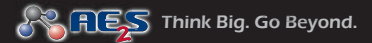


The Update

May 2009



NPDES Voluntary Permit Fee Update

The US Environmental Protection Agency (USEPA) has withdrawn the National Pollutant Discharge Elimination System (NPDES) Voluntary Permit Fee Incentive for Clean Water Act Section 106 Grants; Allotment Formula Rule. The rule has been in effect since September 2008, but the USEPA reconsidered its approach based on concerns raised by affected states. Funds set aside for incentive purposes will be allocated to states under an existing grant formula. The USEPA will continue to support permit fees as an acceptable source of income to assist states with funding for water quality programs. For more information please visit <http://www.epa.gov/owm/cwfinance/npdes-permit-fee.htm> or feel free to contact AE2S. ■

WEF Education Materials

The Water Environment Federation (WEF) has developed a program to educate and promote water infrastructure investment. The program is called "Water is Life, and Infrastructure Makes it Happen" and is open to WEF members and non-members alike. The program is dedicated to helping



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The USEPA has released the results of its 2007 Drinking Water Infrastructure Needs Survey and Assessment. This assessment is completed every four years to determine the amount of capital that needs to be invested in the nation's water systems over the next 20 years through the Drinking Water State Revolving Fund (DWSRF) program. The 2007 assessment found that community water systems, not-for-profit community water systems (schools and churches), and American Indian and Alaskan Native Village water systems will need to invest an estimated \$334.8 billion between January 1, 2007 and December 31, 2026, or \$16.74 billion per year. This assessment points to the nation's water systems having entered a "rehabilitation and replacement era" in which much of water utilities' existing infrastructure has reached or is approaching the end of its useful life.

Safe Drinking Water Assessment

Although all of the projects in the assessment are needed to further the goals of the Safe Drinking Water Act (SDWA), most needs are not for obtaining or maintaining compliance with a specific regulation. Most infrastructure projects are needed to ensure the continued ability to reliably provide potable water to a utility's customers. Projects that are directly attributable to specific SDWA regulations are collectively referred to as the "regulatory need" and account for 16 percent of the total need. Most of the regulatory need involves the upgrade, replacement, or installation of treatment technologies.

The total estimate covers infrastructure needs that are eligible for DWSRF monies, but not necessarily financed by them. Projects eligible for DWSRF funding include the installation of new infrastructure and the rehabilitation, expansion, or replacement of existing infrastructure. Projects may be needed because existing infrastructure is deteriorated or undersized, or to ensure compliance with regulations. Cost estimates assume comprehensive construction costs including engineering and design, purchase of raw materials and equipment, construction and installation labor, and final inspection.

Most of the needed \$334.8 billion is for transmission and distribution systems, followed by treatment, then storage. The majority of the need is for medium-sized systems serving populations between 3,301 and 100,000 persons (approximately 45%), followed by large sized systems serving populations over 100,000.

Another portion of this total estimate is related to system security. The Public Health Security and Bioterrorism Preparedness and Response Act of 2002 requires any community water system that serves a population of more than 3,300 to prepare a vulnerability assessment. For many water systems, particularly large systems, security measures have become fully integrated into the capital costs of major infrastructure improvements. Security comprises \$422 million of the total estimated need.

The table on the following page shows the water infrastructure investment needs of states in our area.

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(WEF Education Materials continued)

communities build and maintain sustainable water and wastewater systems. The program offers a number of tools including public service announcements, customizable advertisements, bill stuffers, door hangers, and presentation materials available for free at <http://www.wef.org/WiL>. The materials are intended to be used for non-profit, educational purposes only. If you would like assistance implementing this program or would like more information, please contact AE2S. ■

(Safe Drinking Water Assessment from first page)

20-Year Water System Need (in millions expressed as January 2007 dollars)	
State	Need
Iowa	\$6,113.1
Minnesota	\$5,988.4
Montana	\$1,294.48*
North Dakota	\$722.1*
South Dakota	\$932.83*
Wisconsin	\$6,186.0
Wyoming	\$557.55*
American Indian (USEPA Region 5)	\$206.6
American Indian (USEPA Region 8)	\$175.1

*Interpolated from population of partial participation states

The results presented in the report will determine the allocation of DWSRF capitalization grants for federal fiscal years 2010 through 2013. The need does not include projects that are ineligible for DWSRF funding. The formula for DWSRF will be available within the next month. *The Update* staff will continue to follow this topic and provide information when it becomes available. A copy of the 2007 Drinking Water Infrastructure Needs Survey and Assessment can be found at <http://www.epa.gov/safewater/needssurvey/>. ■



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