

Invest in Water Infrastructure

The federal government should recommit to being a significant partner with local governments to address our nation's water infrastructure needs.

Local governments provide over 95% of the total funding for U.S. water infrastructure. With the nation's growing water infrastructure needs, it is evident that our country must make substantial investments to repair and replace our nation's aging water delivery and treatment systems. Moreover, the impacts of climate change will exacerbate current water infrastructure challenges, as well as create new challenges around both water quality and availability. These changes must be taken into consideration as we are thinking about new infrastructure investments—in order to save taxpayer dollars and protect our physical infrastructure and the health and safety of residents. The use of green and natural infrastructure is one solution that can provide a multitude of community benefits, including stormwater management, extending the life of physical infrastructure, saving cities and taxpayers money, building community resilience, enhancing recreation opportunities and positive impacts on public health and well-being.

Additionally, in 2020, communities struggled to maintain essential services, such as clean and safe water, and keep essential workers on the job during the pandemic. This, however, has come at a high cost to water utilities, which are overwhelmingly funded by local ratepayers, and are now facing a significant drop in revenue essential to providing water service, continuing operations and making capital investments. The estimated financial impact of COVID-19 on water and wastewater utilities combined will exceed <u>\$30 billion in lost revenues</u>.

PRIORITIES

To meet the nation's growing water infrastructure needs, address the impacts of climate change on our water resources and to ensure equity and affordability for low- and fixed-income ratepayers, the federal government should recommit to being a significant partner with local governments by providing **financing**, **funding and flexibility**.

- Financing Continue programs such as the Clean Water and Drinking Water State Revolving Funds and WIFIA, which provide critical financing for water infrastructure projects. Additionally, add water and sewerage facilities to the list of private activity bonds that are not subject to the volume cap to maintain tax-exempt status.
- Funding Provide additionally support to local governments in the form of grants for drinking water, wastewater and stormwater management and programs that support resilience, innovative technologies, workforce development and watershed/source water protection, among others.
- Flexibility Local leaders need flexibility to meet their water infrastructure needs in a manner that does not financially burden ratepayers, such as by the flexibility to choose green infrastructure over gray infrastructure. Tools like the Integrated Planning Framework,

revising the Financial Capability Assessment Framework and allowing longer permit terms for pollution discharge permits are policy changes that can make a dramatic difference for communities in addressing affordability and equity issues.

LEGISLATION NLC SUPPORTS

- H.R. 1915 Water Quality Protection and Job Creation Act (bipartisan) to reauthorize the Clean Water State Revolving Fund and the sewer overflow control grant program to help communities to better manage their wet weather flows and invest in green infrastructure and water and energy efficiency projects. <u>NLC letter of support</u>.
- S. 914 Drinking Water and Wastewater Infrastructure Act (bipartisan) to reauthorize the Clean Water and Drinking Water State Revolving Funds and provide federal financing and funding for drinking water, wastewater and stormwater management and programs that support resilience, innovative technologies, workforce development and watershed/source water protection, among others. <u>NLC letter of support</u>.
- H.R. 1881 to modernize the National Pollutant Discharge Elimination
 System permitting process (bipartisan) to allow states with delegated authority the ability to issue a permit to a municipality of up to ten years. <u>March 12 floor speech by Rep.</u>
 John Garamendi (D-CA).
- H.R. 1848 LIFT America Act to invest in our nation's drinking water infrastructure through the Drinking Water State Revolving fund and grants to address lead pipe replacement and PFAS drinking water contamination. <u>NLC social media statement</u>.

LOCAL LEADERS IN THEIR OWN WORDS

Mayor Jim Miller, City of Saratoga Springs, NY, on updating aging water infrastructure: "The construction of a new water intake at the water treatment plant will update the oldest portion of the treatment plant, dating back to the 1870s. This will improve water flows and controls into the plant. Engineering design is currently underway for the 4-year, greater than \$4 million phased water infrastructure improvement plan to upgrade undersized water mains identified in an engineered water model. It is anticipated that the first phase of construction will begin by the end of this year, and start the construction phase for over 18,000 linear feet of water mains."

Mayor Todd Gloria, City of San Diego, CA, on improving drinking water resilience: "Having a reliable water supply is just as important as having sustainable energy. This year, construction will ramp up on our Pure Water project, the largest water recycling program in California and the City's biggest infrastructure project in its history. It will create thousands of good-paying jobs and will provide a third of our drinking water when it is completed. When San Diegans think about clean water, it is about more than what comes out of the tap."

Mayor Brenda Fey Moore, Saginaw, MI, on maintaining essential service during the pandemic:

"In 2020, the Water and Wastewater Treatment staff continued to provide water service throughout the pandemic. It was reassuring to know that we have the staff and infrastructure in place to maintain water service around the clock to help keep Saginaw families healthy, clean and hydrated. Our Water treatment teams realize that our water quality is essential to your health and the quality of life in Saginaw. In 2020, our Water Treatment Division treated and delivered 5.8 billion gallons of drinking water and performed over 100,000 quality tests to ensure your drinking water is safe. The Wastewater Treatment Division treated 7.5 billion gallons of sewage and storm water. These efforts help protect our public health and the environment."