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**NACWA**

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## NACWA Plays Leadership Role in White House Resilience Study

NACWA President Adel Hagekhalil, Assistant Director of City of Los Angeles – LA Sanitation, has been tapped to lead a study group that will guide the development of a seminal water sector resilience report for the Department of Homeland Security's National Infrastructure Advisory Council (NIAC). The NIAC was formed through Executive Order by President Obama to assess resilience challenges and provide recommended changes across the sixteen core infrastructure sectors.

The fact that the NIAC has decided to focus specific attention on water sector resilience demonstrates a growing awareness of the fundamental importance of the water infrastructure, on which the other sectors rely. Hagekhalil was asked to lead the study group developing the report after he and NACWA CEO Adam Krantz addressed the NIAC, on September 11, on national and LA-specific security and resilience issues.



NACWA's President, Adel Hagekhalil and CEO Adam Krantz, were among those attending the September NIAC meeting.

The report will consider issues such as risks to the sector and sub-sectors – including climate change, aging infrastructure, and cyber threats, as well as dependencies and interdependencies. The study group tasked with contributing to the report will begin work in October, and anticipates delivery of a completed product to a NIAC Working Group in February.

The Association will help ensure that appropriate experts are chosen to provide input into the report and that it assesses and addresses the most pressing security and climate-related resilience challenges, including a utility-based perspective, with a solutions-oriented approach. Most importantly, this report will be shared with key decisions makers in the White House, across key agencies, and with federal, state and local policy makers. ■

## As Costs Become Evident, Opposition to Great Lakes Proposal Grows

NACWA is continuing its efforts to build a case against proposed legislation significantly impacting dischargers in the Great Lakes. The legislative proposal, inserted in the Senate's FY16 appropriations package, prohibits direct and indirect dischargers to the Great Lakes from discharging combined sewer overflows or blended effluent – even if these discharges comply with the 1994 Combined Sewer Overflow (CSO) Policy.

NACWA recently surveyed approximately 180 utilities that hold CSO permits within the Great Lakes Basin. Based on the data gathered, estimated compliance costs would exceed \$72 billion (plus associated costs for operations and maintenance) and result in potentially

catastrophic rate increases for a region already struggling economically (see charts on page 2).

The only way many of these communities would be able to pay for compliance is by doubling or tripling monthly sewer bills for residential and business customers. The Northeast Ohio Regional Sewer District, serving Cleveland and surrounding suburbs, would see monthly sewer bills rise to over \$300.00 in order to pay for the \$16.5 billion in required system upgrades to eliminate all CSOs. Many other communities would face similar rate increases.

## Great Lakes Legislation CONTINUED FROM PAGE 1

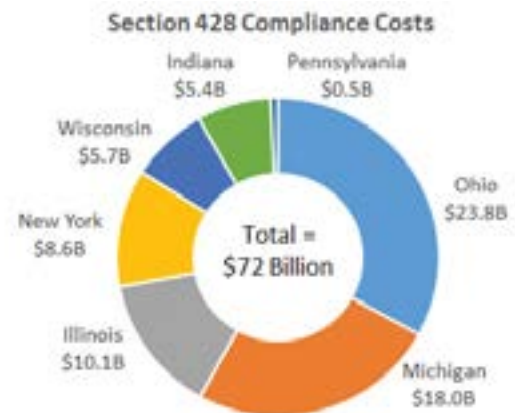
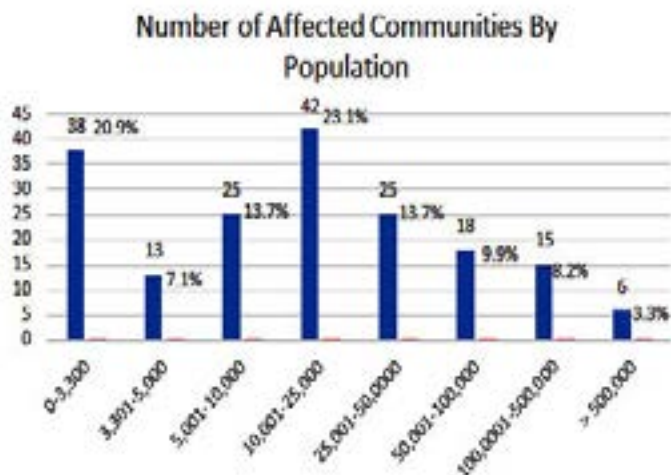
### Key Stakeholders Voice Concerns

A growing number of key stakeholder organizations concerned about water quality in the Great Lakes are voicing strong opposition to what would be one of the largest federal unfunded water quality mandates of its kind. In late September, the U.S. Conference of Mayors (USCM), the National League of Cities (NLC), the National Association of Counties (NACo) and the National Association of Regional Councils (NARC) together sent a [letter](#) to House and Senate appropriators raising concern that the language would establish dangerous precedent for communities across the country. This letter follows on the heels of a [letter](#) from the American Water Works Association (AWWA) arguing that cash-strapped communities along the shores of the Great Lakes would be forced to spend limited ratepayer dollars on combined sewer systems at the expense of critical upgrades to their drinking water systems. In addition, the Great Lakes St. Lawrence Cities Initiative urged lawmakers' opposition in a [letter](#) of its own, arguing that other, more pressing water quality challenges face the Great Lakes and that community resources would be better spent addressing other pollution challenges such as harmful algal

blooms and invasive species.

NACWA is carrying this message to Capitol Hill through one-on-one meetings with members of the Great Lakes Congressional Delegation and testimony at oversight hearings. Racine Mayor John Dickert recently testified that the CSO proposal would severely undermine Great Lakes water quality progress because of the enormous amount of resources that would be side-tracked to meet it. He went on to urge members of the House Water Resources & Environment Subcommittee to oppose the proposal.

Congress has passed a Continuing Resolution to fund the government through December 11 and it will either negotiate an omnibus appropriations package or pass another continuing resolution for the remainder of FY16. NACWA is working hard to ensure that no matter which scenario it pursues, Congress will not enact this policy proposal. 🇺🇸



## Court Upholds Stormwater Program, Phase II Changes Considered

On September 15, the [Ohio Supreme Court](#) issued a ruling in the [Northeast Ohio Regional Sewer District \(NEORS\) v. Bath Township, et al.](#) case upholding NACWA Member Agency NEORS's municipal stormwater management program and fee and marking a major legal victory.

The legal dispute over NEORS's authority for the program and related stormwater fee reached the Ohio Supreme Court after conflicting decisions by two lower courts. In the [5-2 decision](#), the state Supreme Court overturned a lower appellate court and held that "the issues in this case are exceedingly straightforward: 1) is the Sewer District's re-

gional stormwater management program authorized by statute and by its charter, and 2) is the attendant fee structure authorized by statute and by the charter. We answer both questions in the affirmative." More information on the decision can be found in [Advocacy Alert 15-16](#).

NACWA joined with the Association of Ohio Metropolitan Wastewater Agencies (AOMWA) to file [a brief](#) in the case supporting NEORS as part of the Association's aggressive advocacy to defend stormwater programs. The Court's decision not only affords legal recognition and protection for NEORS's stormwater management program, but also



**WATER  
RESOURCES  
UTILITY OF  
THE  
FUTURE**

## *In the Spotlight*

### Water Sector Groups Release Water Resources Utility of the Future Annual Report

A partnership of water sector organizations—the National Association of Clean Water Agencies (NACWA), the Water Environment Federation (WEF), the Water Environment Research Foundation (WERF) and WaterReuse—released [\*Water Resources Utility of the Future 2015 Annual Report\*](#) on September 29 during a special *Utility Leaders Morning* session at WEFTEC 2015 in Chicago.

Written collaboratively with industry thought leaders, the *Annual Report* describes recent accomplishments of clean water utilities on Utility of the Future (UOTF) initiatives and explores the newest horizons for innovation across the sector. The *Annual Report* also describes the emergence of an “innovation ecosystem” in which clean water utilities are working with technology developers, consulting engineers and scientists, state and local government, the finance community, and a wide range of professional organizations that represent the clean water sector to make these UOTF advancements. The *Annual Report* provides greater insight into how each of these stakeholders is contributing to the increasingly widespread adoption of UOTF practices and approaches.

*“Since the UOTF initiative began, utilities like mine have continued to take on broader stewardship roles for their communities and local watersheds. Both the local environment and communities have seen easily measurable benefits from the types of programs and innovations detailed in the report,”*

— *Adel Hagekhalil*  
*NACWA President*

“Since the UOTF initiative began, utilities like mine have continued to take on broader stewardship roles for their communities and local watersheds. Both the local environment and communities have seen easily measurable benefits from the types of programs and innovations detailed in the report,” said Adel Hagekhalil, NACWA’s President and Assistant Director of City of Los Angeles - LA Sanitation in California.

NACWA and its partner associations will widely distribute the *Report* to a variety of stakeholders and work to disseminate the practices and approaches highlighted to a larger audience of utilities of all sizes. ■



#### WEFTEC Utility Leaders Morning a Success

Over 150 utility leaders from all over the water sector convened in Chicago for the *Utility Leaders Morning* on Tuesday, September 29, during WEFTEC’15. The event featured the *NACWA/WEF Water Policy Breakfast*, at which Ken Kopocis, Deputy Assistant Administrator for the U.S. Environmental Protection Agency’s Office of Water, keynoted the session. During his remarks, Kopocis noted that: ‘clean water utilities are making a visible difference in communities.’ The session also examined critical issues, including the controversial Great Lakes legislation, and featured a question and answer session with key EPA staff.



## Top DOJ Official Confirmed to Keynote 2015 Law Seminar

John C. Cruden, the Assistant Attorney General for the Environment & Natural Resources Division (ENRD) of the U.S. Department of Justice (DOJ), will keynote NACWA's [National Clean Water Law Seminar](#). The Seminar will be held November 4 – 6 at the Westin Lake Las Vegas in Henderson, Nevada.

Cruden, who was confirmed by the Senate in December 2014, has a long history of public service and extensive expertise working on environmental and clean water legal issues. Serving as the Nation's top federal environmental attorney, Cruden is charged with advancing ENRD's mission to safeguard and enhance the American environment through litigation in federal and state courts. ENRD is a key party in federal wet weather enforcement judicial actions, acting as outside legal counsel for the Environmental Protection Agency (EPA).

With many NACWA members currently negotiating, renegotiating or considering reopening federal wet weather consent decrees, an understanding of DOJ's perspective and objectives is critical. DOJ also plays a key role in determining when EPA is engaged in impermissible regulatory overreach.

Cruden will share how DOJ perceives the role of enforcement actions in



advancing Clean Water Act compliance, and how municipal clean water utilities can work more collaboratively with federal entities like DOJ and EPA to achieve shared environmental goals.

Information on *Law Seminar* registration and hotel reservations is available on NACWA's [website](#), along with information on [Continuing Legal Education \(CLE\) credit](#) opportunities. Please note, NACWA's group rate at the Westin Lake Las Vegas is available until October 12. 📌

## Inspector General Report Focuses on Wet Weather Enforcement

On September 16, the Environmental Protection Agency's (EPA) Office of Inspector General (OIG) released a report, [EPA Needs to Track Whether Its Major Municipal Settlements for Combined Sewer Overflows Benefit Water Quality](#). The report highlights recommended changes in how EPA approaches municipal wet weather enforcement actions. Specifically, the report notes that EPA must improve tracking and reporting on how the results of wet weather enforcement initiatives and consent decrees are leading to fewer sewer overflows, and resulting improvements to water quality in receiving waters.

NACWA provided significant input to OIG during the investigation, explaining that wet weather consent decrees are among the most expensive public investments a community will ever make. The Association also highlighted the importance of ensuring these expenditures can be tied to specific, measurable environmental improvements. The report recognizes the significant financial impact of these projects and echoes NACWA's position that EPA must do a better job of ensuring these public funds lead to actual water quality improvements. For more information on OIG's recommendations and how to best utilize the report, see [Advocacy Alert 15-17](#). 📌

## Stormwater Phase II CONTINUED FROM PAGE 2

provides positive precedent that will benefit utilities managing stormwater nationwide.

### EPA Considers Phase II Stormwater Program Changes

The Environmental Protection Agency (EPA) is developing a rulemaking proposal for the Phase II municipal stormwater program. The rule making is expected to address a court order over concerns regarding the review of notices of intent (NOIs) submitted by small Phase II MS4s, as well as ensure sufficient opportunity for public review and comment. EPA and environmental activist groups [agreed to a recent settlement](#) 📌 that lays out the schedule for development of the new rule.

The NACWA Stormwater Management Committee held a virtual meeting on September 9 to discuss the rule and review a number of potential options presented by EPA staff. The Committee considered the advantages and disadvantages of each option and provided feedback. Committee members were joined by the National Stormwater Advocacy Network (NSAN) on the call, and raised questions and potential concerns with aspects of EPA's two potential approaches. NACWA staff will be incorporating comments from the Committee into a letter to EPA to help inform the Agency's thinking as it develops the rule proposal, due in December. 📌

## NACWA Weighs in on Key Issues Impacting the Sector

The Association is engaged in, and tracking, numerous regulatory, legislative, and legal developments with the best interests of public clean water utilities nationwide in mind.

### EPA Considers Criterion for Viruses, Reporting for Nanomaterials

Recently NACWA worked with the Water Environment Federation (WEF) to develop [technical comments](#) on the Environmental Protection Agency's (EPA) literature review conducted in support of the Agency's efforts to develop a water quality criterion for viruses. NACWA has been closely tracking EPA's efforts to develop the criterion using coliphage, a type of bacteriophage, as a viral indicator. The Association has raised a number of concerns with EPA – and has urged the Agency to be more transparent in its criterion development process. NACWA and WEF will meet with EPA in the coming weeks to discuss the comments.

NACWA also submitted [comments](#) supporting EPA's [proposed re-reporting requirements](#) for nanoscale materials. The proposed rule would require one-time reporting for existing nanomaterials and for

new materials before they are manufactured or processed. Since the current lack of information about nanomaterials makes it difficult to assess their potential risks, NACWA has recommended that some additional requirements be added to the rule, including periodic reporting and notification of utilities when nanoscale materials will be manufactured in their service areas.

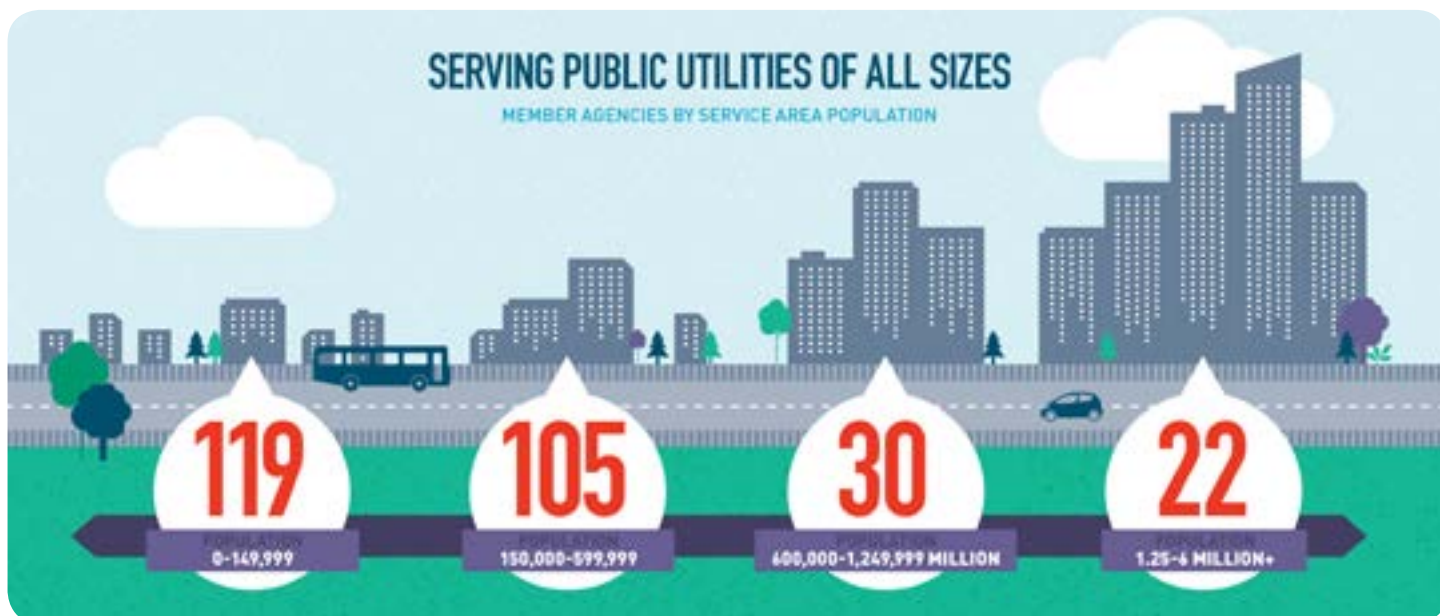
### Citizen Suit Reform Receives Attention

On August 6, NACWA submitted a [letter](#) to Rep. Duncan Hunter (R-CA) in support of his [proposed legislation](#), which would make responsible and needed reforms to the Clean Water Act's (CWA) citizen suit provision. The proposed legislation would help prevent meritless and costly litigation, while still preserving these suits as an important tool under the CWA. NACWA is backing efforts of the California Association of Sanitation Agencies (CASA), a leading voice in support of the legislation. 📌

## NACWA By the Numbers Showcases Association's Impact & ROI

NACWA released its [2014-2015 Year at a Glance](#) – *NACWA by the Numbers . . . Impact through Advocacy, Return on Investment & A Healthy Environment* in mid-September. NACWA by the Numbers highlights the significant impact of the Association's advocacy on behalf of its members; the undeniable return on investment that membership provides; and the healthy environment that results from the collaborative work of NACWA at the national level – and utilities at the local level.

The Association is proud to represent public clean water agencies of all sizes – large, medium, and small – as they work to spur jobs, strengthen the economy, and protect and improve the environment. In the coming year, NACWA will continue to focus on advocacy on behalf of its members, maintaining a strong commitment to providing exceptional return on investment. 📌



## Conference to Examine the Impact of Compliance on Innovation

As the clean water community moves beyond simple compliance with the Clean Water Act, the Water Resources Utility of the Future (UOTF) initiative continues to highlight how utilities are harnessing the resources and energy in wastewater. At the same time, the level of complexity of new regulations, and external challenges, such as drought and climate change, are impacting day-to-day operations and threatening to limit the clean water community's ability to innovate.

NACWA's 2016 Winter Conference, [\*Back to Basics... Will Compliance Concerns Derail Efforts to Innovate?\*](#), will explore increasing regulatory requirements and the external drivers that present compliance challenges and impact the sector's ability to move in the direction of the utility of the future. Conference presentations will focus on some of the most daunting regulatory requirements facing the community – including potential standards for viruses, nutrient controls, and peak flow management – coupled with continued pressure from U.S. Environmental Protection Agency (EPA) enforcement and environmental non-governmental organizations (NGOs). The approaches employed by EPA and other regulators – including imposing new, or amending existing, requirements through policy statements and guidance documents, instead of formal rule making – will also be explored. All of this will be put into the context of the need for broader change. Clearly, 45 years since the passage of the Clean Water Act (CWA), the accretion of regulatory requirements is now leading utilities to chase ever decreasing water quality gains for every dollar invested.



At the February conference, NACWA will also convene its first Technology Forum. The Forum will provide a platform for discussion among technology/solution providers and utility managers on the role of 'big data' and how real-time decision-making can help utilities better address the growing list of requirements they must meet.

### NACWA Winter Conference & The Utility Management Conference Co-locate

Hate choosing between NACWA's Winter Conference and [The Utility Management Conference](#) when planning February travel? Problem solved! In 2016, NACWA's Winter Conference and The Utility Management Conference are co-locating in San Diego – providing attendees the ability to benefit from both exceptional offerings and save time and money. Join us for NACWA's Winter Conference, *Back to Basics... Will Compliance Concerns Derail Efforts to Innovate?*, February 21 – 24 at the [Westin San Diego](#) and The Utility Management Conference, February 24 – 27 at the [Hilton San Diego Bayfront](#). We hope to see you there! 📍

## NACWA Takes Advocacy Agenda on the Road

The Association builds support for, and understanding of, its advocacy agenda by sharing critical clean water agency positions and priorities across the country. Recently, NACWA CEO, Adam Krantz, keynoted a morning breakfast at the *2015 Five Cities Plus Conference* in Cincinnati, Ohio. Krantz focused his remarks on the growing array of regulatory challenges that clean water utilities face, and the need for flexibility in carrying out the ever-expanding requirements of the Clean Water Act. He also attended the California Association of Sanitation Agencies (CASA) *60th Annual Conference* where the theme was collaboration in order to bring about a viable watershed approach. Krantz spoke to CASA's Utility Leaders Committee about NACWA's work on the Water Resources Utility of the Future (UOTF) and participated in an ideas panel on bringing about a viable watershed approach – discussing the need for amendments to the Clean Water Act to add flexibility and an acceptance of risk; integrated planning and affordability concerns; and, the need to empower utilities as co-regulators with the state and federal authorities.

In Branson, Missouri, Chris Hornback, NACWA's Chief Technology Officer, provided an overview of the Environmental Protection Agency's (EPA) regulatory agenda at a meeting of the Missouri Public Utilities Alliance. The presentation highlighted EPA's growing regulatory agenda and the increased use of non-regulatory guidance and

policy statements to impose Clean Water Act requirements.

NACWA also traveled to Lincoln, Nebraska to share a 'buyers' perspective on water quality trading during the *2015 National Workshop on Water Quality Markets* sponsored by EPA, the U.S. Department of Agriculture, the University of Nebraska, and the Conservation Fund. Patricia Sinicropi, NACWA's Senior Legislative Director, delivered remarks on behalf of the Association's members and outlined some of the key elements necessary for a successful water quality trading relationship to occur – including elements essential to increasing buyer confidence that credits designed to delivered water quality improvement actually perform.

Brenna Mannion, Director of Regulatory Affairs & Outreach joined utilities, regulators, and practitioners in Seattle for the *Water Reuse Symposium* to examine the many projects that are turning treated municipal and industrial wastewater, stormwater, and agricultural runoff into valuable water sources. Water reuse projects are, by their very nature, multi-stakeholder endeavors often requiring complex collaboration between regional and municipal water management entities. Many NACWA Member Agencies attended the *Symposium* to demonstrate their leadership on water reuse issues. 📍