

## NACWA Targeted Action Fund FY 2011 Continuing Project Budget Analysis

The following provides a description of, and justification for, each item proposed for continuing funding in the Fiscal Year (FY) 2011 Targeted Action Fund (TAF).

### Litigation

#### General Legal Support

The proposed TAF funds of \$50,000 will be available for use throughout FY 2011 to consult and retain outside counsel on various regulatory and legal issues, conduct NACWA's legal advocacy, and for general litigation support. As an example of the how this fund is used, the activities funded through the *General Legal Support* line item in FY 2010 thus far include: membership in the Association of State and Interstate Water Pollution Control Administrators (ASIWPCA) Legal Committee, legal work related to sewage sludge incinerator regulations, filing of a brief with the U.S. Supreme Court in the *City of Los Angeles v. Kern County* biosolids case, sponsorship of the 2010 Pace Law School environmental moot court competition, legal research support, and general litigation support.

### Ongoing Initiatives/Coalition Work

#### Advocacy Support

NACWA utilizes the services of an advocacy firm to support the Association's efforts to advance its legislative and regulatory priorities. These priorities are also advanced through the *Clean Water Advocacy Center* (CWAC) each year at WEFTEC. These items are considered to be ongoing expenditures. Total approved funding for FY 2010 was \$72,000. The addition of the CWAC to this line item in FY 2011 increases the amount to \$86,000. The advocacy firm's focus has been, and will continue to be, aiding the Association in developing a legislatively viable and effective campaigns in the arena of climate change and energy recycling/reuse, affordability legislation in Congress, and ensuring a hearing on the need for a new Watershed Act this year, as well as strategic advice and input on key additional issues as they arise.

#### Water Infrastructure Network (WIN)

NACWA's financial contribution to WIN's FY 2010 budget was \$25,000 and is proposed to be the same amount for FY 2011. This contribution secures NACWA's place on the WIN Executive Committee, along with other contributors of \$25,000 or more, and ensures the Association's funding priorities for the Nation's clean water agencies are advanced through the coalition's vital efforts. This past fiscal year WIN has worked to advance trust fund legislation through the House and add new cosponsors to the bill; ensure stimulus package funds were targeted to clean water agencies; and, that make certain

that clean water state revolving fund (CWSRF) reauthorization legislation passed in the House and has advanced further than in any years past in the Senate.

As in years past, the \$25,000 for FY 2011 will be utilized to supplement contributions from other WIN member organizations to retain the services of The Accord Group, maintain the WIN website, and fund communications and outreach efforts. Tremendous progress has been made over this past year in broadening support toward the establishment of a clean water trust fund — and a great deal of this success is owed to the WIN coalition speaking with a unified voice on this important issue. The proposed amount of \$25,000 for FY 2011 will ensure continuation of these ongoing efforts.

#### *CleanWater Central*

The *CleanWater Central* database serves as a central hub for current and future data collection activities, such as the *NACWA Financial Survey* and *NACWA Index*, and as a repository for information vital to the wastewater treatment community. NACWA and the Water Environment Research Foundation (WERF) launched the database in 2003 and continue to expand the amount of information in the system, and the number of regular users. The proposed funding of \$5,000 for FY 2011 will cover half of the contract expenses (NACWA and WERF equally share the cost) to maintain the database, as well as the Internet hosting fees for the database and website. NACWA's total share of the annual maintenance costs is \$12,200, but due to unspent funds carrying over from previous years, only \$5,000 is needed for FY 2011. Maintenance includes daily and weekly information back-ups, a rigorous quality assurance program to verify all newly entered information, and other database maintenance activities.

#### *2011 NACWA 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 information and data provided by this survey, in particular, will be critically important as we assess the impact the economic downturn has had on utilities. A working group of Utility Management Committee members will begin work on the 2011 Survey form this month with the goal of distributing the Survey to the members in March of 2011. A total of \$33,000 in FY 2011 is requested – with an additional \$22,000 plus design and publication costs required in FY 2012. The final survey report will be released in early 2012.

#### *Participation in the Federal Water Quality Coalition*

For the past several years, NACWA has maintained an associate membership in the Federal Water Quality Coalition (FWQC). The FWQC is a broad coalition of stakeholders, including industry and municipalities focused on water quality issues including water quality criteria, mercury issues, permitting, and total maximum daily loads. The proposed FY 2011 funding of \$15,000 would cover NACWA's discounted annual dues in the Coalition and give the Association and its members access to critical leveraging opportunities and information. The FWQC provides valuable assessments of a broad range of water quality issues and how they may affect municipalities, giving NACWA staff an exceptional resource to supplement the Association's existing capabilities. This leveraging of resources has enabled NACWA to cover a much broader array of water quality issues each year.

#### *NACWA Service Charge Index*

Since 1992, the Association has published the *NACWA Index* annually to track average single-family residential service charge increases as measured against the rate of inflation. Because there is a wide range of rate structures used by utilities (e.g., one or a combination of flat rates, fixed or tiered volume rates, tax rates, etc.), the average annual single-family residential sewer service charge (inclusive of collection and treatment) provides a consistent benchmark to measure changes in the price of service among public utilities nationwide. Total funding requested for this effort in FY 2011 is \$3,000. These funds are allocated each year towards survey form creation and data analysis.

#### Water for People

Water for People (WFP) is an organization dedicated to ensuring that all people have access to safe drinking water, adequate sanitation and basic health services. Their objective is to help 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. A NACWA Board Member serves on the Water for People Board and the Association has identified two individuals to serve on WFP's World Water Corps Sanitation Advisory Panel. NACWA also makes this annual contribution to thank and honor conference speakers collectively, in lieu of providing speaker gifts. Our continuing annual contribution is \$5,000.

#### Peak Performance Awards

NACWA's *Peak Performance Awards Program* recognizes member agency facilities for excellence in wastewater treatment as measured by compliance with their National Pollutant Discharge Elimination System (NPDES) permit requirements. This program has honored growing numbers of NACWA member agency facilities since its inception in 1987. With nearly 500 member agency facilities receiving recognition in FY2009, this program continues to be the Association's most popular awards programs. The request for FY 2011 is \$11,500 to fund the analysis of data and the identification of honorees for this successful program.

#### Government Affairs Rapid Response Fund

The *Government Affairs Rapid Response Fund* (GARRF) provides NACWA with the ability to quickly respond to time-sensitive legislative and regulatory issues. In FY 2010, the GARRF has already supported the Association's advocacy white paper on energy production and recapture from the wastewater treatment process and an assessment of the climate change mitigation and adaptation costs the Nation's publicly owned treatment plants face — a document that has been shared with every member of Congress and key Environmental Protection Agency policymakers. The Board approved \$50,000 for the GARRF in FY 2010 and NACWA is seeking the same amount for FY 2011.