

TAF Project Overview and Status Report

Air Quality and Climate Change

Review of EPA Greenhouse Gas Emission Estimate for POTWs

In FY 2007, \$5,000 from the TAF and \$5,000 from the GARRF was used to retain a consultant to review the estimation methods for wastewater treatment emissions used by EPA in its annual *Inventory of U.S. Greenhouse Gas Emissions and Sinks*. Although the current inventory is only used for information purposes, the increasing attention given to climate change at all levels of government may make the *Inventory* more significant to regulatory actions in the future.

NACWA's review of the *Inventory* found that the estimates for wastewater treatment emissions are too high, due to conservative factors used in the calculations. For its comments on the 2006 *Inventory*, NACWA collected nitrogen loading data from 48 U.S. wastewater treatment facilities. The nitrogen loading level leads directly to the estimation of the nitrous oxide emissions in the *Inventory*, and NACWA's data and standard industry values for nitrogen loading are considerably less than the value currently used by EPA. EPA agrees that the data provided by NACWA provides an initial basis for reconsidering the nitrous oxide emissions estimates, but more detail will be needed before EPA can deviate from the internationally-accepted emissions methodology. This phase of the project, funded with the TAF, is complete. New funding under the Critical Issues Action Initiative has been used to collect more detailed emissions information for revising the estimation methods used in the *Inventory*, which were included in NACWA's recent comments on the latest version of the *Inventory*.

Biosolids

Advocacy on Regulatory Status of Sewage Sludge Incinerators

This \$5,000 in FY 2009 Targeted Action Funds will enable NACWA to continue work relating to a recent proposed rule seeking comments on whether certain secondary materials, including biosolids, should be considered a 'solid waste' for the purposes of regulation under the Clean Air Act. The outcome of this proposed rulemaking will dictate what section of the Clean Air Act sewage sludge incinerators (SSIs) are regulated under. NACWA has long advocated that SSIs should be regulated under Section 112, rather than the more onerous Section 129, but the new proposal would require all materials classified as solid wastes to be regulated under Section 129. The funds will allow NACWA to secure an outside expert in the solid waste program to help setup and facilitate a meeting with key Environmental Protection Agency officials.

Facility and Collection Systems

Issue Paper on Working with Satellite Communities

The NACWA Board of Directors approved \$20,000 in FY 2008 TAF funding to develop an issue paper on working with satellite communities. Many NACWA members working to control sanitary sewer overflows, infiltration and inflow, or other flow related issues, have experienced a number of challenges when communicating with satellite communities that are responsible for maintaining their own collection

systems. The issue paper outlines the various challenges associated with these interactions and explores how regional authorities and other utilities working with satellite communities can improve their interactions with these communities and better address the entire collection system. Several clean water agencies have already successfully engaged their satellite communities through voluntary incentive programs, the imposition or allocation of flow limits, and education programs on better system management, and the paper features case studies on those approaches. NACWA's contractor for this effort highlighted one of the case studies during the 2008 Summer Conference in Anchorage. The final paper was made available to the NACWA membership via *Member Update* 09-04 in March.

Development of Wet Weather Water Quality Standards

The NACWA Board approved \$10,000 in FY 2008 to retain a consultant to develop a strategy for establishing wet weather water quality standards. Under current EPA guidance, unrealistic low-flow data, such as EPA's recommended lowest one day flow in 10 years or the lowest average seven consecutive day low flow in 10 years, become design flows for sizing treatment plants, developing waste load allocations, and developing water quality-based effluent limitations. This problem is compounded when designing appropriate treatment options and discharge limits for discharges that occur during wet weather, which by their nature are occurring at times of peak flows rather than low flows. Although Congress has asked EPA to address this issue, especially with reference to combined sewer overflows, EPA has not seriously considered new guidance for setting water quality standards. Half of the TAF funds have been spent to develop an issue paper that describes the nature of the problem, including the historic development of water quality standards and how standards are set now. Work is continuing on the paper to provide potential options and recommendations for how appropriate wet weather water quality standards could be established. This project is expected to be completed before the 2009 Summer Conference.

Collection System Core Practices

The NACWA Board approved \$10,000 in FY 2008 funding to support an ongoing effort to develop consensus or core practices for municipal sanitary sewer collection systems. Since August of 2007, members of NACWA's Facility & Collection System Committee have been working in collaboration with representatives from the Water Environment Federation (WEF) to explore the possibility of developing a set of industry consensus practices for the management of municipal sanitary sewer collection systems that could be formally accepted by the water sector organizations and used nationally to provide much needed consistency.

The NACWA/WEF workgroup has met on several occasions to discuss the scope, length, and format for the practices. Currently there is general agreement that the capacity, management, operations and maintenance or CMOM concept, which has been embraced by EPA and many states, provides an excellent starting point from which to craft the practice. A draft of the core practices is now being reviewed by NACWA and WEF and a Memorandum of Understanding is being developed to outline how the two organizations will work together to finalize the practices. The TAF funding is being used to prepare the draft practices document for review by external stakeholders and to convene at least one facilitated discussion with this stakeholder group to solicit input.

Legislative/Regulatory Policy

National Biosolids Partnership

Although congressional funds were not made available for the National Biosolids Partnership (NBP) in Fiscal Year (FY) 2007 and 2008, NACWA and the Water Environment Federation (WEF) made a concerted and successful effort to obtain discretionary funding in FY 2009 for the NBP. NACWA used \$15,000 in TAF funds for this effort. It is NACWA's view, however, that the NBP needs to move in a self-sustaining direction and that continued expenditures on an advocacy firm to aid in this effort are not necessary going forward. As such, NACWA is not requesting additional TAF funds for NBP advocacy support in FY 2010.

Advocacy Support – Legislative/Regulatory Initiatives

NACWA utilizes the services of an advocacy firm to support the Association's efforts to advance its legislative and regulatory priorities. This is an ongoing expenditure with total approved funding of \$72,000 for FY 2009. The advocacy firm's focus has been to aid the Association in developing a legislatively viable and effective message in the arena of climate change and to ensure the bipartisan introduction of the draft Watershed Act this year, as well as strategic advice and input on key additional issues as they arise. NACWA will be requesting the same amount as in FY 2009 (\$72,000) for FY 2010.

Water Infrastructure Network (WIN)

NACWA's financial contribution to WIN's FY 2009 budget is funding the services of an advocacy firm to advance the coalition's legislative goals. WIN is working with the leadership in Congress to advance clean water funding initiatives, including stimulus package funding, clean water state revolving fund (CWSRF) legislation in the short-term and the introduction and advancement of clean water trust fund legislation in the 111th Congresses. WIN is an ongoing expenditure with total funding of \$25,000 approved for FY 2009 and NACWA is requesting the same amount for FY 2010.

Government Affairs Rapid Response Fund

The *Government Affairs Rapid Response Fund* (GARRF) provides NACWA with the ability to quickly respond to non-legal, time-sensitive issues. In FY 2009, the GARRF has already supported the Association in developing a white paper on the impacts to utilities of the ongoing economic downturn, ongoing work in drafting a 21st Century Watershed Act, as well as a report into the limitations of the full-cost pricing paradigm, and a written analysis of the impacts of and responses to the economic downturn on the nation's clean water agencies. The Board approved \$50,000 for the GARRF for FY 2009 and NACWA is requesting the same amount of funding for FY 2010.

Litigation/Legal Issues

General Legal Support

\$50,000 (FY 2009) is allocated to this line item. Thus far, funds have been expended for annual membership dues in the Association of State and Interstate Water Pollution Control Administrators (ASIWPCA) legal committee, legal and regulatory work related to an EPA rulemaking process that could affect biosolid

incinerators, litigation support, and legal research support. This fund is expected to be fully spent by the end of FY 2009. Proposed funding for FY 2010 is \$50,000.

District of Columbia Stormwater Appeal

NACWA has expended a total of \$24,030 since 2005 on this appeal of a stormwater permit for the District of Columbia. \$12,232 of this amount has come from the TAF, while the other expenditures have come from \$11,798 in contributions from the National League of Cities (NLC), the National Association of Flood & Stormwater Management Agencies (NAFSMA), the Wet Weather Partnership (WWP), the West Virginia Municipal League (WVML), and the Virginia Municipal League (VML). EPA is expected to soon reissue a revised permit that will not contain numeric stormwater effluent limits. This will likely cause the environmental groups to challenge the permit once again, initiating a new round of litigation in which NACWA will be involved. \$1,013 in carryover funds from FY 2008 is currently available. An additional TAF request may be needed when the new permit is issued, which is anticipated at any time. NACWA will also approach its municipal partners in this case regarding additional contributions.

SD #1 *Amicus* Brief (CWA-SDWA Interplay)

NACWA expended a total of \$263 in FY 2008 to participate as *amicus curiae* in this case involving the interplay between the CWA and the SDWA, *City of Cincinnati, OH (Greater Cincinnati Water Works (GCWW)) v. Sanitation District No. 1, KY (SD No. 1)*. The case focuses on a challenge by GCWW to a new wastewater treatment plant constructed by SD No. 1 located upstream from a GCWW drinking water plant. The parties entered mediation in 2008 and reached a settlement in February 2009. The remaining funds in this line item have been returned to the TAF and this litigation matter is now closed.

DC WASA CSO Permit Appeal (*Amicus* Brief)

NACWA expended a total of \$12,000 in TAF funds (FY 2005 – FY 2008) to participate with the Combined Sewer Overflow Partnership (now the Wet Weather Partnership (WWP)) in the District of Columbia Water and Sewer Authority's (DCWASA's) Phase II CSO permit appeal before the U.S. Environmental Appeals Board (EAB). This case focused on whether DCWASA's Phase II permit should include a compliance schedule for implementation of the city's long-term control plan as well as a compliance schedule for the implementation of stringent new nutrient limits. The EAB released a favorable decision in this case in March 2008, ordering EPA to reissue the permit with a compliance schedule for both the long-term control plan and the new nutrient limits. This project is now complete.

Ohio Phosphorus Case (*Amicus* Brief)

NACWA's Board has approved \$5,000 (FY 2006) for the Association to work with the Association of Ohio Municipal Wastewater Agencies (AOMWA) on an *amicus curiae* brief in a case the City of Salem, OH (City) will file to challenge EPA's September 2005 approval of phosphorus TMDLs for several Ohio rivers. These TMDLs were developed in an inappropriate manner and are now the source of stringent phosphorus effluent limitations in wastewater NPDES permits. No funds have yet been expended in this litigation as NACWA and AOMWA are waiting for the City to initiate the litigation, which is not expected until resolution of a related state permit appeal. The approved funds have carried over to FY 2009.

BEACH Act Case (Intervention)

NACWA expended \$35,000 on this line item during FY 2008 to continue the Association's involvement in *Natural Resources Defense Council (NRDC) v. EPA*, a legal challenge over EPA's failure to establish new recreational water quality criteria as required by the *Beaches Environmental Assessment and Costal Health Act (BEACH Act)*. These funds are were addition to approximately \$60,000 expended on this matter from the TAF and General Legal Fund during FY 2006 and FY 2007. A settlement was reached by all parties and filed with the court on August 8, 2008 with regard to the legal issues, and a financial settlement between NACWA and the U.S. Department of Justice was reached in December 2008 for payment of \$95,000 to NACWA to cover the Association's attorneys' fees and expenses during the course of the litigation. This litigation matter is complete, although NACWA will continue to use in-house legal resources to track implementation of the settlement agreement.

Security Publication Rewrite

NACWA expended \$6,188 from the FY 2008 TAF for final work on the rewrite/update of the Association's 2001 publication *Legal Issues in a Time of Crisis Checklist*. The new publication, titled *Protecting Water Resources Infrastructure From Security Threats in a Modern World: The Emerging Legal Framework*, was completed in December 2007 and distributed to the membership. The new handbook provides wastewater utilities, water utilities, and public works directors with a description of key environmental and related legal issues relevant in times of heightened security and will serve as both a practical manual and guidebook for security related issues. NACWA's costs were offset by \$30,000 in contributions from the partner organizations in this project, the Association of Metropolitan Water Agencies (AMWA), the American Public Works Association (APWA), and the Water Environment Federation (WEF). This project is now complete and the remaining \$3,812 in the line item has been returned to the general TAF.

Washington State Stormwater Case (*Amicus* Brief)

NACWA spent a total of \$18,500 (\$5,000 FY 2007 TAF and \$13,500 FY 2008 TAF) for the Association to participate in an appeal of MS4 permits issued by Washington State. NACWA was requested to file a brief on behalf of a municipal coalition of Washington State cities, including a number of NACWA members, on the issue of whether a requirement to comply with state water quality standards in MS4 permits is mandated in the federal Clean Water Act (CWA). The National Association of Flood & Stormwater Management Agencies (NAFSMA) joined NACWA on the brief, which was filed in January 2008. The administrative board issued a preliminary ruling in March 2008 endorsing NACWA's position and holding that the CWA does not require strict compliance with state water quality standards in MS4 permits. \$3,500 of NACWA's cost for participation in the case was offset by a contribution from NAFSMA. A final ruling on the remaining issues in the case was issued in February 2009, and this litigation matter is now complete.

Oregon Compliance Schedule Case

The NACWA Board approved \$10,000 (FY 2008) in December 2007 via electronic ballot for the Association's participation in *Northwest Environmental Defense Center v. U.S. Environmental Protection Agency (EPA)*, an important litigation challenging the use of compliance schedules in NPDES permits issued by the State of Oregon. The Association's participation in the case is at the request of NACWA's Oregon members and the Oregon Association of Clean Water Agencies (ORACWA). NACWA was subsequently was informed by ORACWA that the parties entered into settlement negotiations and was advised to hold off on intervening

in the litigation pending the outcome of settlement discussions. The NACWA Board at its May 2008 meeting approved contributing the previously allocated \$10,000 from the FY 2008 TAF directly to ORACWA for assistance with their legal costs, and NACWA provided these funds to ORACWA in July 2008. NACWA will stand by to assist in the litigation further if requested.

San Jacinto River Authority WET Appeal

The NACWA Board approved via electronic ballot in March 2008 the Association's participation in an appeal by member agency the San Jacinto River Authority (SJRA) of an NPDES permit with Whole Effluent Toxicity (WET) limits. SJRA appealed the permit in part because EPA Region VI inappropriately federalized an existing state permit and included the contested WET provisions. NACWA agreed to participate in the case due to the overreach of federal permitting authority and also because of concerns over the testing methods used by EPA to establish the WET limits. The Board approved up to \$7,500 in FY 2008 TAF funds for this case and collaboration in the litigation with the Western Coalition of Arid States (WESTCAS), which agreed to match any NACWA funds. However, shortly after the Board's vote, NACWA learned that EPA had withdrawn the contested WET limits in the permit, making the appeal moot. NACWA has since facilitated a meeting held in May 2008 between SJRA representatives and EPA Headquarters and Region VI staff to further discuss the WET issue and how it might be addressed when the permit is reissued. NACWA stands ready to further assist SJRA if a new appeal is necessary over the reissued permit.

Consent Decree Handbook Supplement

The NACWA Board approved at the September 2008 meeting an expenditure of \$10,000 from the FY 2009 TAF for a supplement to the Association's *Consent Decree Handbook*. The publication is intended to be used in conjunction with the original *Handbook* published in 2003 and covers a variety of topics including strategies to maintain municipal autonomy in an enforcement settlement, advice on leveraging POTW expertise in negotiations, and techniques to integrate legal obligations and deadlines in daily municipal operations. Additionally, it will provide update information on recent consent decree trends since the publication of the last supplement in 2006. Work is now complete on this project and the document has been distributed to NACWA members. It is also available for download from the NACWA website.

Total Maximum Daily Load Challenge

In May 2009 the NACWA Board approved \$15,000 from the FY 2009 TAF for Association participation in *Anacostia Riverkeeper v. U.S. EPA*, a total maximum daily load (TMDL) appeal pending in the U.S District Court for the District of Columbia. After successfully litigating to force EPA to include daily loads in TMDLs in 2006, the plaintiffs are now seeking to have daily loads be controlling even when the TMDL is directed towards achieving seasonal or annual loadings. The TMDL at issue in the case primarily addresses sediment and total suspended solids that may be discharged over both the growing season and annually. NACWA will intervene in the litigation and take the position that restrictive daily loads are not necessary to control pollutants that only need to be regulated on a seasonal or annual basis. This case has potentially enormous national implications for municipal utilities as combined sewer overflow and municipal stormwater dischargers could have a difficult time in meeting restrictive daily loads for most pollutants of concern. Publicly owned treatment works in particular would struggle to meet low daily loads for nutrients. NACWA's participation in this case is in support of member agency the District of Columbia Water & Sewer Authority (DCWASA), which has also filed a motion to intervene.

Pretreatment and Pollution Prevention

NACWA/EPA 50 POTW Study Effort

Over the last few years, NACWA has advocated for an update of the 1982 EPA study on the fate and transport of priority pollutants in POTWs. Also known as the 50 POTW study, the work is still relied on for its removal efficiency figures when POTWs are developing local limits. To facilitate the Pretreatment and Pollution Prevention Committee's efforts to build on an existing EPA sampling effort and update the 50 POTW study, the Board approved \$15,000 in FY 2006 and \$10,000 in FY 2007 for contractor support as NACWA continued its discussions with EPA. NACWA, EPA, the contractor, and the chairs of the Pretreatment and Pollution Prevention Committee began discussing approaches for collaboration at the October 2006 Pretreatment Workshop. The contractor prepared a feasibility study for the collaborative removal efficiency study, including issues to address and potential next steps. Since EPA has now limited their existing sampling effort and has no intentions of updating the 50 POTW, the contractor has prepared a draft clarification memo for EPA to issue that would assist POTWs in states that require use of the 50 POTW Study data in lieu of more reliable options. NACWA is planning to meet with EPA soon to discuss the draft memo and determine if the Agency can finalize and release the memo. While NACWA allocated \$10,500 in FY2006 TAF funding for contractor work on the feasibility study and clarification memo, some funds remain unutilized. Any remaining Board-approved funds, intended for the cooperative effort with EPA, will likely be returned to the TAF.

Utility Management

CleanWater Central™

NACWA continues to manage the *CleanWater Central*™ database. Created in 1999, the *CleanWater Central*™ database serves as a central hub for future data collection activities, such as the *Financial Survey* and *NACWA Index*, and as a repository for information vital to the wastewater treatment community. NACWA and WERF completed the beta test of the system on June 30, 2003 and launched the database during the NACWA 2003 Summer Conference in Boston. This is an ongoing project with expenditures for database administration each year. Total funding approved for this effort in FY 2009 is \$12,200. Proposed funding for FY 2010 is \$12,200. Two related projects, described below, will be coordinated with ongoing *CleanWater Central*™ management activities.

CleanWater Central™ Technical Survey

NACWA has received commitments from WERF and WEF to collaborate on a 'Technical Survey' to complement the data reported in NACWA's triennial *Financial Survey*. The dedicated Technical Survey will provide a more detailed snapshot of the physical assets and operations of clean water utilities nationwide than currently captured in NACWA's *Financial Survey* and will reduce the scope of the *Financial Survey*, so that it will only include relevant financing and utility management information. The Technical Survey, as it is currently envisioned, will also provide the primary means for substantially increasing the available information in the *CleanWater Central*™ database.

As proposed, this new Technical Survey will be conducted on a triennial basis on a cycle opposite to NACWA's *Financial Survey*. The survey will collect new information in the areas of collection systems (e.g., rehab and replace rates) and programmatic information that is not already captured, such as the scope of existing pretreatment programs, and more. Given the importance of the information that will be collected

in the Technical Survey to the *CleanWater Central*™ database and the industry as a whole, NACWA believes that WERF subscribers and WEF members will also benefit from participation in the design and execution of the survey. WEF and WERF have committed equal contributions of \$15,000 to the effort. NACWA's Board approved NACWA's contribution to this effort in January 2007 in the amount of \$15,000 in FY 2007 funds. NACWA, WEF, and WERF have now executed a Memorandum of Understanding to guide work on the Technical Survey and the related Strategic Analysis effort (see description below).

CleanWater Central™ Strategic Analysis

NACWA's Board of Directors approved \$10,000 from the TAF in May 2007 to conduct a Strategic Analysis of the *CleanWater Central*™ database. The analysis is now underway and will evaluate the strengths and weaknesses of CWC to help chart a successful course for the future. The Strategic Analysis will include an analysis of the external competitive, economic, political, legal/regulatory, technological and socio-cultural forces potentially impacting broader CWC usage, as well as an examination of potential target markets for this type of information and competing systems already on the market. The analysis will also examine current CWC marketing objectives and performance and assess the strengths and weaknesses of the existing system for reaching new target markets and achieving broader use, including, but not limited to, current quantity and scope of the information in the database and the database's current technological capabilities. WERF and WEF have committed to contribute equal shares of \$10,000 to the analysis. The final report from the analysis will be complete in early May and will provide NACWA, WEF, and WERF with a suite of options for the Associations to consider regarding the database's future.

Service Charge Index and Peak Performance Awards

FY 2009 funds in the amounts of \$2,750 and \$10,000 were approved by the NACWA Board in July to enable the Association to conduct its annual NACWA *Service Charge Index Survey* (NACWA *Index*) and Peak Performance Awards program, respectively. These are critical annual activities that had historically been funded through the General Fund. Since FY 2006 these vital projects have been funded from the TAF. Total approved funding for FY 2009 is \$10,000 for the Peak Performance Awards program and \$2,750 for the NACWA *Service Charge Index* survey. Proposed funding for FY 2010 is \$10,000 for the Peak Performance Awards program and \$2,750 for the NACWA *Service Charge Index* survey. The final 2008 NACWA *Index* was released with the April *Clean Water Advocate*.

ISO Wastewater Management Services Standard Support

With the support of the Targeted Action Fund (TAF), NACWA has been involved in an effort led by the International Organization for Standardization (ISO) to develop standards for the water sector since 2004. As a member of the U.S. delegation, NACWA representatives participated in several Technical Committee and workgroup-level meetings to ensure the final standards did not conflict with current best practices in the U.S. Like most ISO standards, the 24500 series standards that were finalized in November 2007 are voluntary. They were crafted to be as globally relevant as possible and are, therefore, fairly general. Some countries have decided to formally adopt these standards and although the U.S. has not yet decided whether to adopt them, U.S. utilities can choose to adhere to the standards. The final standards are available for purchase from ISO. Since 2004, NACWA has spent \$45,000 on this effort. During its meeting in November 2007, the ISO Technical Committee leading up the development of the 24500 series standards voted to form new workgroups on asset management and crisis management, which will include security issues. These workgroups will meet once a year for the next three years to determine whether there is

sufficient interest and information to consider pursuing standards in these areas. NACWA's Board of Directors voted in February 2008 to approve \$7,000 in additional TAF funding (from the FY2008 budget) to enable NACWA representatives to participate in the planned workgroup meetings. Two meetings of the Crisis Management Workgroup and the Asset Management Workgroup have already been held and NACWA was represented. During its July 2008 meeting, the NACWA Board approved \$12,000 from the FY 2009 TAF budget to enable NACWA's participation in workgroup activities throughout the 2009 calendar year.

Asset Management Workshop Curriculum Development

With the release of *Implementing Asset Management – A Practical Guide*, NACWA, WEF, and AMWA are now working to market the *Guide* and explore ways to increase exposure to the new and innovative risk-based concepts that it describes. In collaboration with AMWA (WEF declined to participate), NACWA worked to develop a workshop curriculum that can be used by NACWA or AMWA to conduct workshops based on the new document. The NACWA Board of Directors approved \$13,500 in FY 2008 TAF funding to cover half of the curriculum development costs. AMWA's Board also approved \$13,500 in funding. The consultant who developed the *Practical Guide* has now delivered the final curriculum and NACWA is working to explore delivery options for the workshops.

NACWA 2008 Financial Survey

Published every three years, the *Financial Survey* has consistently proven itself to be a valuable resource for NACWA member agencies as they evaluate financing options and consider rate adjustments. The 2008 survey is now underway. A total of \$55,000 was budgeted for this effort in FY 2007 and FY 2008, which will cover all survey development, as well as all data collection and complete analysis. Additional TAF funding of \$20,000 was approved in the FY 2009 budget for the design and printing costs associated with the final survey report. The 2008 *Financial Survey* was released via *Member Update* 09-05 in April.

Effective Utility Management Effort

The NACWA Board approved \$10,000 from the FY 2008 TAF budget to support the ongoing activities associated with the Effective Utility Management effort. The collaborating organizations recently completed work on a Primer for utilities detailing the ten attributes and five keys to management success, as well as an online resource tool box, developed by NACWA, to provide easy access to existing resources organized according to the attributes and keys to success. This new funding will be used to contribute to the ongoing collaboration among the six water sector organizations and EPA. Two new efforts are now under way to develop a web-based interactive primer on the effective utility management effort and to develop a set of case studies to illustrate how utilities have been able to integrate the concepts from the effort into their existing operations. This is an ongoing effort that will take place over the next nine to 12 months.

Water Quality

Participation in the Federal Water Quality Coalition

TAF funds support NACWA's continued associate membership in 2008 in the Federal Water Quality Coalition (FWQC). The FWQC provides NACWA with leveraging opportunities and information on a number of important water quality issues, including mercury, total maximum daily loads, and permitting. NACWA approved \$15,000 in annual dues to the Coalition for FY 2009. Annual dues of \$15,000 are proposed for the FY 2010 NACWA budget.

Watershed Initiatives Support

NACWA designated \$20,000 for contractor support of NACWA's watershed initiatives in FY 2007. A Strategic Watershed Task Force was formed to explore regulatory and legislative solutions to persistent clean water issues that present challenges for clean water agencies today. The Task Force released a report, *Recommendations for a Viable and Vital 21st Century Clean Water Policy*, on the 35th anniversary of the Clean Water Act, October 18, 2007. The report detailed the opportunities provided by a watershed approach to water quality issues, the obstacles faced in implementing a watershed approach, and set of short-term and long-term recommendations for overcoming these obstacles and improving water quality using a watershed approach. The report was used as the basis of Congressional testimony given by Chris Westhoff on October 18, 2007, to the House Committee on Transportation and Infrastructure, and has continued to serve as the basis for discussion of watershed issues, including during the January 4, 2008 summit between the officers of NACWA, the Water Environment Federation (WEF), the Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Rural Water Association (NRWA), and the National Association of Water Companies (NAWC). The report is also being used by the contractor and the Task Force in a new project to complete a draft 21st Century Watershed Act, one of the long-term recommendations contained in the report. The draft Act was discussed during NACWA's 2008 Summer Conference and has been reviewed by the membership. NACWA engaged external stakeholders on the content of the Act during its Fall Leadership meeting, and the Strategic Watershed Task Force has finished revisions to the Act. A briefing on the Act for environmental group representatives is scheduled and plans are being made to introduce it more broadly to stakeholders and lawmakers.

National Water Quality Monitoring Council Conference

The NACWA Board of Directors approved \$10,000 in FY 2008 TAF funds to co-sponsor the 2008 National Conference of the National Water Quality Monitoring Council (NWQMC or Council). The Council, a subgroup of the Advisory Committee on Water Information (ACWI), a Federal Advisory Committee on which NACWA has served for more than seven years, has a broad mandate that encompasses water quality monitoring and assessment, including considerations of water quality and water quantity. The purpose of the NWQMC is to provide guidance and technical support to government agencies and the private sector to improve water quality monitoring in the United States. NACWA first co-sponsored the conference in 2006. The 6th National Monitoring Conference was held May 18-22, 2008 in Atlantic City, New Jersey and provided an outstanding opportunity for all interested stakeholders to participate in technical programs and training, share successes, discuss issues, and network with colleagues in the water monitoring community.

Product Stewardship Dialogue

The NACWA Board of Directors approved \$5,000 in FY 2008 funding to support the Product Stewardship Institute's efforts to initiate a dialogue on the issue of unused pharmaceutical wastes. The Product Stewardship Institute, a national non-profit organization that has successfully led efforts to develop national programs for other wastes, is working to convene four dialogue meetings to begin the negotiations among the various parties on the possible development of a national take-back program for unused pharmaceuticals. Members of the Emerging Contaminants Workgroup who have already initiated their own collection or take-back programs have been involved with the Institute's efforts and strongly support the development of a national program that would allow other utilities to participate and provide a consistent, nationwide approach. The first of the dialogue meetings took place in Sacramento, California on June 19-20, 2008, and the second dialogue meeting was held in Washington, D.C. on December 2-3, 2008. Additional funding for this effort has been approved through the *Critical Issues Action Initiative*.

Other Issues

Water for People

In FY 2006 NACWA approved an annual contribution of funds in the amount of \$5,000 for Water for People. The FY 2009 TAF budget includes this year's contribution and another \$5,000 is proposed for the FY 2010 budget. Water for People helps people in developing countries improve their quality of life by supporting the development of locally sustainable drinking water resources, sanitation facilities and health and hygiene education programs. Steve Pearlman, NACWA Board Member and Director of Environmental Services for the Metro Wastewater Reclamation District in Denver Colorado is the Association's representative on the Water for People Board of Directors.

WaterReuse Foundation Collaborative Project

The NACWA Board of Directors approved \$15,000 in FY 2008 funding to contribute to a collaborative project with the WaterReuse Foundation. The WaterReuse Foundation has identified the inconsistent use of confusing and sometimes misleading terminology within the water, wastewater, and water reuse communities as a major impediment to broader public acceptance of water reuse. The term 'emerging contaminants', which NACWA uses to describe the growing list of chemicals and other substances found in small concentrations in wastewater, is a prime example of the disparate terminology currently being used. Others within the water sector have begun to use other terms like microconstituents and trace organics, all to describe the same group of substances. This has led to confusion among members of the industry and will no doubt lead to a confused public. The WaterReuse Foundation Board voted in 2008 to commit \$100,000 to a collaborative project to explore the broader issue of industry terminology, to evaluate whether a common set of terms and definitions could be established, and to better understand the public's perception of the use of certain terms throughout the entire water sector.

The Foundation Board has estimated the total project cost at \$175,000 and has now secured all of the necessary funding. A Project Advisory Committee comprised of representatives from each of the contributing organizations, including NACWA, has been formed and met January 15, 2009 in Alexandria, Virginia to kick off work on the collaborative effort.

WERF Communication Project

The NACWA Board of Directors approved \$20,000 in FY 2008 to support a collaborative effort led by the Water Environment Research Foundation (WERF) to develop guidance for clean water agencies on effective risk communication practices, public perception issues and media message effectiveness with a primary focus on emerging contaminant issues. Given the extensive media coverage that the presence of emerging contaminants in the nation's waters has received, there is an interest in ensuring clean water agencies are familiar with the basic principles and practices that will help them communicate with their communities on the health and environmental risks associated with these contaminants.

The final deliverable provides an analysis of effective communication practices, case studies where communication strategies have worked well and where public perceptions were effectively overcome, and recommendations on developing messages, diagnosing risk communication deficiencies, and addressing these in future communication. WERF solicited contributions of \$20,000 from both NACWA and the Water Environment Federation and has involved the WaterReuse Foundation (WRF) in the ongoing discussions. These organizations have now formed a working group to build on the outcomes of the WERF project and develop a set of common messages on the subject for utilities.

Green Infrastructure Course Development

NACWA and The Conservation Fund (TCF) successfully held a pilot green infrastructure course for municipal utilities April 14-16, 2009 at the U.S. Fish and Wildlife Service National Conservation Training Center in Shepherdstown, WV. \$20,000 from the FY 2008 TAF was allocated to support NACWA's participation in this project, and TCF secured additional grant funding. NACWA and TCF also contributed significant in-kind services to the development of the course.