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APWA Advocacy Position Statement

Funding For Water & Wastewater Facilities Safe Drinking & Clean Water Acts

Statement of Purpose

The American Public Works Association (APWA) seeks to inform elected officials, regulators, policy-makers and decision-makers and the public at-large of its stated position on Federal funding for water and wastewater facilities and infrastructure element investment.

Statement of Position

The American Public Works Association (APWA) supports actions that create increased funding for capital investment in water and wastewater infrastructure. APWA supports the continued authorization of the State Revolving Fund for capital investment in drinking water and wastewater systems to continue to protect the public health. APWA supports all efforts to establish increased infrastructure construction grant funding opportunities for water, wastewater and stormwater treatment system enhancements with particular emphasis on funding priority for small to moderate and rural systems, or those currently operating under administrative orders related to the Safe Drinking Water and Clean Water Acts. APWA supports additional professional development training effort initiatives funded under the Safe Drinking and Clean Water Acts. APWA supports the Water Infrastructure Network (WIN) coalition efforts to address the widening funding gap in wastewater infrastructure through the establishment of a Clean Water Trust Fund. Additionally, water and wastewater systems, through their managers, need to promote and champion public information activities that describe program capital and operational requirements.

Background and Rationale

Protection of public health and the environment is vital for sustainable communities. Water supply and wastewater treatment systems are in need of financial assistance to improve drinking water facilities and to improve capabilities for wastewater treatment. The needs are clear. Pipes, sanitary sewers and water treatment plants nationwide are

overburdened or deteriorating and aging. Continued improvements and reassessments of monitoring requirements, contaminant selection criteria, resource allocation, technology approval and mandates, and compliance schedules are needed to assure increased public confidence in water resource management systems.

Improvements in the administration of the Safe Drinking Water Act (SDWA) and the Clean Water Act (CWA) are needed to make these programs more efficient, cost-effective and understandable and to provide for continued public health and environmental protection. Critical to the success of implementation and administration of the SDWA and the CWA is the investment in the infrastructure for drinking water and wastewater treatment and conveyance to address contaminants that are a real health and environmental concern. State Revolving Funds and direct grant funding sources are important to ensuring the viability of all treatment facilities and the protection of sources of drinking water supplies. Increased federal investment to address the projected shortfall in wastewater infrastructure funding is essential to addressing the backlog of critical clean water projects, meeting unfunded federal mandates, improving utility management based on state determined priorities and continuing to provide American's with safe, reliable water infrastructure systems nationwide.

The CWA should be amended to:

- make compliance costs for public facilities a permit consideration
- include sustainability as a requirement in all CWA decisions
- include a cost-effectiveness component to permit conditions

Thoughtful consideration must be given to the costs and benefits of any initiative to ensure that it can and should be supported by public money and staffing resources at any governmental level. To this end, APWA should continue its participation in the Water Infrastructure Network (WIN). Consumer costs associated with water and wastewater systems are rapidly approaching a point where daily operations and maintenance expenses exceed the low and moderate income level families' ability to keep up with ever increasing rate structures.

Finally, water and wastewater managers must answer the call to their communities and elected officials in communicating funding and project requirements to progressively advance their infrastructure funding needs. Providing this insight is vital to provide a complete and accurate picture of a community's water and wastewater infrastructure investment needs.

Guiding Principles

APWA believes that municipal water and wastewater systems will require increasing funding to meet future needs and must be guided by the following principles:

Source Water Protection - APWA encourages the United States Environmental Protection Agency (USEPA) to continue and expand source water protection efforts. Specific efforts to coordinate and cooperate with other federal and state agencies are

encouraged to minimize conflicts between various users, state water laws, and interstate/river compacts. Addressing water quality objectives from a watershed perspective offers a comprehensive mechanism for local management.

State Revolving Funds - APWA encourages USEPA and Congress to work towards continued funding of this vital source of financial assistance to water and wastewater systems. Additionally, APWA encourages USEPA to assure that:

- (1) Repayment interest rates to local systems are actually lower than conventional revenue and general obligations bonds; and
- (2) The application and audit process for local systems is also comparable to conventional bond funding.
- (3) Establishment of a national maximum interest rate for the SRF during this period of nation economic strife having caused individual state bond rate to rise where state ratings influence the interest rate of the SRF Program Funds.

Grant Funding – APWA supports additional grant funding programs (as opposed to loans) and the continuation of existing programs such as CDBG.

Clean Water Trust Fund – APWA supports efforts seeking a dedicated, well-funded and deficit neutral Trust Fund to address the wastewater infrastructure funding needs of the nation’s communities. APWA strongly advocates for a clear articulation of the roles, responsibilities and administration of the Trust Fund by all governmental partners to ensure the proper allocation and distribution of these monies to local communities so that they may address their wastewater funding investment priorities. Particularly the trust fund should provide 50% grants to local communities in conjunction with SRF loans to help finance projects in order to meet CWA requirements. Dedicated revenue for a clean water trust fund should be from sources that are: long-term, reliable and sustainable, fair and equitable and provided from the national economy. A tax on local governments or their water and wastewater utilities or services should be strongly opposed.

Public Awareness – Efforts should be increased to educate the public and particularly those decision makers responsible for water and wastewater systems. The use of Consumer Confidence Reports is considered to be a costly activity with limited benefit to the public and to water purveyors. USEPA should monitor the effectiveness of such programs and modify or eliminate them if it is shown that their effectiveness has declined or become counterproductive.

Community Analysis of Funding Gaps – APWA encourages public works and utility managers to prepare 5 to 10 year capital expenditure plans of water and wastewater operations and maintenance and construction requirements. These managers should use fiscal cost/benefit analyses in evaluating policy and growth issues in their communities. Discussions with community leaders and the public are seen as vital to assuring meaningful incremental progress.

Standard Setting – APWA urges USEPA to address regulation of only those drinking water contaminants that occur or are likely to occur at levels that pose an “Unreasonable Risk to Health” (URTH). URTH standards should be set only after detailed studies and discussions with stakeholders, health care professionals, and system operators. Cost-benefits and fiscal impact analysis should be part of setting any standards. Conversely, standards should be relaxed or eliminated if it is shown that risks have been diminished or eliminated. Consideration should be given to extending testing periods or some contaminants after the initial test period shows little or no impact.

Science and Peer Review - APWA urges the application of sound science and peer review as the basis of water quality criteria and standards setting.

In addition to the items discussed above, APWA recommends the following:

- States should be allowed to modify monitoring requirements for drinking water systems based upon regional priorities.
- Federal and State Regulatory agencies must acknowledge that the availability of economical technical solutions is limited for small systems.
- USEPA should recognize that, in many instances, national standards are not appropriate and recognize regional differences.
- USEPA should continue stakeholder meetings and involve more system operators who have the hands-on responsibility.
- Congress should fund more research and development by the USEPA with special emphasis on research and development of affordable technologies.
- System Capacity Development and Operator Certification - APWA supports the efforts to assure that every system meets the criteria for developing or maintaining management, financial, and technical capacity within its system. Further, APWA encourages systems to provide qualified, certified operators. To that end, USEPA is encouraged to provide additional training for operators through various venues including state programs, associations, and private industry.

Sponsor:

Water Resources Management Committee