

**New York Water Environment Association Testimony  
For Environmental Conservation Hearing**

Submitted Testimony

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The New York Water Environment Association, also known as NYWEA is a Member Association of the Water Environment Federation – which is the leading international organization dedicated to the wastewater industry. NYWEA is a non-profit, professional organization that serves the best interest of the public by promoting sustainable clean water quality management through science, education, and training. It is made up of over 2,500 members across the State with great diversity ranging from treatment plant operators from small Villages, top level officials in New York City government, academics and students, regulators, engineers of all types, environmental scientists, and other interested professionals.

An important sector of our membership is thirty-eight clean water utilities from all areas of the state, large, medium and small, who day in and out respond to many challenges to protect public health. These challenges include but are not limited to, aging infrastructure, aging human capital, additional treatment requirements, and financial constraints. To that end, NYWEA would like to express its appreciation for the \$2.5 billion dollars in infrastructure spending in the 2017-2018 budget.

Organizations like NYWEA, and all wastewater utilities in the state, recognize the critical role that proper sanitation plays in protecting public health, improving the water environment while promoting economic development and recreational opportunities. We are also keenly aware of the fiscal challenges faced by local governments when attempting to budget or finance clean water infrastructure projects. Local governments understand their fiscal responsibilities, but we cannot fund these needs without financial assistance. We are not looking for a hand out but a helping hand. For every \$1 invested in water infrastructure, there is a \$6.35 increase in long term Gross Domestic Product. Investing in water infrastructure is an investment in New York's public health, environmental welfare, and long-term economic growth.

According to NYSDEC 2008 report "Wastewater Infrastructure Needs of New York State", the conservative costs of repairing, replacing and updating New York's aging and deteriorating wastewater and water infrastructure, over the next 20 years, are \$36.2 billion and \$38.7 billion, respectively. It should be pointed out that this report is now nine (9) years old, so it is expected that current costs are likely higher than the 2008 report stated. This report also indicated that 30% of the State's sewage collection systems are beyond their expected useful life. A more recent report from Comptroller DiNapoli's office in February 2017 estimated that over the next 20 years, New York will need to invest upwards of \$40 billion in water infrastructure. New York has 11.6% of the documented need nationwide for clean water infrastructure investment– the most of any State<sup>1</sup>– yet only about 25% of projects identified as priority projects will be able to find funding in any given year.

In the face of this tremendous need, New York has stepped up as a national leader with the creation of the Water Infrastructure Improvement Act of 2015 (WIIA), a \$400 million, three-year grant program in the budget and in 2017 an additional \$2.5 billion over the next seven (7) years. NYWEA recognizes that these monies represent a strong investment and commitment to clean water. We must also recognize, that the infrastructure needs continue to grow and by working together for additional funding, that will create sustainable solutions.

Some facts that highlight the fiscal needs and constraints faced by local WRRF's:

<sup>1</sup> "Clean Watersheds Needs Survey 2012 – Report to Congress", United States Environmental Protection Agency, January 2016

- Under 10 % of total local government expenditures have been directed toward infrastructure for the past 10 years. It has not kept up with the rate of inflation for construction costs and materials. In addition, municipalities are subject to the “Tax Cap” constraints, further reducing infrastructure reinvestment which results in deferred maintenance of sewer and water assets leading to rapid deterioration, reducing service life and greatly increasing the cost of repairs. It would be desirable to have clean water capital projects exempted from the Tax Cap.
- A disproportionate share of the wastewater financial burden is borne by metropolitan areas which are financially distressed with low household median incomes and mandated implementation of combined sewer overflow long term control plans.
- Municipalities from across the state rely on NYS Environmental Facilities Corporation for low cost loans. The NYS Environmental Facilities Corporation develops a list, the Intended Use Plan, of annual and multi-year projects that municipalities and other entities have deemed necessary to meet continued environmental protection, compliance and efficient operation and maintenance of facilities for both clean water (i.e., wastewater) infrastructure and drinking water infrastructure. While the lists are a representative compilation of pertinent projects, it is not a compilation of the entire universe of projects within New York State that require attention, since there are additional projects that the municipalities have not submitted to EFC.
- Despite their efforts, municipalities are frequently halted when planning for a project because of the high demands and slow wait time of the permitting process. While the processes have been streamlined over the years, a lack of sufficient staff within state agencies, such as the New York State Department of Environmental Conservation, can greatly extend the life and cost of a project. Providing adequate staffing for agencies, such as the DEC, will go a long way in remedying this.
- Over 20 years, each \$1.00 invested in sewer & water infrastructure returns \$2.03 of local, state and federal tax revenue. Over time, clean water investments pay for themselves and produce tax revenue for future spending.
- For each job created in the local water and wastewater industry, 3.68 jobs are created in the national economy. This includes planners, engineers, equipment manufacturers, distributors, contractors, and operators throughout the supply chain.
- Besides the normal operation and maintenance of these utilities, natural disasters or other emergency situations (toxic spills, discovery of harmful contaminants in water supplies) have adversely impacted NY’s infrastructure. These costs strain already stressed finances, hindering municipalities from investing in necessary water and sewer infrastructure and forces deference of necessary operations and management projects. This especially affects rural communities. A coalition of NYWEA, the New York Section of the American Water Works Association, the New York Rural Water Association, and others, representing the water, wastewater, and drinking water interests of New York, wish to express support for Senator Tedisco’s proposed Safe Water Infrastructure Program or SWAP. This program would provide an annual supplemental funding stream to support operation and maintenance activities for municipalities with water, sewer, and stormwater infrastructure. This is a major contributor to our infrastructure issues. We hope your committee will reach out to our coalition if you would like to hear more on this and we respectfully ask for your support of this legislation.

- Between fertilizer runoff, the improper recycling of pharmaceuticals, and other chemicals that enter the state's water supply because of human activity, a plethora of toxins enter the water system every day. Because of the constant work of WRRFs, these contaminants are removed from the water cycle and environment, protecting the high quality water resources and unique environments New York is blessed with.

Investment in water infrastructure not only protects public health and the quality of our lakes, rivers, streams and open water bodies; it is a significant driver of economic development and job creation.

Nationwide, local governments are the main investors in water and sewer systems. For all public spending on water and wastewater facilities, state and local governments account for 96%, the federal share is 4%. In the future, it will take funding coming from federal, state, and local governments together to improve water quality and sustain our utilities.

Investment in clean water infrastructure shouldn't just be local government's responsibility as it is appropriate to represent that cleaner water doesn't just benefit the adjacent locality but the entire State of New York. It is time to reinvigorate the past practices, partnerships and investments between state and local government that enhanced the quality of life of all New Yorker's. In 1966, the Rockefeller Pure Water's Program led the nation with an investment of \$1 billion dollars towards wastewater infrastructure that provided an unquestioned partnership between state and local government. Last year, this government committed to a \$2.5 billion dollar investment in water infrastructure. New York State continues to set an example for the entire nation with creation of a dedicated fund. Investment in water is the right thing for local government, public health, the environment, the economy, job creation and recreational opportunities.

Thank you for the opportunity to submit this testimony.

