
WUC

Water Utility Council of the
PA-Section, American Water
Works Association (PA-AWWA)



GOVERNMENT RELATIONS UPDATE

From Gmerek Government Relations, Inc.

212 Locust Street ♦ Suite 300 ♦ Harrisburg, PA 17101 ♦ Phone: 717-234-8525 ♦ Cell: 717-574-3963 ♦ Fax:
717-234-8812 ♦ Erik A. Ross, Senior Lobbyist ♦ www.ggrgov.com

Harrisburg, PA

eross@ggrgov.com

February 16, 2015 -- Issue 929

*PA- Section, American Water Works Association
National Association of Water Companies
Water Works Operators' Association of Pennsylvania*

H2Otel Challenge Continues to Encourage Water Savings

The WaterSense program is continuing its H2Otel Challenge in 2015, encouraging hotels to assess, change and track their water use using best management practices. To date, 800 hotels have pledged to tackle projects throughout their properties that can improve H2Otel water efficiency and performance while providing the highest quality experience for guests.

To spread the word, EPA is encouraging WaterSense partners to join a Recruiting Rally from Feb. 1 to June 1 to get hotels to sign up for the Challenge. The promotional partner that recruits the most hotels to sign up for the Challenge during that time period will be rewarded with free technical assistance. Hotels will gain access to a wide range of free tools to help them start saving water, energy and operating costs. WaterSense will also offer outreach materials for hotels to publicize their efforts and celebrate their successes with guests and employees.

For more information, go to
www.epa.gov/watersense/challenge .

Source: Water Headlines from EPA, 2/11/2015

EPA Releases Incident Action Checklists for Utilities

EPA has developed a series of Incident Action Checklists that outline critical measures that drinking water and wastewater utility personnel can take immediately before, during and after an emergency to protect their systems. Ten incident types are highlighted, including drought, earthquake, extreme cold & winter storms, extreme heat, flooding, hurricane, tornado, tsunami, volcanic activity and wildfire.

The "rip & run" style checklists were developed collaboratively with water utility managers and state agency/water association representatives as an on-the-go reference.

The Incident Action Checklists complement two other EPA efforts that support response during actual emergencies. The first effort provides up-to-date response partner contact information by state and region. The second effort provides access to a number of useful weather forecasting tools through the PDF document Weather & Hydrologic Forecasting for Water Utility Incident Preparedness and Response.

All three of these resources can be accessed at EPA's Emergency/Incident Information page <http://water.epa.gov/drink/emereprep/index.cfm> .

Source: Water Headlines from EPA, 2/11/2015

Draft Contaminant Candidate List (CCL4) Published

To ensure continued protection of public health, EPA has published for public review and comment a draft list of contaminants that are not currently regulated in drinking water, but may require regulations in the future under the Safe Drinking Water Act (SDWA). The agency will evaluate and consider the public comments on developing the final CCL 4 and suggestions for improvements to the process for future CCLs.

Inclusion of contaminants on the CCL is one tool the agency uses to identify contaminants for regulatory decision making and research needs. The Draft CCL 4 includes 100 chemicals or chemical groups and 12 microbiological contaminants. The list includes, among others, chemicals used in commerce, pesticides, biological toxins, disinfection byproducts, pharmaceuticals, and waterborne pathogens.

Contaminants on the CCL are known or anticipated to occur in public water systems at levels of potential concern for public health. The SDWA requires EPA to publish the CCL every five years. For more information visit <http://www2.epa.gov/ccl/contaminant-candidate-list-4-ccl-4> .

Source: Water Headlines from EPA, 2/11/2015

Feds, State, Settle Clean Water Violations with Harrisburg and Capital Region Water Agreement offers protections to public

health, Susquehanna River and Chesapeake Bay

On February 11, 2015, the U.S. Environmental Protection Agency announced a proposed partial settlement with co-plaintiff Pennsylvania Department of Environmental Protection (PADEP) and the City of Harrisburg and Capital Region Water to resolve alleged Clean Water Act violations involving sewer overflows and discharges of polluted stormwater to the Susquehanna River and Paxton Creek. The agreement will help protect people's health, the two impacted waterways, and ultimately the Chesapeake Bay.

Under the proposed agreement, Capital Region Water will take major steps to improve the operation and maintenance of Harrisburg's wastewater and stormwater collection systems, including construction upgrades at its wastewater treatment plant. The upgrades will significantly reduce discharges of nitrogen pollution from the plant, which is currently the largest point-source of nitrogen pollution to the Susquehanna River. In addition, Capital Region Water will conduct a comprehensive assessment of existing conditions within its combined sewer system and develop a long term control plan to curtail combined sewer overflows.

The work under the partial settlement is estimated to cost \$82 million and be completed within a period of about five years. Once a long term control plan is approved by EPA, the court agreement will need to be modified, or a new one will need to be put in place to include implementation of the plan.

"This settlement reflects EPA's commitment to an integrated approach for tackling multiple sewer and stormwater overflow problems, and helping Pennsylvania meet the nitrogen and phosphorus reduction goals for improving its local waters and restoring a healthy Chesapeake Bay," said EPA Regional Administrator Shawn M. Garvin. "This phased approach for controlling combined sewer overflows over time includes some early action projects to reduce pollution now, while conducting

further assessment and planning for long term solutions."

The settlement, filed simultaneously with the complaint in federal court in Harrisburg by the U.S. Department of Justice on behalf of EPA and PADEP, addresses problems with Harrisburg's combined sewer system, which during rain events and dry weather, frequently discharges raw sewage, industrial waste and polluted stormwater into Paxton Creek and the Susquehanna River, which are part of the Chesapeake Bay Watershed. The settlement does not impose civil penalties against the City due to Harrisburg's current financial situation.

Keeping raw sewage and contaminated stormwater out of the waters of the United States is one of EPA's National Enforcement Initiatives. EPA is working to reduce discharges from sewer overflows by obtaining commitments from cities to implement timely, affordable solutions.

The proposed settlement is subject to a 30-day comment period and court approval after it is published in the federal register. It will be available at:

[http://www.justice.gov/enrd/Consent Decrees.html](http://www.justice.gov/enrd/Consent_Decrees.html)

Source: EPA Press Release, 2/11/2015

Climate Action Plan Toolkit: EPA Releases Stormwater Climate Change Tool

As part of President Obama's Climate Action Plan Virtual Climate Resilience Toolkit <http://toolkit.climate.gov/tools>, the U.S. Environmental Protection Agency (EPA) announced the release of the Climate Adjustment Tool for EPA's Stormwater Management Model - a widely-used, downloadable online stormwater simulation model. The Climate Adjustment Tool allows engineers and planners to evaluate the performance of water infrastructure while considering future climate change projections, such as more frequent high-intensity storms and changes

in evaporation rates of seasonal precipitation, to determine the benefits of resiliency decisions to reduce local economic burden and protect communities.

"Climate change means increased risks to our health, our economy, and our environment," said EPA Administrator Gina McCarthy. "But with the President's Climate Action Plan, the agency is taking action to advance science-based technology, such as the addition of the Climate Adjustment Tool, to help state and local planners combat the impacts of climate change, especially significant economic burden from severe weather, and protect communities through sustainability and resiliency measures."

The new tool will enable users to add climate projections based on the Intergovernmental Panel on Climate Change's climate change scenarios to existing simulations to determine the quality of water traveling through traditional infrastructure - a system of gutters, storm drains, pipes, channels, collection tanks and storage devices. The tool also has the ability to model the performance of green infrastructure practices, including permeable pavement, rain gardens, and green roofs. Engineers and planners are able to accurately represent any combination of traditional and green infrastructure practices within an area to determine their effectiveness in managing stormwater and combined sewer overflows in their community.

Stormwater runoff is a major environmental problem resulting in flooding, erosion, and contaminated waters. Every year billions of gallons of raw sewage, trash, household chemicals, fertilizers, and urban runoff flow into our streams, rivers and lakes. Polluted stormwater runoff can adversely affect plants, animals, and people.

The Climate Adjustment Tool, in addition to other tools in the President's Climate Action Plan Virtual Climate Resilience Toolkit <http://toolkit.climate.gov/tools>, can help users make planning, analysis, and design decisions that will guard against the impacts of climate change. Using these tools to choose the best adaptation options is an innovative and efficient way to promote healthy waters and support more sustainable communities.

View the Virtual Climate Resilience Toolkit here:
<http://toolkit.climate.gov/tools>

EPA's Stormwater Management Model is used throughout the world for stormwater runoff reduction planning, analysis and design of combined and sanitary sewers, and other drainage systems. Originally released decades ago, SWMM is now used in thousands of communities throughout the world, including as the core modeling engine in cities such as Philadelphia, Cincinnati, Indianapolis, and Seattle.

To assist community planners and managers in determining resiliency and sustainability actions that will help protect against extreme weather and reduce the local economic burden after a natural disaster, EPA has developed additional tools, including:

EPA's Stormwater Calculator - a tool that can be used by homeowners, landscapers, and developers to estimate the amount of rainwater and frequency of runoff on a specific site based on local soil conditions, land cover, historic rainfall records, and climate change scenarios.

For more information on the complementary National Stormwater Calculator, visit:
<http://www2.epa.gov/water-research/national-stormwater-calculator>

EPA's Climate Resilience Evaluation and Awareness Tool (CREAT) - a tool that assists drinking water and wastewater utility owners and operators understand potential climate change threats and assess the related risks. For more information on the Climate Resilience Evaluation and Awareness Tool, visit:
<http://water.epa.gov/infrastructure/watersecurity/climate/creat.cfm>

For additional information about the Stormwater Management Model and Climate Adjustment Tool, visit <http://www2.epa.gov/water-research/storm-water-management-model-swmm>

For more information about the President's Climate Action Plan, visit
<http://www.whitehouse.gov/sites/default/files/image/president27sclimateactionplan.pdf>

For more information on EPA's Green Infrastructure research, visit
<http://water.epa.gov/infrastructure/greeninfrastructure/index.cfm>

Source: EPA Press Release, 2/13/2015

House Approves Gillen's Bill to Help Veterans Find Jobs

On February 9, 2015, the House approved a bill introduced by state Rep. Mark Gillen (R-Berks/Lancaster) that would help raise awareness about a provision in state law aimed at helping veterans acquire civil service jobs in Pennsylvania.

"Veterans, through their military service, have already proven their proficiency in serving their fellow residents," said Gillen. "State law already includes an incentive to help veterans find gainful employment through the civil service system. My bill is about raising awareness about that incentive."

Pennsylvania has what is known as a "veteran's preference," which is a reward for their service that is applied when they pass the civil service exam.

Gillen's bill would require the State Civil Service Commission to advertise the veteran's preference on all of the commission's examination materials, announcements and advertisements, and on the commission's website.

"The goal is to help more veterans take advantage of this provision by ensuring they know that it exists," Gillen said. "The incentive only works if veterans know it is out there."

The bill now heads to the state Senate for consideration.

Residents interested in learning more about Gillen can visit his website at www.RepGillen.com and follow him on Facebook at www.Facebook.com/RepGillen.

Source: Representative Mark Gillen Press Release, 2/9/2015

Lawmakers Announce Re-Introduction of Bi-Partisan Plan to Improve Oversight of Municipal Financial Deals

On February 12, 2015, Senators John Eichelberger, John Blake, Rob Teplitz and Mike Folmer announced the re-introduction of a package of bills aimed at curbing risky municipal debt transactions and providing better state oversight of local financing deals. The legislation originates from the findings of Senate Local Government Committee hearings conducted in 2012 on the fiscal crisis affecting the City of Harrisburg and the debt of its incinerator project. The incinerator project ended up costing \$370 million — and played a major role in the capital city’s fiscal crisis.

“Our hearings clearly revealed insufficient oversight of Harrisburg’s deal to modernize and expand its incinerator. We learned that the deficiencies in the local government debt law that allowed the Harrisburg situation to occur could clearly reoccur elsewhere,” said Eichelberger (R-Blair, Fulton, Huntingdon, Franklin, and Cumberland). Eichelberger oversaw the hearings as the former Republican chairman of the committee. “If our legislation is passed into law, I believe this reckless behavior will not be repeated.”

“Residents across the Harrisburg region are now on the hook to pay for an incinerator project that, despite multiple setbacks, kept moving forward thanks to a tangled web of risky deals that simply went unmonitored,” said Teplitz (D-Dauphin, Perry). Teplitz has served as the Democratic chairman of the Senate Local Government Committee since taking office in January 2013. “Municipalities across Pennsylvania can learn a valuable lesson from Harrisburg’s financial fiasco, and this legislative package will help prevent other taxpayers from suffering the same consequences.”

Senate Bill 340, Eichelberger’s legislation, would make several reforms to the Local Government Unit Debt Act (LGUDA), including limiting local government guarantees of municipal

authority borrowings, eliminating the ability to charge a fee for issuing a guarantee, and giving the state Department of Community and Economic Development (DCED) greater authority over the borrowing processes of local government units. Blake’s bill, Senate Bill 341, allows the State Ethics Commission to investigate alleged ethical violations by individuals involved in financial transactions by municipal authorities. Currently, the Ethics Commission does not have this jurisdiction. If ethical violations are found, they would be considered a violation of the state Public Official and Employee Ethics Act and those individuals would be subject to the scrutiny of the Ethics Commission, district attorney, or the Office of Attorney General.

“My bill will grant clear jurisdiction to the PA State Ethics Commission to investigate and take appropriate actions in the case of allegations of conflict of interest by officers or other public officials related to the activities of municipal authorities throughout the commonwealth and further will prohibit the use of proceeds obtained in debt issuances by such authorities for any purpose unrelated to the project for which the debt was incurred,” said Blake (D-Lackawanna, Luzerne, Monroe), the former Democratic chairman of the Senate Local Government Committee who helped lead the public hearings conducted in 2012.

Senate Bill 342, Folmer’s measure, would put in place best practice standards regarding the use of qualified interest rate management agreements, or so-called municipal “swaps,” by local governments, school districts and municipal authorities.

These risky and complicated swaps have cost Pennsylvania taxpayers billions of dollars. From October 2003 to September 2012, 108 of 500 school districts — a shocking 22 percent — and 105 local government units had \$17.25 billion in public debt tied to swaps, according to DCED. There have been nearly 800 swap transactions recorded in Pennsylvania during that same time period.

“Most who have read the Harrisburg incinerator forensic audit are struck by the lack of openness, transparency, and accountability: multiple and complex transactions, millions in fees, and convoluted business practices. Swaps were used

eight times in Harrisburg over a short period of time,” said Folmer (R-Lebanon, Dauphin, Lancaster, Berks, and Chester). “To me, such transactions represent gambling with taxpayers’ money, which is why they need to be reined in.”

Similarly, Senate Bill 343, authored by Teplitz, would put in place best practice standards regarding the use of municipal swaps in the City of Philadelphia, which is not subject to LGUDA, in order to ensure that the standards apply statewide. “Risky financing schemes are no substitute for sound planning, thorough accounting and careful spending,” Teplitz said. “Strict standards must be put in place in order to protect municipalities and taxpayer dollars.”

Finally, Senate Bill 344 (Eichelberger) would close a loophole pertaining to performance bonds by requiring clear security for municipalities as a safeguard if projects fail.

All four senators serve as co-prime sponsors of each other’s legislation, and they have bipartisan support from the senators’ colleagues.

Source: Senate Republican Communications, 2/11/2015

#####

This newsletter provides general information, not legal advice as to any specific matter. It should not be used as a substitute for appropriate legal advice.