set forth in NACWA's *Strategic Plan*.

- **Enhance Engagement of Association Members and Non-Member Utilities**  
Redouble our communications efforts to ensure a consistent utility-focused message that will cement a sense of community among existing members and attract new members. Plan and execute member-hosted regional meetings, and regionally-focused web seminars, inviting both NACWA members and potential members, to increase engagement with the Association and retain and develop members.
- **Provide Sound Financial Management**  
Provide fiduciary oversight, maintain sound financials that meet audit requirements, and continue to utilize past performance and long-term fiscal projections, while pursuing an initial financial

plan to will help solidify NACWA's growth over the next several years. Strengthen and ensure the sustainability of NACWA's Targeted Action Fund

- **Execute an Compelling & Effective Advocacy Agenda**

Execute an compelling and effective advocacy agenda focused on key Association initiatives, and with a renewed focus on our core mission of guaranteeing regulatory policies that are both scientifically and economically sound.

- **Foster Increased Collaboration**

Continue to explore and build upon opportunities to collaborate with organizations and entities that can enhance NACWA's competitive position, and/or support its vision, and add value to the membership.

- **Implement *Annual Business Plan & Strategic Plan***

Effectively implement the actions and initiatives set forth in the FY 2016 *Association Business Plan* in a manner consistent with, and supportive of, the goals and objectives of NACWA's *Strategic Plan* – with streamlining the strategic planning process as our top priority.

## GOALS, OBJECTIVES, STRATEGIES & FY 2016 ACTIONS & INITIATIVES

This section of the *Association Business Plan* incorporates key goals, objectives and strategies from NACWA's *Strategic Plan* and translates them into actions for the coming fiscal year. It includes not only key actions and initiatives recently taken, currently underway, or planned in support of strategic objectives – it also ranks them as High Level of Effort (LOE) or Moderate Level of Effort (LOE). Where applicable, deliverables have also been noted.

NACWA plans an active and diverse agenda of actions and initiatives for FY 2016 focused on legislative, regulatory and judicial advocacy, and membership development and engagement. Each of these actions support the *Goals* and *Objectives* set forth in NACWA's *Strategic Plan*.

### *LEGISLATIVE, REGULATORY & JUDICIAL ADVOCACY*

#### **GOAL (from *Strategic Plan*):**

Water policies, laws, regulations and judicial actions support clean water research, rely on valid science, protect public health, support flexibility and innovation to optimize clear environmental benefit, embrace the value of watershed approaches, and recognize economic and triple bottom line considerations, as a result of NACWA's collaborative efforts and implementation of its advocacy program.

#### **Legislative Objectives (from *Strategic Plan*):**

1. Identify and develop short-term and long-term opportunities within the legislative process that promote NACWA's clean water policy agenda.
2. Promote policies that support greater regulatory flexibility, prioritization, and innovation by clean water utilities to meet Clean Water Act obligations more affordably.

3. Promote policies that support innovation, resiliency, and sustainable water resources management by clean water utilities.
4. Promote policies that ensure a meaningful Federal funding partnership exists to provide local communities support to meet Clean Water Act obligations.
5. Promote policies that support watershed-based approaches to meeting water quality challenges.

#### Legislative Strategies (*from Strategic Plan*):

1. Advocate for legislation that promotes and codifies Integrated Planning, allows for extended NPDES permit terms, and strengthens tools for effective wet weather management.
2. Advocate for legislation that incentivizes greater adoption of green infrastructure, promotes energy efficiency and resource recovery, including energy generation, water recycling, and nutrient recovery, and supports utilities' sustainability and resiliency efforts.
3. Ensure that Federal funding programs, such as the Clean Water State Revolving Fund program, continue to receive robust annual appropriations and sustainable support, and that federal tax-expenditure programs that support investments in clean water infrastructure (such as tax-exemptions for municipal bonds) remain available.
4. Advocate for legislation that promotes watershed-based approaches to meeting water quality challenges such as water quality trading, better management of agricultural nutrient run-off and stormwater run-off, and watershed-based permitting within the Clean Water Act.

#### FY 2016 Actions & Initiatives in Support of Legislative Objectives:

- Introduce and develop broad support in Congress for *Money Matters...Smarter Investment to Advance Clean Water™* legislation to require EPA and States to move forward with an integrated planning approach for compliance obligations of municipalities under the Clean Water Act (CWA), and include other reforms that would help utilities implement the CWA more affordably and ensure limited resources continue to be focused on water quality goals.  
*High LOE / NACWA Deliverable: Bipartisan legislation introduced in both chambers of Congress and advanced toward enactment*
- Ensure introduction of NACWA's wet weather legislation either as stand-alone legislation that is supported on a bi-partisan basis or through its incorporation in broader legislative vehicles.  
*High LOE / NACWA Deliverable: Bipartisan legislation introduced in both chambers of Congress and advanced toward enactment.*
- Ensure continued broad, bipartisan support for increased funding for the Clean Water State Revolving Fund (CWSRF), identify and expand bipartisan support for legislation to establish a federal trust fund in support of clean water programs, and continue to explore new financing mechanisms for investments in clean water infrastructure.



*High LOE / NACWA Deliverables: Annual appropriations bills that protect robust funding for CWSRF, raise awareness and identify bipartisan support for legislation establishing a trust fund as introduced in the House of Representatives, and support the advancement of alternative financing mechanisms.*

- Protect existing tax exempt status for municipal bonds by taking the lead in the water sector and working with key coalitions across infrastructure sectors to guarantee bipartisan support for it.  
*High LOE / NACWA Deliverables: Existing NACWA and the Association of Metropolitan Water Agencies (AMWA) TAF-funded white paper detailing the costs to the water sector from efforts to scale back or eliminate the tax exemption.*
- Craft a legislative advocacy agenda that positions and supports Member Agencies as agents of change and transformational leaders in shaping the water resources utility of the future.  
*High LOE / NACWA Deliverables: Identify legislative advocacy agenda including needed new legislative authority and elimination of identified legislative barriers to progress toward the water resources utility of the future.*
- Grow the Congressional Clean Water Caucus and ensure the Caucus spotlights low-cost, high-return actions for innovations and technology.  
*High LOE / NACWA Deliverable: Increased membership in the Congressional Clean Water Caucus*
- Advance a viable tax incentive package for UOTF-related activity, including energy production, water reuse, and green infrastructure that provides a programs.  
*High LOE*
- Promote and track key partnerships between NACWA members and farmers to ensure the successful implementation of the new partnership provisions successfully included in the Farm Bill to help control nutrients and improve water quality.  
*High LOE / NACWA Deliverable: New partnerships between NACWA and agricultural interests that that are seeking seek to access Farm Bill partnership programs*
- Work to ensure introduction of legislation that provides funding for public wastewater treatment, drinking water, and stormwater management agencies for climate change mitigation and adaptation efforts.  
*Low LOE / NACWA Deliverable: Legislation in House and Senate that incorporates the NACWA-endorsed legislative language from the 111th Congress accomplishing the above-stated effort.*
- Reintroduce and advance legislation to promote the use of green infrastructure and identify bipartisan support.  
*Low LOE / NACWA Deliverable: Introduction of green infrastructure legislation with broad House, Senate and stakeholder support*

### Regulatory Objectives (from Strategic Plan):

1. Ensure that decisions concerning water quality improvements are based on valid science, encourage flexible implementation approaches, consider community financial capability, and better allow for innovation by the clean water community.

2. Ensure that any applicable regulations developed by the U.S. Environmental Protection Agency (EPA) or other federal agency embrace a more holistic approach to environmental protection, consider impacts to all environmental media and avoid one-size-fits-all approaches.
3. Ensure that existing sustainability practices, including asset management, energy and water efficiency, resource recovery and pollution prevention, are better recognized in both regulatory and non-regulatory contexts (e.g., renewable energy standards).

### Regulatory Strategies (*from Strategic Plan*):

1. Advocate for reasonable, science-based regulatory initiatives at EPA that are designed to meet water quality standards and encourage innovation.
2. Build upon EPA's 2012 Integrated Planning Framework to increase flexibility and ensure that local governments and utilities have greater control over the clean water investments they make, including allowing consideration of investment prioritization on a watershed level.
3. Identify, and raise awareness of, competing environmental priorities in the development of new environmental mandates impacting the clean water community, ensuring affordability and elasticity of demand considerations are part of EPA's decision-making process.
4. Pursue clarity of the regulatory 'end game' to allow utilities facing continued and unpredictable investment needs with the certainty necessary to create long-term strategies and optimize public investments.
5. Effectively manage risk through the use of technology, sequential investments, green and decentralized infrastructure, and risk-sharing mechanisms in the form of both public-private partnerships and the pursuit of greater flexibility by regulators.
6. Identify and explore strategic partnerships with key stakeholders, including nonpoint source interests, to pursue more holistic and non-regulatory approaches that encourage and enable action to address key water quality challenges.
7. Leverage existing and new relationships with state and regional organizations to ensure greater consistency among EPA Headquarters and the regional offices.

### FY 2016 Actions & Initiatives in Support of Regulatory Objectives:

- Actively support NACWA Member Agencies interested in pursuing integrated plans through EPA's integrated planning framework; ensure adequate support from EPA Headquarters and the regional offices, including greater recognition for watershed-based approaches and a willingness to re-open previously negotiated consent decrees; continue to engage EPA and key stakeholders on financial capability/affordability and coordinate with ongoing legislative activity in this area.  
*High LOE / NACWA Deliverables: Ongoing identification of and support for NACWA Member Agencies interested in EPA's integrated planning framework.*
- Work with a broad range of stakeholders to explore new and more collaborative approaches and potential strategic partnerships to addressing nutrient impairments, and proactively engage EPA on meaningful change to its current nutrient criteria policies and implementation practices.

*High LOE / NACWA Deliverables: Meetings with EPA to discuss outcomes of FY 2014 TAF project on derivation of nutrient permit limits; Continued work to implement the NACWA-National Milk Producers Federation MOU.*

- Work with public and private water sector stakeholders to increase NACWA engagement in the area of innovative financing and P3s, including further leveraging of NACWA's efforts on the *Water Resources Utility of the Future* as it relates to financing and effective utility management.

*Moderate LOE / NACWA Deliverables: Help to plan and convene 2015 American Water Summit; Actively engage in Effective Utility Management effort to refresh and update the 10 attributes and keys to management success.*

- Engage federal agencies, including EPA, the Department of Energy (DOE) and the Bureau of Reclamation, to further the Association's regulatory advocacy agenda to support enhanced innovation across the water sector and promote Member Agencies as transformational leaders shaping the water resources utility of the future on issues including resource recovery (e.g., struvite), energy efficiency, generation of energy and renewable fuels, and water reuse. Work to increase awareness and acceptance of risk associated with innovation through risk-sharing (e.g., public-private partnerships, greater regulatory flexibility) at EPA and among the clean water community.

*Moderate LOE*

- Continue advocacy to ensure that Clean Air Act requirements for greenhouse gas and other emissions, including maximum achievable control technology (MACT) controls for sewage sludge incinerators (SSIs), do not create an unnecessary burden on clean water agencies and do not interfere with Clean Water Act requirements or resource recovery efforts.

*High LOE NACWA Deliverable: Develop comments and engage EPA on needed changes to Federal Implementation Plan for the SSI MACT standards.*

- Continue ongoing collaborations and explore new and innovative methods of pollution prevention through NACWA's *Toilets Are Not Trashcans* campaign to protect collection systems, treatment works, and personnel from consumer products and other materials that are outside the jurisdiction of pretreatment programs. Engage EPA as it works to evaluate the need for federal pretreatment standards for dental clinics.

*High LOE / NACWA Deliverables: Roadmap for Product Stewardship Initiative on product labeling and consumer education; Consensus flushability guidelines developed with wipes industry.*

- Continue aggressive advocacy on municipal stormwater issues, including active engagement with EPA as it works to provide technical assistance and incentives to local governments to develop strong stormwater programs, as well as collaborative engagement on other regulatory stormwater developments as necessary and appropriate and coordination with NACWA legal efforts.

*High LOE*

- Pursue more rational implementation approaches to EPA's new water quality criteria, including the final ammonia criterion, and engage EPA on the development of its forthcoming criterion for viruses/bacteriophage.

*High LOE*

- Pursue reasonable regulatory approaches to the management of wet weather-related overflows, peak flow blending, remote treatment of peak excess flows, and collection system permitting, coordinating with NACWA's efforts related to implementation of the *Integrated Planning Framework*.  
*Moderate LOE*
- Leverage NACWA's advocacy efforts on federal issues and offer assistance where possible to members on similar regional issues to develop and maintain relationships with state and regional clean water groups. Utilize available tools and ongoing efforts to establish a national clean water coalition with regional groups, to further establish NACWA as a resource on key clean water issues nationwide while leveraging the coalition's unified message in DC. Continue to coordinate regional meeting attendance/presentations, work with state partners to co-host meetings and workshops as appropriate, and meet with state groups' key contacts via remote conference calls.  
*Moderate LOE*
- Engage federal agencies and key stakeholders on efforts by the water sector to implement practices ensuring resilience against the effects of a changing climate and other threats; ensure federal programs are in place to assist or remove barriers to clean water agencies in their work to improve emergency preparedness, enhance security measures, and plan for severe weather and a changing environment.  
*Moderate LOE*

#### Judicial Objectives (*from Strategic Plan*):

1. Clean water agency interests are preserved through NACWA's defense of utilities' legal rights and the use of valid science in judicial proceedings having the potential to establish national precedent, including NACWA initiation of litigation where appropriate.
2. Clean water enforcement actions do not unfairly burden utilities and at the same time achieve meaningful water quality improvements, and NACWA Member Agencies have the legal resources including tools, strategies, information, and support to defend themselves in enforcement proceedings.
3. Involvement in judicial proceedings complements and advances NACWA advocacy efforts in the legislative and regulatory areas, is consistent with NACWA's national advocacy priorities, and is done collaboratively with other organizations and interests as appropriate.

#### Judicial Strategies (*from Strategic Plan*):

1. Develop and protect sound judicial precedent and the use of valid science through participation – including initiation where appropriate – in key clean water and environmental litigation nationwide in both federal and state courts.
2. Assist members in defending against unreasonable enforcement actions through direct advocacy with EPA enforcement officials; development of information, communication, and strategic resources; and litigation participation as appropriate.

3. Communicate with members, state associations, and other stakeholder organizations to ensure NACWA is aware of critical clean water litigation and coordinating efforts with other interested parties to ensure an efficient and beneficial use of legal resources.
4. Pursue collaborative legal advocacy efforts with other organizations and interests where legal objectives are in alignment.
5. Identify legal and judicial opportunities to further advance NACWA Member Agencies' national advocacy goals, with focus on litigation matters that bolster regulatory and legislative priorities.
6. Produce publications and analyses for NACWA Member Agencies to support their understanding of critical issues and protect their legal rights.

### FY 2016 Actions & Initiatives in Support of Judicial Objectives:

- Maintain strong presence in existing NACWA litigation matters, including Chesapeake Bay TMDL case, Mississippi River nutrients case, and current cases involving stormwater regulations, to ensure interests of NACWA's members are aggressively represented.  
*High LOE / NACWA Deliverable: Additional filings in pending litigation as needed. Potential TAF Project: Additional briefing in Chesapeake Bay TMDL and/or Mississippi River nutrients litigation if appellate decisions are appealed to U.S. Supreme Court.*
- Monitor emerging legal developments and initiate new litigation on issues such as nutrient regulation, water quality, trading, biosolids, non-dispersible products, or others that could impact legal rights and obligations of NACWA members.  
*High LOE / NACWA Deliverable: New litigation matters as appropriate and necessary to defend NACWA member interests.*
- Defend NACWA members and their interests in legal actions and litigation over wet weather issues, including unreasonable enforcement actions, inappropriate stormwater regulations, and illegal efforts to limit peak wet weather flow treatment options. Additionally, maintain strong legal defense of municipal stormwater utilities and fee programs.  
*High LOE*
- Assist NACWA members in understanding and protecting their legal interests by providing informative legal education opportunities and maintaining robust online legal resources.  
*High LOE / NACWA Deliverable: Updates to NACWA Consent Decree E-Library and Handbook, and stormwater litigation white paper, as necessary. Potential TAF Project: Detailed compendium of state laws governing legality of stormwater utilities and fee programs.*
- Continue collaborative legal advocacy and litigation where appropriate, including work with state/regional partner associations, other water sector organizations, and environmental activist groups.  
*Moderate LOE*

## MEMBERSHIP DEVELOPMENT & ENGAGEMENT

### GOAL (from Strategic Plan):

NACWA's membership development and retention initiatives support its strategic direction.

### Membership Objectives (from Strategic Plan):

1. Increase NACWA's membership through strong representation within the sector – aligning the membership with key strategic issues and maintaining membership levels needed to provide the financial means to effectively pursue NACWA's advocacy agenda.
2. Effectively demonstrate NACWA's return on investment to retain members and provide an effective platform for recruiting new members.
3. Expand and diversify NACWA's membership to include other entities and organizations that are aligned with the Association's strategic interests.
4. Ensure that the next generation of water resources leaders is engaged in NACWA, and that their involvement in the sector is promoted.

### Membership Strategies (from Strategic Plan):

1. Implement issue-driven, targeted initiatives to secure new Member Agencies.
2. Create compelling communications that quantify and highlight the ways in which NACWA membership benefits its Member Agencies through cost avoidance, cost-savings, information and analysis, and/or additional funding secured.
3. Identify and facilitate opportunities for current Member Agency management and next generation utility leaders to participate and engage in Association initiatives and activities.
4. Engage state and regional organizations in Association advocacy issues and objectives to build coalitions and extend NACWA's reach.

### FY 2016 Actions & Initiatives in Support of Membership Development & Engagement Objectives:

- Tailor outreach to potential utility members utilizing NACWA's advocacy efforts on specific clean water issues and leverage communications to quantify return on investment.  
*High LOE / NACWA Deliverable: Customized outreach materials with information and analysis on NACWA's advocacy agenda relevant to the specific challenges faced by individual potential utility members. Increased public agency membership.*
- Leverage market research, communication analytics, and implement new marketing automation strategies to inspire increased engagement, enhance the membership experience, and further tailor benefits.

*High LOE – NACWA Deliverable: Increase engagement (on the Engage™ network, on committees, and through conference attendance) with new and continuing public agency members, decrease membership non-renewals and increase overall membership.*

- Expand opportunities for members and potential members to engage in Association initiatives at both the national and state/regional levels.

*High LOE – NACWA Deliverable: Accessible, high-value options for increased member and potential member participation in the Association.*

## REVIEW OF BUSINESS PLAN

NACWA's *Association Business Plan* is reviewed and revised annually in a process that parallels the development of the budget for the coming fiscal year.

### Clean Water Milestones

The following are just some of the key milestones in the Association's history.

- 1970 – AMSA incorporated with 22 Member Agencies, establishes headquarters in Seattle, Washington, and adopts membership criteria calling for Member Agencies to serve a population of 250,000 or more
- 1976 – AMSA relocates national headquarters to Washington, DC under contract with consulting firm
- 1976 – AMSA establishes 'Subscriber' Member category (now known as Affiliates) for private organizations that share the goals of the Association
- 1979 – Associate Membership Category established for small wastewater agencies sharing AMSA's goals
- 1980 – AMSA's celebrates its 10<sup>th</sup> anniversary with 76 Member Agencies
- 1983 – AMSA honors individual and member agency achievements for the first time with the *National Environmental Achievement Awards Program*
- 1987 – AMSA published the first of its triennial *Financial Surveys*
- 1987 – AMSA launches the *Peak Performance Program's Gold & Silver Awards*
- 1990 – AMSA begins independent operation as a stand-alone association and hires its own professional staff
- 1990 – AMSA marks its 20<sup>th</sup> anniversary with 111 Member Agencies
- 1992 – AMSA releases the first *AMSA Index*, an annual publication charting service charge increases as measured against the rate of inflation (reflecting historical data back to 1985)
- 1992 – AMSA holds first *Pretreatment Coordinators Workshop*
- 1995 – AMSA marks its 25<sup>th</sup> anniversary with 162 Member Agencies
- 1995 – AMSA establishes a Technical Action Fund, commemorating the Association's 25<sup>th</sup> anniversary, strengthening AMSA's capability to implement its objectives
- 1996 – AMSA enters the competitiveness arena with its *Evaluating Privatization* checklist, the first of many management-focused initiatives to come
- 1996 – AMSA publishes its first *Year in Review* report



- 1997 – AMSA joins the Water Environment Federation and the U.S. Environmental Protection Agency to form the *National Biosolids Partnership* to advance environmentally sound and accepted biosolids management practices
- 1997 – AMSA's web presence begins with the launch of *Clean Water on the Web* at [www.amsa-cleanwater.org](http://www.amsa-cleanwater.org)
- 1997 – AMSA eliminates the Associate Member category, opening up AMSA membership to communities of all sizes
- 1997 – AMSA expands its meetings offerings to include its first *Law Seminar*
- 1997 – AMSA holds first management-themed *Winter Conference*
- 1999 – AMSA gathers water and wastewater associations and a broad-range of stakeholder organizations together to form the *Water Infrastructure Network (WIN)*
- 1999 – AMSA enters joint venture agreement with the Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA) and the Water Environment Federation (WEF) to develop the *Water & Wastewater Leadership Center* executive education program at the University of North Carolina – Chapel Hill
- 1999 – AMSA incorporates the *Platinum Award* into the *Peak Performance Awards Program*, recognizing member agency facilities that have received *Gold Awards* for five consecutive years
- 1999 – AMSA purchases 1816 Jefferson Place, NW, Washington, DC as its new National Office
- 2000 – AMSA celebrates its 30<sup>th</sup> anniversary – *Windows on Watersheds* – with 238 Member Agencies
- 2001 – AMSA aggressively enters the security arena, forming its Wastewater Infrastructure Security Task Force (which became its Security & Emergency Preparedness Committee) and playing a prominent role in all aspects of wastewater infrastructure security
- 2001 – AMSA modifies dues schedule to add additional population increments and reduce membership dues for agencies serving less than 50,000 ratepayers
- 2001 – AMSA establishes a Public Affiliate Member category for wastewater conveyance/satellite systems sharing the Association's goals
- 2001 – AMSA redesigns its web site to better serve the Association's membership
- 2002 – AMSA continues its security initiatives, producing the *Asset Based Vulnerability Checklist for Wastewater Utilities*, the *Legal Issues in a Time of Crisis Checklist*, and a series of CD-ROM vulnerability self-assessment tools – *VSAT<sup>TM</sup>wastewater*, *VSAT<sup>TM</sup>water/wastewater*, and *VSAT<sup>TM</sup>water*, as well as a website [www.VSATusers.net](http://www.VSATusers.net)

- 2002 – AMSA forms Wastewater Infrastructure Funding Task Force (later renamed the Clean Water Funding Task Force) to generate broad support for the creation of a sustainable source of funding for wastewater infrastructure projects
- 2002 – AMSA’s Board of Directors takes action to shift the Association’s financial management from calendar year to Federal fiscal year
- 2003 – AMSA and the Water Environment Research Foundation (WERF) launch *CleanWater Central™*, a centralized Internet database containing detailed technical and research information relevant to clean water facilities
- 2003 – AMSA undertakes an aggressive *Strategic Planning Initiative*
- 2003 – AMSA introduces its *Excellence in Management Recognition Program*
- 2004 – AMSA concludes its 11-month *Strategic Planning Initiative* with the adoption of a new *Strategic Plan*, and the big audacious goal of “When people say, “environmentalist,” they think of us first.”
- 2004 – AMSA successfully transitions to a new membership management database, to streamline data maintenance and offer many benefits to the Association’s members
- 2004 – AMSA renames its Technical Action Fund to the Targeted Action Fund to better capture the true intent and use of the fund, and acknowledge its support of areas outside of the ‘technical’ realm
- 2004 – AMSA expands its categories of Affiliates to include Corporate Affiliates and Legal Affiliates
- 2004 – AMSA plays a prominent role in the creation of the Water Sector Coordinating Council (WSCC) which serves as a policy, strategy and coordination mechanism to reduce vulnerabilities to the nation’s water sector
- 2005 – AMSA changes its name to the National Association of Clean Water Agencies (NACWA) to reflect its member’s clear commitment to America’s waters
- 2005 – NACWA marks its 35<sup>th</sup> anniversary – and celebrates three and a half decades of commitment to clean water– with 285 Member Agencies
- 2005 – NACWA’s Wet Weather Issues Committee becomes the Facility & Collection System Committee, as the Committee’s scope is expanded to include both wet and dry weather collection system issues
- 2005 – NACWA successfully culminates nearly a decade of advocacy when the U.S. Environmental Protection Agency (EPA) Pretreatment Streamlining Rule is promulgated

- 2005 – NACWA’s Clean Water Funding Task Force launches the *Clean Water America* website, [www.cleanwateramerica.org](http://www.cleanwateramerica.org), to generate grassroots support for federal clean and safe water funding
- 2005 – NACWA, through its Clean Water Funding Task Force, drafts the *Clean Water Trust Act of 2005* in collaboration with a diverse group of stakeholders
- 2005 – NACWA plays a pivotal role in the introduction of the *Clean Water Trust Act of 2005* (H.R. 4560) in the U.S. House of Representatives
- 2006 – NACWA joins with the Water Environment Research Foundation to conduct its first web seminar, with use attainment analyses being the focus of the agenda
- 2007 – NACWA focuses on increased attention on the achievement of water quality goals through watersheds and creates a Strategic Watershed Task Force to make actionable recommendations
- 2007 – NACWA actively engages on the issue of climate change and incorporates relevant issues into the purview of its renamed Climate Change Committee
- 2007 – NACWA demonstrates the effectiveness of collaboration by entering into agreements supporting green infrastructure and wetlands protection and construction
- 2007 – NACWA creates Supporting Affiliate category of membership to facilitate the participation of non-profit and academic organizations supportive of the Association
- 2007 – NACWA adopts updated *Strategic Plan* and amends the Association *Bylaws*, giving its Board of Directors the flexibility to expand NACWA’s membership to include not only wastewater treatment agencies, but also other publicly owned agencies that ensure and provide clean and safe water
- 2007 – NACWA established the Clean Water Exchange electronic newsletter as a means to highlight selected legislative, regulatory, and legal developments affecting the clean water community for state/regional groups and their utility members
- 2008 – NACWA forms the 501(c)(3) Clean Water America Alliance to improve public awareness through information and education that advances sustainable, holistic, watershed-based approaches to water quality and quantity challenges.
- 2008 – NACWA plays a major role in funding and promoting *Liquid Assets: The Story of our Water Infrastructure*, a documentary that seeks to inform the nation about the critical role water infrastructure plays in public health and economic prosperity

- 2008 – NACWA joins with the Association of Metropolitan Water Agencies; the American Public Works Association; the American Water Works Association; the National Association of Clean Water Agencies; the National Association of Water Companies; the United States Environmental Protection Agency; and the Water Environment Federation to launch [www.watereum.org](http://www.watereum.org), a website to promote effective utility management in the water sector
- 2009 – NACWA launches its redesigned website at [www.nacwa.org](http://www.nacwa.org) – providing enhanced information and access to Association members, and a significantly improved public presence for the Association
- 2009 – NACWA launches [www.cleanwaterfunding.org](http://www.cleanwaterfunding.org), a website that serves as a one-stop shop for news, communication tools, and utility perspectives related to the spectrum of funding and financing issues in the clean water arena
- 2009 – NACWA establishes the *Critical Issues Action Initiative*, a member-supported fiscal year initiative focused on generating data and providing the expertise and analysis needed to ensure that clean water agency interest were effectively represented in the areas of nutrients, climate change, pharmaceuticals, watershed management, infrastructure sustainability and security.
- 2009 – NACWA worked successfully to secure the inclusion of \$4 billion for clean water agencies in the federal economic stimulus package and increased funding for the Clean Water State Revolving Fund
- 2009 – NACWA's Strategic Watershed Task Force develops and drafts the *21<sup>st</sup> Century Watershed Act* legislation to modify the Clean Water Act to enable a watershed approach for improving water quality
- 2009 – The Water Protection and Reinvestment Act of 2009 (H.R. 3202) is introduced in Congress to create a Clean Water Trust Fund – a concept that NACWA had championed for several years.
- 2009 – NACWA's Board of Directors identified publicly owned stormwater management agencies and satellite collection systems as entities eligible for Association membership as full Member Agencies
- 2010 – NACWA weathers the economic downturn and marks its 40<sup>th</sup> anniversary – celebrating four decades of commitment to clean water– with 267 Member Agencies
- 2010 – NACWA establishes its Hall of Fame, and honors 40 inaugural inductees.
- 2010 – NACWA establishes the *Wet Weather Advocacy Project* and associated *Wet Weather Advocacy Fund*, a member-supported fiscal year initiative focused on leveraging NACWA's existing efforts with a series of new programs to further focus the attention of federal officials on the unique wet weather issues facing the Association's members
- 2010 – NACWA revisits and revises its Strategic Plan to position the organization for the future as it enters its fifth decade

- 2011 – NACWA launches its *Money Matters* campaign to promote smarter investment to advance clean water
- 2011 – NACWA forms the Sewage Sludge Incinerator Advocacy Coalition (SSIAC) in support of the Association's efforts to file an administrative petition for reconsideration of the final maximum achievable control technology (MACT) standards with the Environmental Protection Agency (EPA) and a legal petition for review with the federal courts and a petition for judicial review of EPA's Definition of Solid Waste Rule
- 2011 – NACWA achieves a major victory on behalf of its Members – and agencies nationwide that manage stormwater – by securing clarity on the payment of stormwater fees by the federal government
- 2011 – NACWA launches major focus on national nutrient policy, participating in key litigation over numeric nutrient criteria in Florida, thus bringing a critical clean water perspective to a lawsuit with national implications
- 2012 – NACWA secures major regulatory and legal victory for clean water utilities nationwide when the U.S. Environmental Protection Agency (EPA) denies a petition from environmental activist groups to include nutrient removal as part of secondary treatment requirements. NACWA worked closely with EPA to secure a strong denial of the request, which will save clean water utilities tens of billions of dollars annually based on EPA's own cost estimates.
- 2012 – NACWA's Board of Directors adopts and funds an *Integrated Strategic Technology Plan* to capitalize on the potential of technology and ensure the Association's relevancy into the future. With this action the Association establishes a presence on Facebook, Twitter, Wikipedia, and other social platforms and launches its blog, *The Water Voice*<sup>™</sup>, and its social network *Engage*<sup>™</sup>.
- 2012 – NACWA plays prominent role in the development and finalization of the Environmental Protection Agency's (EPA) *Integrated Municipal Stormwater and Wastewater Planning Approach Framework*, providing utilities with new flexibility to prioritize their clean water investments – and lays the groundwork for regional workshops to support utilities in accessing the benefits of the *Framework*. Future regional *Integrated Planning Workshops* are conceptualized.
- 2013 – NACWA secures major regulatory and legal victory for clean water utilities nationwide when EPA denies a petition from environmental activist groups to include nutrient removal as part of secondary treatment requirements. NACWA worked closely with EPA to secure a strong denial of the request, which will save clean water utilities tens of billions of dollars annually based on EPA's own cost estimates.
- 2013 – NACWA – with the Water Environment Federation (WEF) and the Water Environment Research Foundation (WERF) establishes as Steering Committee and Task Force to explore and examine the Water Resources Utility of the Future (UOTF). NACWA, WEF, and WERF publish the *Water Resources Utility of the Future. . . Blueprint for Action* in January, to advance UOTF priorities through research, advocacy, and communications/outreach initiatives and NACWA releases the *Water Resources Utility of the Future – A Call For Federal Action* in April.

- 2013 – NACWA joins with the Association of Clean Water Administrators (ACWA) and the Water Environment Federation (WEF), in collaboration with the Environmental Protection Agency's (EPA), to convene *Integrated Planning Workshops* in Regions 1, 3, 5, 7, 10 to facilitate implementation of the *Framework*. NACWA pursues federal funding for an *Integrated Planning Pilot* program.
  
- 2013 – NACWA releases *The Evolving Landscape for Assessment of Financial Capability –Clean Water Act Negotiations & the Opportunities of Integrated Planning*, a white paper that explores the opportunities for more rational financial capability assessment and outlines how adopting a revenue forecasting approach will better enable the type of prioritization envisioned by the *Integrated Planning Framework*.
  
- 2013 – NACWA leads water sector efforts to protect the tax exempt status of municipal bonds.
  
- 2013 – NACWA successfully facilitates the creation of a Clean Water Caucus in the U.S. House of Representatives to examine emerging technologies that support the Water Resources Utility of the Future and identify incentives to increase their adoption.
  
- 2014 – NACWA secured significant modifications to the Clean Water State Revolving Fund (CWSRF) in the Water Resources Reform & Development Act (WRRDA) including extension of the loan repayment period to up to 30 years – a huge benefit to Member Agencies. The law also codified additional subsidization provisions enabling economically distressed communities to receive more affordable financing and incentivizes: 1) investments in energy efficiency, water efficiency and reuse; 2) partnerships between municipal wastewater utilities and upstream property owners to collaboratively tackle nonpoint source pollution and improve water quality; and 3) wastewater utilities' ability to undertake practices to ensure increased resiliency against man-made and/or natural disasters.
  
- 2014 – NACWA successfully advocates for key provisions in the new Farm Bill – maintaining water quality and agricultural nutrient management provisions and establishing the *Regional Conservation Partnership Program (RCPP)*, that specifically identifies municipal water and wastewater utilities as eligible entities to form regional partnerships with farmers, and provides an excellent opportunity for utilities to implement innovative nutrient management solutions with agricultural nonpoint sources to improve local water quality.
  
- 2014 – NACWA successfully secures federal funding for technical assistance for *Integrated Planning Pilots* and convenes *Integrated Planning Workshops* in Regions 2 and 8 to facilitate further implementation of the *Framework*.
  
- 2014 – NACWA releases a completely revised *Consent Decree Handbook, Wet Weather Consent Decrees: Negotiation Strategies to Maximize Flexibility & Environmental Benefit* *Wet Weather Consent Decree Handbook*, along with an updated and redesigned *Consent Decree e-Library* offering the most comprehensive collection of municipal wet weather consent decrees and enforcement orders.
  
- 2014 – NACWA declares *War on Wipes* protect the pipes, pumps, plants, and personnel at clean water agencies with a targeted initiative aimed at reducing the harmful materials that are flushed or drained into the sewer system.

- 2014 – NACWA joins with the Water Environment Federation (WEF) and the Water Environment Research Foundation (WERF), to bring together hundreds of clean water professionals from coast-to-coast to Washington, DC to advance shared priorities as part of the inaugural *Water Week*.
- 2014 – NACWA named a *2014 Power of A Gold Award* winner for its collaborative *Water Resources Utility of the Future* initiative by the American Society of Association Executives (ASAE). The *Power of A Awards* celebrate the extraordinary contributions of a select number of organizations annually that distinguish themselves with innovative, effective and broad-reaching programs and activities that positively impact America – and the world.
- 2014 – NACWA joins with the National Milk Producers Federation (NMPF) in a *Memorandum of Understanding* for potential collaboration on the effective management of nutrient-rich waste from the production of milk.
- 2015 – NACWA expands its advocacy presence on Utility of the Future-related issues, forming workgroups to focus on energy, reuse, and finance issues.
- 2015 – NACWA secures exemptions for stormwater and water recycling structures in the controversial U.S. Environmental Protection Agency/Army Corps of Engineers Clean Water Rule – protecting the operational and environmental benefit provided by those structures.
- 2015 – NACWA achieves critical legal victories, in cases with national implications, in Maryland and New York to defend municipal stormwater programs from excessive regulatory burdens
- 2015 – NACWA significantly expands its stormwater advocacy through establishment of a *National Stormwater Network* and publication of a white paper addressing legal considerations for funding municipal stormwater programs.
- 2015 – NACWA celebrates its 45-year commitment to clean water– with 362 Member Agencies and Affiliates.
- 2015 – NACWA says farewell to Ken Kirk after nearly forty years of service to the Association and welcomes Adam Krantz as its new Chief Executive Officer.