

August 31, 2018 – VOLUME 15, ISSUE 8

EPA Receives Record Number of Letters of Interest for WIFIA Water Infrastructure Loans



The U.S. Environmental Protection Agency (EPA) announced this month it received a record number of letters of interest (LOIs) in response to the Water Infrastructure Finance and Innovation Act (WIFIA) program's 2018 Notice of Funding Availability collectively requesting \$9.1 billion in loans.

EPA received 62 LOIs from prospective borrowers located in 24 states, the District of Columbia and Guam for a wide variety of projects, including wastewater, drinking water, water recycling, desalination, stormwater management and combined approaches.

More than half of the LOIs addressed one or both of EPA's 2018 WIFIA Notice of Funding Availability (NOFA) priorities: reducing exposure to lead and other contaminants in drinking water systems and updating aging infrastructure. While the majority of prospective borrowers are municipal government agencies, others include small communities, public-private partnerships, corporations and a tribe. To see the full list of projects for which WIFIA support has been requested, [click here](#).

In April 2018, EPA [announced the availability of additional WIFIA funding](#) that could provide as much as \$5.5 billion in loans. The agency estimates that by leveraging private capital and other funding sources, these projects could support \$11 billion in water infrastructure investment and create up to 170,000 jobs. Prospective borrowers responding to the 2018 NOFA were required to submit a letter of interest by July 31, 2018. EPA is currently evaluating the submitted LOIs for project eligibility, credit worthiness, engineering feasibility and alignment with WIFIA's statutory and regulatory criteria. This competitive process will lead to invitations to submit formal applications this fall.

Established by the Water Infrastructure Finance and Innovation Act of 2014, the WIFIA program is a federal loan and guarantee program that aims to accelerate investment in the nation's water infrastructure by providing long-term, low-cost supplemental credit assistance for regionally and nationally significant projects.

EPA is currently processing applications from the 2017 WIFIA NOFA. To date, the government has issued over \$1 billion in WIFIA credit assistance through loans to [King County](#) (Washington), the [City of Omaha](#) (Nebraska), the [San Francisco Public Utilities Commission](#) (California), and the [Orange County Water District](#) (California). According to EPA's estimate of national drinking water and wastewater needs, more than \$743 billion is needed for water infrastructure improvements. The WIFIA program plays an important part in fulfilling this need and in the [President's Infrastructure Plan](#), which calls for expanding project eligibility. 

Water Infrastructure Funding Still in Limbo as Approps Process Plays Out

The final version of legislation to fund water infrastructure programs administered by the U.S. Environmental Protection Agency and Department of Interior is still under negotiation by a House-Senate conference committee.

The House passed the FY 2019 Interior, Environment, Financial Services, and General Government Appropriations Act ([H.R. 6147](#)) by a vote of 217 to 199 in July. The bill increases funding for the State Revolving Loan Funds (SRF; the primary vehicles for federal drinking water investment) by \$300 million above the FY 2018 enacted base funding level. The Clean Water SRF would receive a total of \$1.544 billion and the Safe Drinking Water SRF would receive \$1.013 billion.

The House bill also provides a total of \$75 million for the [Water Infrastructure Finance and Innovation Act \(WIFIA\) Program](#), which the House Appropriations Committee estimates may translate into a potential loan capacity in excess of \$8 million to eligible entities for water infrastructure projects.

The Senate passed its Interior approps bill on Aug. 1 [as part of package of several bills](#). It provides more than \$2.86 billion for SRF programs and \$63 million for WIFIA. Unlike the House bill, the Senate version reflected bipartisan priorities and passed the subcommittee unanimously for the first time in eight years. The House bill, on the other hand, includes riders opposed by Senate Democrats, including provisions repealing the EPA's controversial [Waters of the U.S. \(WOTUS\) rule](#), requiring federal agencies publish information on legal fees paid as a result of environmental litigation and prohibiting certain spending relating to wildlife protection.

With the end of the fiscal year just a month away, the outlook is still uncertain. There are a lot of distractions on Capitol Hill at the moment, including ceremonies celebrating the life of Sen. John McCain (R-Ariz.), confirmation of a new Supreme Court justice and the mid-term elections. We expect to see short-term extensions at current funding levels to keep the government's doors open past the end of the fiscal year on Sept. 30 with the possibility of an omnibus bill later in the fall.

Water infrastructure legislation is a top priority for ACPPA and the association will continue its advocacy until Congress finishes work on funding for FY 2019 water construction programs. 🇺🇸

Canadian Chamber Hill Day is Opportunity to Learn, Engage, Shape Policy

The [Canadian Chamber of Commerce \(CCC\)](#) this month announced plans for its 2018 Hill Day in Ottawa on Oct. 22 and 23. ACPPA is a CCC member and Christian Klein, the association's counsel and lobbyist, is a member of CCC's transportation and infrastructure committee.



The meeting will be an excellent opportunity for ACPPA and its members to become more visible in Ottawa. In addition to high-level access to policymakers and business leaders, the conference will provide first-hand insights into how the Canadian government works and the status of infrastructure-related initiatives.

The event will start the evening of Monday, Oct. 22 with a reception to which all members of Parliament and senators will be invited. The prime minister, leader of the opposition and leader of the New Democratic Party have also been invited to speak.

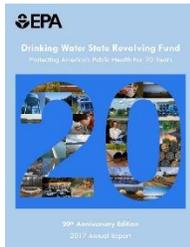
Oct. 23 will start with a breakfast for all members after which individual groups will fan out across Parliament Hill for meetings. Groups will be organized with specific themes in mind as follows:

- Trade & Transportation Infrastructure.
- Climate Policy & Resource Sector Competitiveness.
- Economic Capacity Building for Indigenous Peoples.
- Innovation.
- Agile Workforce Strategies.
- Tax Competitiveness.

CCC has booked a block of rooms at the historic [Chateau Laurier \(1 Rideau Street\)](#) where the reception, kick-off breakfast and most meetings will be held.

Interested members should contact Klein at christian.klein@potomac-law.com or 703.599.0164 for more information. If there is sufficient interest, ACPA may coordinate additional water infrastructure-specific meetings while our members are in Ottawa. 🌐

EPA DWSRF Report Details 20 Years of Progress, Future Challenges and Opportunities



The U.S. Environmental Protection Agency (EPA) this month [released a report](#) commemorating the 20th anniversary of the Safe Drinking Water State Revolving Fund (DWSRF) and detailing achievements in federal drinking water infrastructure investment over the past two decades.

The DWSRF was authorized by Congress in the 1996 Amendments to the Safe Drinking Water Act and is the primary vehicle through which the federal government supports drinking water infrastructure investment. Since the DWSRF's creation, it has supported more than \$35 billion worth of drinking water investment through 13,800 loans and other funding agreements. The new report includes several case studies and success stories and analyzes the history of the DWSRF and its role in responding to the Great Recession, Superstorm Sandy and other events.

EPA also discusses continuing challenges and future opportunities. In 2015, the agency identified \$472 billion in drinking water investment needs through 2034. Of that amount, EPA estimates that \$312.6 billion is need to replace or refurbishing aging or deteriorating pipelines. EPA also emphasizes opportunities to position the DWSRF to help communities comply with Safe Drinking Water Act requirements, the way new tools can help communities better project needs, and attract additional non-federal funds to bolster investment.

The report has the potential to be an important advocacy tool for ACPA and its members. The investment gap identified in the report represents a significant risk to public and economic growth, but for ACPA members it's also a significant potential market growth opportunity.

The document can also help industry executives better understand the connection between federal programs and pipe markets. For example, of the \$2.7 billion in assistance provide in 2017 through 825 loans, close to half (44 percent or \$1.2 billion) was spent on transmission and distribution. 🌐

Pressure Pipe Post

ACPPA's Monthly Source for Industry News

August 2018

To keep members aware of the activities of government and standards organizations, we regularly sweep public databases and publications for the industry-specific terms indicated below. We then provide our members with links to documents identified in the search. Please note that in some cases the URLs may link to subscription-only databases. The purpose of this service is to identify emerging threats and trends as well as opportunities for collective action by ACPPA.

NEWS RESULTS

Infrastructure

Citizens Discusses Sinkholes, Manhole Covers with Regulatory Commission

08/24/2018 <https://www.wthr.com/article/citizens-discusses-sinkholes-manhole-covers-regulatory-commission>

Sinkholes and manhole covers were the topic of discussion before the Indiana Utility Regulatory Commission. Citizens Energy Group was on the hot seat, talking about problems the company has recently experienced with both.

State Water Control Board Directs Further Scrutiny Over Mountain Valley Pipeline Construction

08/22/2018 <https://therepublicanstandard.com/state-water-control-board-directs-further-scrutiny-over-mountain-valley-pipeline-construction/>

Although Mountain Valley Pipeline opponents showed up to a Virginia Water Control Board hearing to demand that construction be halted, the board members allowed the building to continue in Southwest Virginia, citing only that further environmental scrutiny be adhered to.

If Every Hydrant was a Fountain, Would You Buy Less Water?

08/21/2018 <https://www.fastcompany.com/90221609/if-every-hydrant-was-a-water-fountain-would-you-use-less-plastic>

In Nassisi's proposal, a new cast iron design would replace the top of a fire hydrant (the lower portion, hidden under the street, would stay the same). In the case of a fire, firefighters could still use it the same way they did before. But it includes a top with a button that someone walking by can push to the right to fill a reusable bottle, or to the left to drink directly. The overflow fills a dog bowl at the bottom.

[Ontario] Hasten Sewer Work to Curb Flooding

08/12/2018 https://www.thestar.com/opinion/letters_to_the_editors/2018/08/12/hasten-sewer-work-to-curb-flooding.html

This week, Toronto experienced yet another round of catastrophic flooding that will cost the city millions of dollars in repairs and will cost residents additional millions in insurance premium increases.

What Do You Want Next Ohio Governor to Do About Economy, Jobs?

08/19/2018 <https://www.journal-news.com/news/state--regional-govt--politics/what-you-want-next-ohio-governor-about-economy-jobs/VvZdvMGBWJGxUTkhC2wOML/>

By early next year, Fuyao Glass America President Jeff Liu said he expects to need 700 more workers to meet his customer demands.

Street Work isn't Always Just About Pavement

08/13/2018 <https://www.timesherald.com/story/opinion/readers/2018/08/13/street-work-always-just-pavement/37456177/>

Residents may be surprised to learn that some street projects are not prioritized on pavement conditions and traffic flows alone, although that does play a large part. In regard to the Michigan Avenue and Quay Street projects, it is the water main from the late 1800s underneath the road that we are wanting to replace. That water main is more than 118 years old and is a key piece of our looped water distribution system. A massive sewer main sitting next to it runs to the wastewater plant.

Aging Infrastructure Lurks Beneath Detroit's Revitalization

08/04/2018 <http://www.crainsdetroit.com/article/20180805/blog026/667741/aging-infrastructure-lurks-beneath-detroits-revitalization>

The water pipeline that burst open and flooded a historic street in Midtown late last month was laid below the cobblestone-covered street when Grover Cleveland was president.

Officials Want to Open Competition for Public Pipe Projects

08/02/2018 <http://www.plasticsnews.com/article/20180802/NEWS/180809974/officials-want-to-open-competition-for-public-pipe-projects>

Sen. Rand Paul (R-Ky.) has introduced a bill to amend three federal acts and open the bidding process for government-assisted water infrastructure projects to all materials, including plastic.

Materials**Concrete Is Changing**

08/29/2018 <http://www.independent.com/news/2018/aug/29/concrete-changing/>

Engineered cementitious composites (ECC), the technical name for bendable concrete, gains its flexibility and durability from polyvinyl fibers covered with a thin (nano-thick), slick coating that allows for slipping rather than fracturing when placed under stress.

TVA Wants Public Input on Kingston Coal Ash Investigation Plan

08/16/2018 <https://www.knoxnews.com/story/news/2018/08/16/kingston-coal-ash-spill-tva-tennessee-valley-authority/1007523002/>

The Tennessee Valley Authority is asking for public comment on a proposed environmental investigation plan for coal ash at its Kingston Fossil Plant near Harriman, Tennessee.

Projects**[Idaho] Sewer Project to Close First Avenue**

08/30/2018 http://www.bonnercountydailybee.com/local_news/20180830/sewer_project_to_close_first_avenue

As Cedar Street gets ready to open to motorists, sections of First Avenue will close this fall as the city continues its sewer main replacement project.

[Illinois] Elgin Council to Discuss Lead Pipe Problem Affecting as Many as 11,000 Properties, Halting Construction Work

08/28/2018 <http://www.chicagotribune.com/suburbs/elgin-courier-news/news/ct-ecn-elgin-lead-pipe-discussion-st-0829-story.html>

Lead pipes connecting water lines to as many as 11,000 properties in Elgin will be discussed Wednesday night during a special Elgin City Council meeting.

[California] Danville Water Main Break Repaired Sunday

08/27/2018 <https://patch.com/california/danville/danville-water-main-break-repaired-sunday>

A water main break reported in Danville Saturday morning was repaired by early Sunday morning, according to an East Bay Municipal Utility District spokesperson.

[California] Ceres, Turlock Look to \$272M Project to Secure Their Water Futures

08/24/2018 <https://www.modbee.com/news/article217216260.html>

Officials from Ceres, Turlock and the Turlock Irrigation District gathered Friday near Fox Grove Park along the Tuolumne River to celebrate the start of construction of a roughly \$272 million project that will provide the two cities with reliable and clean drinking water.

[California] Water Main Break in Walnut Creek Impacts 94 Households

08/23/2018 <https://abc7news.com/water-main-break-in-walnut-creek-impacts-94-households/4039956/>

Walnut Creek residents along Tice Valley road got a rude awakening this morning: no running water.

[New York] Clifton Park Sewer Pipe Gets \$1.7 Million Upgrade

08/20/2018 <https://www.timesunion.com/news/article/Clifton-Park-sewer-pipe-gets-1-7-million-upgrade-13169011.php>

A crumbling concrete sewer pipe that diverts waste water from thousands of Clifton Park homes is getting a \$1.7 million upgrade.

[California] Leak is Wasting Tens of Thousands of Gallons of Water

08/09/2018 <http://padailypost.com/2018/08/09/leak-is-wasting-tens-of-thousands-of-gallons-of-water/>

Tens of thousands of gallons of water have gushed out of a city water pipe on Arastradero Road over the last month, but Palo Alto utilities officials say they won't be able to fix the leak for another one to three weeks.

[Pennsylvania] Sewer Line Work to Begin Soon on River Street in Wilkes-Barre08/07/2018 <https://fox56.com/news/local/sewer-line-work-to-begin-soon-on-river-street-in-wilkes-barre>

Drivers in Wilkes-Barre will soon be dealing with some major construction on a main road in the city.

Workforce**Minnesota Contractors Can't find Qualified workers**08/29/2018 <http://www.fox9.com/news/minnesota-contractors-can-t-find-qualified-workers>

New survey results validate what many job sites are already feeling, namely, 80 percent of contractors across the country report it's difficult to find qualified workers. Experts in the field believe the construction industry is at a tipping point.

[Washington] Construction Labor Strike Halting Municipal Projects08/26/2018 <http://mynorthwest.com/1091551/construction-labor-strike-halting-municipal-projects/>

More than a dozen public construction projects around the Puget Sound region have ground to a halt. The work stopped when crane and heavy equipment operators went on strike. And there's no end in sight.

REGULATORY RESULTS**Coal Ash/Fly Ash****Environmental Protection Agency | Notice | Agency Information Collection Activities; Proposed Collection; Comment Request; National Minimum Criteria for Disposal of Coal Combustion Residuals From Electric Utilities**08/10/2018 <https://www.gpo.gov/fdsys/pkg/FR-2018-08-10/pdf/2018-17189.pdf>

Before submitting to OMB, the EPA is soliciting public comments on specific aspects of proposed information collection related to National Minimum Criteria for Disposal of Coal Combustion Residuals from Electric Utilities.

Water Mains**Centers for Disease Control and Prevention | Notice | Proposed Data Collection Submitted for Public Comment and Recommendations**08/29/2018 <https://www.gpo.gov/fdsys/pkg/FR-2018-08-29/pdf/2018-18699.pdf>

In the United States (U.S.), drinking water distribution systems are designed to deliver safe, pressurized drinking water to our homes, hospitals, schools and businesses. However, the water distribution infrastructure is 50–100 years old in much of the U.S. and an estimated 240,000 water main breaks occur each year. Failures in the distribution system such as water main breaks, cross-connections, back-flow, and pressure fluctuations can result in potential intrusion of microbes and other contaminants that can cause health effects, including acute gastrointestinal and respiratory illness.

Water and Wastewater**Rural Utilities Service | Notice of Funding Announcement | Technical Assistance and Training Grant Program**08/09/2018 <https://www.gpo.gov/fdsys/pkg/FR-2018-08-09/pdf/2018-16997.pdf>

Applications may emphasize technical assistance and training activities regarding rural efforts to access funding for water and wastewater infrastructure projects or improving the management, operation, and maintenance of water and waste facilities through a national workforce development program.

Sewer**Environmental Protection Agency | Notice | Public Listening Session; Stakeholder Input on Peak Flows Management**08/31/2018 <https://www.gpo.gov/fdsys/pkg/FR-2018-08-31/pdf/2018-19016.pdf>

The EPA is interested in the views of the public on possible approaches to updating the National Pollutant Discharge Elimination System regulations related to the management of peak wet weather flows at Publicly Owned Treatment Works treatment plants serving separate sanitary sewer collection systems. Consequently, EPA is inviting interested members of the public to three planned listening sessions

Securities and Exchange Commission | Final Rule | Amendments to Municipal Securities Disclosure08/31/2018 <https://www.gpo.gov/fdsys/pkg/FR-2018-08-31/pdf/2018-18279.pdf>

The amendments add transparency to the municipal securities market by increasing the amount of information publicly disclosed about material financial obligations incurred by obligated persons.

LEGISLATIVE RESULTS**Water Infrastructure****S.3358 | Introduced by Sen. Menendez, Robert (D-N.J.) | Sustainable Water Infrastructure Investment Act of 2018**08/21/2018 <https://www.congress.gov/bill/115th-congress/senate-bill/3358>

This bill amends the Internal Revenue Code to exempt tax-exempt facility bonds for sewage and water supply facilities from the state volume caps on private activity bonds.

H.R. 6653 | Introduced by Rep. Etsy, Elizabeth (D-Conn.) | IMAGINE Act08/03/2018 <https://www.congress.gov/bill/115th-congress/house-bill/6653>

To encourage the research and use of innovative materials and associated techniques in the construction and preservation of the domestic transportation and water infrastructure system, and for other purposes.

