

CLEAN WATER ADVOCATE

Former U.S. Environmental Protection Agency (EPA) Administrator Carol M. Browner, is a top official on President-Elect Obama's environmental transition team. Read more about the transition in administration on page 2.



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A Clear Commitment to America's Waters

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Second Stimulus Bill Gathers Momentum, NACWA Leads Charge for Inclusion of Clean Water Projects

Congress returned to Washington on November 17 to address reorganization issues for the 111th Congress and to consider a second economic stimulus package. These efforts received a significant boost when President-elect Barack Obama added to the gathering momentum on Capitol Hill with his November 7 remarks on the economy. Obama stated clearly that a "fiscal stimulus plan that will jump-start economic growth is long overdue," adding that "the one thing I can say with certainty is that we are going to need to see a stimulus package pass either before or after the inauguration." Against the backdrop of this encouraging development, NACWA is working to ensure that the stimulus package focuses on infrastructure in general – and wastewater infrastructure projects in particular.

Capitol Hill Hearing Highlights Clean Water Projects

NACWA's efforts also received significant assistance at an October 29 Transportation & Infrastructure (T&I) Committee hearing titled "Investing in Infrastructure: The Road to Recovery," which featured 19 witnesses and a sig-



nificant focus on wastewater infrastructure funding as a key component of any future stimulus package. NACWA submitted written testimony, calling on Congress to include \$10 billion for wastewater infrastructure in the bill.

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NACWA's 2009 Winter Conference – Is There a Silver Lining to the Current Financial Crisis?

Despite the recent financial crisis that has affected every sector of the U.S. economy – and the rapidly rising capital needs that are posing challenges for clean water agencies – there may be a silver lining for municipalities. The current bond market is a rough place to be at the moment, but as investors start spending again, the municipal sector will no doubt be near the top of their list. Clearly, bonds are no longer just safe havens for retirement savings, as their returns have outpaced those of many of the other investment options lately. The cost of oil has also dropped dramatically as the U.S. economy has struggled. If fuel costs remain low, there

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NACWA Keeps Focus on Clean Water Priorities as Transition Moves Forward

As the transition to the presidency of President-Elect Barack Obama gets into full swing, rumors have begun their quadrennial swirl in Washington over who will fill the top jobs in the new administration. NACWA, for its part, has been crafting information on clean water priorities and sharing its perspectives with key players like former U.S. Environmental Protection Agency (EPA) Administrator Carol M. Browner, a top official on Obama's environmental transition team. NACWA's letter to Browner commended President-Elect Obama's focus on protecting the environment and rebuilding the nation's infrastructure, including its aging wastewater treatment systems, through a second economic stimulus package. "Specifically, we greatly appreciate President-Elect Obama's support for an infrastructure-based stimulus package and NACWA has been leading the effort to ensure that ready-to-go wastewater projects are included in such legislation," the letter said.

In addition to the current efforts on the stimulus package, NACWA urged President-Elect Obama to consider carrying his message of change into the clean water arena by moving in the direction of an innovative, holistic watershed approach to meeting 21st challenges. The Association also expressed the importance of providing greater focus on how climate change will impact the nation's



water resource management efforts, as well as continuing to focus on developing sustainable funding alternatives to meet growing wet weather control and aging water infrastructure costs. Former EPA Administrator Browner, and other members of the policy working group for the Energy and Environment cluster, have established temporary offices at the Agency and are charged with evaluating the budget, establishing a strategic direction, and identifying areas for specific emphasis when the new administration comes in.

In addition to communicating its member's priorities to President-Elect Obama,

NACWA is also reviewing very carefully the priorities and policy recommendations of other organizations weighing in with the transition team. Recent recommendations from activist organizations and other key water sector groups have run the gamut, from chemical security to green infrastructure and funding. NACWA will be working to respond, when appropriate, to these recommendations and to work with these groups to ensure they fully understand the perspective of the municipal clean water community. Members are encouraged to watch for new developments in the weekly *Clean Water Current* and in the next edition of the *Clean Water Advocate*. 💧

NACWA Website to Start New Year with a New Look

NACWA will be rolling out a new look to www.nacwa.org in January, 2009. The Association's redesigned website will not only provide a new experience visually—enhancements are also being made to member access and NACWA's public presence on the web. Upgrades to the site include user-friendly graphic enhancements and new functionality, with key information organized by issue, an enhanced search engine, and a single individual account for both access to the *Member Pipeline* and financial transactions. Look for more information soon and the new site in January! 💧



Major Changes to EPA Pesticide Rules Will Improve Protection of Clean Water Utilities, Environment

NACWA advocacy on the issue of contaminants of emerging concern continues to focus on pollution prevention and source control efforts that can keep these substances out of the sewer system in the first place. A top priority for the Association has been encouraging the U.S. Environmental Protection Agency (EPA) to leverage their existing regulatory authority to require additional environmental impact information prior to approving a new chemical for use, or when reviewing an existing chemical. A recent proposed rule from EPA's pesticide office appears to take a major step toward increasing our understanding of the complete life-cycle impacts of some of the chemicals that are used every day in this country and that ultimately end up in our nation's waters.

Reversing its long-standing position that antimicrobial pesticides (e.g., spray disinfectants and toilet cleaners) used in homes and businesses do not impact water quality due to 'dilution and degradation', EPA recently unveiled a proposed rule that would require pesticide manufacturers to

submit a significant amount of new information on the antimicrobial products they wish to market in the United States. This EPA proposal would make significant improvements to the current assessment procedures for down-the-drain pesticide products, increasing understanding of their full life-cycle impacts before they are approved by EPA. The additional data that manufacturers would be required to submit, and the new analyses that EPA plans to conduct, would evaluate how much pesticide is reaching wastewater plants, what impacts the pesticides may have on the biological treatment process, and ultimately what impacts any remaining pesticides may have on aquatic life downstream of the plants discharge.

NACWA Readies Comment on Proposed Rule

NACWA is soliciting input on the proposal from its members via *Regulatory Alert 08-05*, and plans to submit comments to EPA before the January 6, 2009, deadline. The proposal appears to be a good start toward ensuring greater ac-

countability from manufacturers and pesticide suppliers for the products they sell. Based on early discussions, NACWA expects to receive input from the membership on how the proposal could better account for potential impacts to biosolids and address pesticides from sources other than residential wastewater – the primary focus of the current proposal.

EPA's actions under the pesticide program should serve as a model for other regulatory programs, including those under the Toxic Substances Control Act, and those governed by the Food and Drug Administration, where approval processes for new chemicals, pharmaceuticals, and personal care products could benefit from a more comprehensive evaluation of their fate and impact in the environment. The pesticide proposal will not be final until the end of 2010. In the meantime NACWA will be working to ensure its comments are addressed and encouraging other EPA program offices and key federal agencies to follow this example to better consider the implications for the water environment of their decisions. ♦

NACWA Explores Impacts of Economic Downturn via Web Seminar

On December 11, NACWA hosted a free web seminar for Public Agency Members to discuss the impacts and potential opportunities resulting from the ongoing economic downturn. *The Economic Downturn – Impacts & Opportunities* was moderated by NACWA President, Marian Orfeo, Director of Planning & Coordination for the Massachusetts Water Resources Authority, Mass. and featured two municipal finance experts, John Friar, executive professor of entrepreneurship at Northeastern University in Boston, Mass., and Tom Paolicelli, Executive Director for the New York City Municipal Water Finance Authority, N.Y.

John Friar previewed the White Paper, which he is developing for NACWA, on how public wastewater utilities have been impacted thus far by the economic downturn. Tom Paolicelli, formerly with one of the nation's largest bond rating agencies, discussed the impact the economic downturn has had on his own Authority's and agreed that while the lending markets seem to be in a tailspin, there may be significant opportunities for municipalities after the dust settles.

The web seminar was well attended by municipalities across the country. Watch your e-mail for additional NACWA web offerings! ♦



2009 Water & Wastewater Leadership Center—One-of-a-Kind Professional Development

Space is still available for the 2009 *Water & Wastewater Leadership Center* executive education program, March 8 – 20, 2009, at the Kenan-Flagler Business School on the campus of the University of North Carolina at Chapel Hill. The deadline for applications is Dec. 12, 2008 and interested individuals are strongly encouraged to apply now, as space in the program is limited.

The Leadership Center is specifically designed to prepare current and up-and-coming water and wastewater utility leaders to effectively and efficiently manage their utilities while meeting the current needs of their customers with the highest level of service and quality. No other program cultivates leadership and management skills like this intensive 12-day executive management learning experience. Students are challenged to broaden their perspective



on evolving issues facing utilities and the changing business environment, while key course elements provide instruction on how to think strategically and lead confidently. This targeted curriculum is enhanced by the state-of-the-art facilities and engaging and dynamic instructors offering an excellent forum for learning.

To request a *Leadership Center* application or additional information, visit the NACWA's website (www.nacwa.org/meetings) or contact Kelly Brocato at 202/833-1449 or kbrocato@nacwa.org.

"The Leadership Program provided me invaluable management and leadership tools and allowed me to build new relationships and friendships with many of my industry peers from across the country."

— **Adel H. Hagekhalil, P.E., BCEE**

2003 Leadership Center Alumni Program Alumnus

2002 Leadership Center Residential Program Alumnus

Assistant Director, Board Certified Environmental Engineer, Bureau of Sanitation—City of Los Angeles

NACWA's 2009 Winter Conference—Is There a Silver Lining to the Current Financial Crisis?

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may be reductions in the cost of construction materials, which again would be good news for municipalities planning major capital programs. NACWA's 2009 Winter Conference, *Controlling Chaos: Managing Capital Costs in an Uncertain Economic Environment*, February 3-6, 2009, in Atlanta, Georgia will explore the elements of the recent crisis that have led some utilities to re-prioritize capital spending and highlight where there may be new opportunities for municipalities.

Regardless of how the current economic

situation is resolved, utilities will continue to look for ways to do more with less. Many utilities are saving millions in capital costs through better risk allocation and more effective management of their design and construction contracts. Contract provisions that enhance dispute avoidance, mitigation and resolution – and better communication with potential bidders – have improved the efficiency of many capital programs. Several presentations during NACWA's 2009 Winter Conference will highlight where new and creative approach-

es to the bidding process, contracting, and capital program implementation have enabled utilities to trim costs while achieving the same clean water goals.

Mark your calendar now and plan to attend NACWA's 2009 Winter Conference, *Controlling Chaos: Managing Rising Capital Costs in an Uncertain Economic Environment*, February 3-6, 2009, at the Westin Buckhead Atlanta in Atlanta, Georgia. A preliminary agenda and registration information is currently available on NACWA's website at www.nacwa.org.



« NACWA's annual Hot Topics Breakfast at WEFTEC '08 in Chicago featured Assistant Administrator for EPA's Office of Water, Ben Grumbles, along with Office of Water directors Jim Hanlon, Craig Hooks, and Ephraim King. Nutrient issues were a major focus of discussion, with King thanking NACWA for its continued involvement and leadership in this area. Grumbles and Hanlon also cited the important work of NACWA's Strategic Watershed Task Force and suggested further dialogue about implementing some of the Task Force's recommendations. For more information on NACWA's work on nutrients and strategic watershed issues visit www.nacwa.org.

2009 Pretreatment Workshop—Save the Date!

The NACWA *National Pretreatment and Pollution Prevention Workshop* makes a move to the Spring in 2009, and will be held March 25-27, at the Hilton Charlotte University Place in Charlotte, North Carolina. For the first time since 2004, the *Workshop* will take place in conjunction with the U.S. Environmental Protection Agency (EPA)-States National Pretreatment Meeting. The 2009 EPA-States meeting will occur at the Hilton University Place just prior to the NACWA *Workshop*, enabling more EPA staff and state regulators to attend the Association's meeting and interact directly with participants. An informative agenda is being planned including cutting-edge pollution prevention topics, as well as traditional issues of concern for pretreatment professionals. Mark your calendar now and plan to attend this important meeting for pretreatment professionals and managers. 💧



⌘ *Roberta Larson, Vice Chair of the NACWA Legal Affairs Committee and Attorney for Somach, Simmons & Dunn in Calif., discusses how courts should give regulatory deference to decisions by administrative agencies during the 2008 NACWA Developments in Clean Water Law Seminar held this month in Washington, DC. The panel entitled Regulatory Deference: Whose Line is it Anyway? was one of many during the Seminar to address cutting-edge legal issues facing the clean water community. Many of the nation's leading clean water legal practitioners served as speakers during the three day conference, including top EPA officials. Presentations from the Seminar are now available on NACWA's website at www.nacwa.org/meetings. 💧*

Critical Issues Action Initiative—Full Steam Ahead!

With issues regarding nutrients, climate change, pharmaceuticals, watershed management, infrastructure sustainability and chemical security expected to move aggressively forward in the coming months, new pressures will be put on clean water utilities across the country.



NACWA is preparing the Association and its members for the boost in activity in these areas as a result of the beginning of the 111th Congress and the inauguration of a Democratic administration through the Association's *Critical Issues Action Initiative*. The Initiative includes a number of targeted projects that will ensure the Association and its individual members have the tools needed to make the case for the nation's clean water communities in the coming months. The significant benefits from the targeted advocacy agenda in the *Critical Issues Action Initiative* cannot be understated and NACWA has been gratified by the support of its members to date.

Work is well underway on NACWA's *Climate Change Primer*, a key element of the *Initiative*. The *Primer* will explain how climate change legislation and regulation could affect operations for clean water agencies, and will outline the current and future opportunities for utilities to engage in emerging carbon markets. The *Primer* will also provide insights on how the results from the November elections may affect federal climate change legislation. A first draft of the *Primer* is complete and currently being reviewed by a team of staff and member representatives. A final draft is expected to be available for release in early 2009.

The presence of pharmaceuticals and other personal care products (PPCPs) in water will continue to top Congressional and EPA agendas in the coming year and NACWA, in collaboration with others, is making significant progress toward developing the scope and charge for a peer review panel on the issue. The charge of the panel will likely focus on the development of a set of strategic recommendations to guide national response to the PPCP issue, and may include an assessment of the potential implications of PPCPs in water, source control and treatment options, policy and regulatory development approaches, and risk communication issues. The panel is expected to convene its first meeting early next year.

Other *Initiative* projects, including the development of a set of strong technical and legal arguments against the modification of the definition of secondary treatment to address nutrient discharges at clean water agencies, are also underway. For additional information on the *Critical Issues Action Initiative* and its projects, please visit www.nacwa.org/criticalissues. 💧



« NACWA exhibited at WEFTEC '08 in Chicago last month. The booth featured a preview of NACWA's redesigned website, as well as the latest edition of the *Clean Water Advocate* and the Association's *Year in Review*. Visitors to the booth were able to learn more about NACWA's latest advocacy initiatives and discuss the benefits of membership. Nearby, the *Clean Water Advocacy Center* (CWAC) was once again hosted by NACWA, the Water Environment Federation (WEF), and the American Public Works Association (APWA). Visitors to the Advocacy Center were asked to sign a letter to the president-elect urging him to make clean water funding a priority, and had the opportunity to get their photo taken with simulations of either Barack Obama or John McCain and their running mates. Nearly 600 people signed the letter, which will be sent to President-Elect Obama's transition team. The three groups also disseminated information about other clean water legislative priorities. »

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The Association's position was supported by several key witnesses, including Louisville, Ky., Mayor Jerry E. Abramson, testifying for the U.S. Conference of Mayors, who noted that "Congress should allocate an additional \$18.75 billion directly to cities as grants to assist with rehabilitating aging water and sewer infrastructure, complying with sewer overflow issues, and promoting source water protection" via a second stimulus package. Similar testimony was provided by Judith Enck, New York deputy secretary for the environment, and Terry Dillon, president of the National Utility Contractors Association, both of whom referenced NACWA's \$9 billion ready-to-go wastewater project list and echoed the Association's call for \$10 billion to pay for the projects in any future stimulus bill. Rep. James Oberstar (D-Minn.), chair of the committee, also spoke of the need to have

wastewater projects in the stimulus package on several occasions during the hearing.

Oberstar noted that his Committee's stimulus package would generally follow the lines of an earlier \$60 billion bill (H.R. 7110) that passed the House, but stalled in the Senate prior to the recess. NACWA had helped ensure that this bill contained \$6.5 billion for wastewater infrastructure. Oberstar, however, told reporters later that the new stimulus package would contain more overall funding than H.R. 7110 (discussions have ranged from \$100-\$300 billion), opening the door to potentially higher funding levels for wastewater projects.

NACWA is working aggressively with staff and members of the House and Senate to urge support for \$10 billion in funding for wastewater infrastructure projects. The Association also continues to update its list of ready-to-go projects, currently totaling nearly \$9 billion, and will use this

information to build support for increased wastewater infrastructure funding in the stimulus bill. »



Rep. James Oberstar (D-Minn.)