

InfrastructureUSA

Guest on THE INFRA BLOG

Adam Krantz, CEO, National Association of Clean Water Agencies (NACWA)

Conversation with Steve Anderson, Managing Director, InfrastructureUSA

Fix Water Infra Now, Before the Real Crisis Hits

The National Association of Clean Water Agencies represents the public wastewater treatment utilities, about 50% of whom are also jointly drinking water utilities, but our goal is to represent them on the wastewater treatment side. There's another group called the Association of Metropolitan Water Agencies, which is our sister organization; they represent drinking water utilities similar to the way we do with wastewater treatment utilities. But in terms of the funding crisis, the looming crisis, that exists for both equally. A lot of these pipes were put in underground hundreds of years ago; it's a well-documented challenge. The Environmental Protection Agency, the Government Accountability Office, the Water Infrastructure Network, a whole host of different organizations have all documented close to a trillion-dollar funding gap for water and wastewater utilities, in terms of replacing and repairing their aging infrastructure over the next 20 years. I would say it is a looming crisis; it's the type of thing that if we deal with now it might actually be somewhat affordable and if we wait, it will rapidly become increasingly unaffordable to deal with. It impacts every single job, every business, every household in our country, both in terms of the environmental health of our waterways as well as the public health of our residents across the country in terms of their drinking water and in terms of their ability to recreate in the nation's waters as well.

Flint and Toledo: Two Aspects of the Same Problem

We saw the issue in Flint, Michigan and we also saw it in Toledo, Ohio. You take Flint, Michigan, that's a direct drinking-water issue, but Toledo, Ohio, you're talking about nutrient-control challenges in the Great Lakes, which is their drinking water body, but that relates to point and non-point source pollution coming from agricultural entities as well, so the public health threats that we're seeing are now direct "open up your tap" related threats to how drinking water is being treated, but there are also threats that are coming from disparate sources into our water bodies. And so wastewater treatment, agricultural management practices, drinking water treatment, stormwater treatment in terms of runoff, all of these water issues are one massive infrastructure challenge that all need to be dealt with holistically, and to the extent that we can address them now, and find some federal funding to help incentivize/increase state and local funding, we are much better suited to be able to do that and avoid what will undoubtedly, at some point, be a crisis if it isn't already.

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Finding Holistic Solutions at the One Water Summit

The One Water Summit is very important in the sense that it brings all the key groups together and all the different actors within watersheds across the country to find solutions in terms of holistic water management. We'll get our wastewater utilities together, Association of Metropolitan Water Agencies will get their drinking water utilities together, AWWA brings together the whole range of individual professionals in the drinking water world, the Water Environment Federation will bring together all the professionals in the wastewater world. The goal of the U.S. Water Alliance is to have a very high level discussion that draws on all the different interests within the water sector to focus on how to manage things from a watershed standpoint so that all of the money that we have to spend to protect our waterways is spent in a way that gets the biggest bang for the buck. So you're going after the most important things first and moving up from there. In a world where everyone has the same challenge of limited resources, it's how best to apply those resources most smartly. That's the concept behind the One Water Summit, and that was what led us to found the U.S. Water Alliance. Ultimately it went off on its own and is now developing a lot more success under Radhika Fox, who is their CEO.

Rates Are Now too High to Ignore

Citizen engagement is what led the Senate and the House to actually act and pass our environmental statutes. Now here we are almost 50 years later, and we're at a point again where I think the strength of the average citizen or ratepayer is vital in ensuring that there is federal involvement in making sure that we have the best infrastructure in the world. The reality is when you look at who's paying for that infrastructure, municipalities now are covering about 97% of the costs of our infrastructure investment, primarily through rates and through tax-exempt municipal bonds. Rates now, across the country, for water and wastewater services are getting to a point where they're averaging close to 8 or 900 dollars a year. That's starting to become noticed. It used to be that we were falling under the radar, and everyone would say, you know, they're only paying as much as their cell phones or as much as their cable and now, for many cities across the country, that is no longer the case. Residents are now paying \$1300 a year for water and sewer services. The reality is that water is free; it falls from the sky, but water is heavy and it needs to be treated, and getting the chemicals to treat it, the pipes to transport it, the capacity to have it be of high quality for every single household and business takes an enormous amount of money, an enormous technology, and as our population grows and industry expands, the pressure is upon the industry to provide that highest quality water—and wastewater services become more and more difficult and more and more costly.

Citizen Involvement Needed

We are seeing rates expanding on the local level. What we aren't seeing, frankly, is state and federal funding increasing at an equal rate to deal with this issue. And I don't think there's anyone out there who would argue that having water of high quality everywhere throughout the

country— lakes that go beyond state borders, rivers that go beyond state borders, oceans that go beyond state borders—is not a public good that demands federal protection and federal funds. So at some point or other, it will be the ratepayer that is going to have to come out and say, look, we're willing to pay for this at the local level. In fact we are, at 97% of the total funding cost. Where is the federal government on this? Why isn't this an equal part of an infrastructure funding bill alongside transportation and schools and hospitals and roads and bridges? Ultimately utilities and policymakers can raise those issues from a local level to a federal level, but it's going to need to come from the people directly. We just held a rally here in DC with all of the organizations within the water sector to get that point to legislators, to bring it to senators and members of the House, and everyone did their visits and they heard from the utilities, and by the end of the week every representative and every senator was probably sick of us saying that you should elevate clean and safe water as a national priority alongside transportation and energy and education. They heard that message, it resonated, it resounded, but until it really does start to come from the people, and it becomes a citizen-based question and a ratepayer-based issue, we're not going to see that traction develop. So my hope is, through the work that we're doing and other groups are doing across the sector and across the infrastructure world, we will see that kind of traction develop and those voices start to be raised. Engaged and enraged is interesting. But what it should really be is engaged, willing to continue to pay more for water which is so vital at a local level, but the rage should be directed at the federal government's lack of a commitment to continue to ensure it. The question becomes: how many Sandys, Katrinas, Flints, Toledos does it take for the federal government to ultimately realize this isn't a local issue and it's not a one-off issue? Preserving these water and wastewater systems is a vital, national need.

NACWA: Sharing Information and Impacting Change

As an organization we're about 46 years old. We were formed by a number of public wastewater treatment agencies; we sort grew up alongside the Clean Water Act, which was passed in 1972, and our goal was to basically unite the public wastewater treatment agencies together in order to make sure that the Clean Water Act worked for their communities and would ensure cleaner water across the United States for all of our water bodies. So that really is our mission. It's an advocacy-based mission for legislative regulatory and legal advocacy, as well as communications-based advocacy for our members which now total over 300 public agencies across the country and, basically, if you were to name a city, they would be a member of ours. In addition to the advocacy side, a big portion of what we do now is working with the executives of each of the utilities to share their stories, ensure best practices are shared across the utility community. So we're actually sharing this information across a platform that really does represent the full utility sector: large, medium and small. It also allows us to take their advocacy voice to Washington, DC and try to impact change. A lot of it does come down to the notion that our utility members are highly regulated under the Clean Water Act as well as other statutes: environmental statutes, the Clean Air Act, the Safe Water Drinking Act, the Endangered Species

Act, etc., and we have to make sure that those requirements make sense from a scientific and economic standpoint. We also want to make sure that the federal government is a full-funding partner with the municipalities and states. The rates that we are charging to our customers are going up because infrastructure is aging. That notion of increasing work—most if it being borne now on the shoulders of the local ratepayer—and diminishing returns coming from the state and federal level, is of great importance to us. In the current administration, we're trying to make sure we don't see any budget cuts to key federal programs that exist; we would like to see them increased. We're very interested in infrastructure funding and an infrastructure-funding bill.

www.InfrastructureUSA.org
212.414.9220
info@infrastructureusa.org