No Community Left Behind

Blueprint for Affordable, Equitable and Sustainable Water and Wastewater Services

Water infrastructure in the United States comprises approximately 50,000 community water systems (referenced as “drinking water” systems) and 16,000 publicly owned treatment works (referenced as “clean water treatment” or “wastewater” systems). Many of these systems are aging and deteriorating, introducing risks to public health, the environment, and the economy. The majority of drinking water systems serve fewer than 10,000 people. These small systems, just like larger systems, must maintain skilled work forces and critical infrastructure, often with severe funding constraints.

Maintaining adequate water infrastructure requires continued re-investment in existing facilities while simultaneously planning to meet current and future challenges. For drinking water, the U.S. EPA estimates a need of $625 billion for pipe replacement, treatment plant upgrades, storage tanks, and other assets over the next 20 years. Wastewater and stormwater critical investments amount to an additional $630 billion. While the 2021 Infrastructure Investment and Jobs Act (IIJA), provided a positive five-year stream of investment through a combination of low-interest loans and loan forgiveness, short-term federal funding on its own will not assure sustainable, safe and reliable water services over the long-term. Systems serving small, rural and disadvantaged communities will need to consider significant steps toward self-sufficiency, and many will evaluate strategies to achieve greater economies of scale.

Regional solutions present the most promising of opportunities. By scaling and increasing the number of households served, there is the potential for reducing the cost per gallon of water services, developing and retaining a more skilled workforce, and making necessary improvements more effectively and efficiently. These benefits are important to the ongoing provision of water service and become an even greater benefit when one considers the costs and complexity of compliance with recent regulatory requirements, including those to replace lead service lines, treat for perfluoroalkyl substances (PFAS) and address ever more stringent control of nutrients in wastewater effluent.

Beyond these costly federal requirements, water systems face sustained cybersecurity risks, as well as the need for improvements to assure facility resiliency and adequate water supplies in the face of climate change.

Locally led decision-making can identify solutions to many existing challenges. Regional solutions may open pathways to achieving broad community objectives like improving the local economy and expanding water service to households on individual wells or septic systems. In addition to direct regionalization or consolidation, cooperatives and shared services agreements can also help to realize significant economies of scale and thereby reduce the resource gap.

Regional solutions in various forms can advance the following goals both locally and ultimately nationally:

- The long-term sustainability of the nation’s water infrastructure.
- Compliance with Federal and State regulations.
- Enhancing water systems’ capacity to meet and exceed public health objectives.
- Building capacity to overcome ongoing challenges faced by disadvantaged communities
- Create organizational structures that can support watershed-scale solutions.

State regulators regularly encourage restructuring to address chronic noncompliance and fiscal distress. Unfortunately, waiting until a water system has reached the point of significant non-compliance only increases the barriers to regional solutions.

Regional solutions work best when:

- Water service providers deliver clear, technically sound analyses of standalone and regional options that are readily comparable for decision-makers.
- The affected public has an opportunity to learn about and provide input to local decision-makers, and when public involvement includes trusted voices.
- The local decision-making process is understood by relevant regulators and financial analysts, and their concerns and recommendations are considered.

For many communities, the upfront cost associated with such an effort can be daunting. At present, funding for the necessary analysis and stakeholder processes must be borne by the participating communities. Absent the building of local consensus, efforts to craft regional solutions may fail due to concerns over loss of local control, accompanying changes in water rates, and poor inter-community relationships.

Well-crafted analyses and active community engagement can overcome these barriers. Now is the time for serious community conversations about the opportunities offered by regional solutions.

Proponents of the NCLB initiative are committed to:

- Identifying opportunities for voluntary regionalization, consolidation, cooperatives and shared services, particularly for the benefit of lower income, lower resourced, communities.
- Sharing case studies and best practices that would help facilitate replication of successful regionalization, consolidation, cooperatives and shared services.
- Identifying, and enhancing, funding opportunities for implementation of regionalization and consolidation.
- Ensuring that consolidation or partnerships, whether public-public or public-private, are accomplished in a transparent and equitable manner, including regulatory protections and technical guidance for less resourced communities and safe harbors for utilities taking in non-compliant systems.

Who is Behind NCLB?

The NCLB initiative is governed by the following organizations:

American Water Works Association

NAWC NATIONAL ASSOCIATION OF WATER COMPANIES

NACWA

MOONSHOT MISSIONS

WFX WATER FINANCE EXCHANGE NO COMMUNITY LEFT BEHIND

Water Environment Federation the water quality people®

ASSOCIATION OF METROPOLITAN WATER AGENCIES

Association of REGIONAL WATER Organizations

And is facilitated by the co-chairs, Water Finance Exchange and Moonshot Missions.

NCLB's collective aim is to demonstrate the need for realizing improved economies of scale in the water sector, to facilitate implementation of such projects and to ensure that implementation is accomplished in a transparent and equitable manner. Achieving meaningful economies of scale in our water sector will contribute to ensuring that every community has access to safe drinking water and clean watersheds in the face of the challenges represented by aging infrastructure, aging workforce, climate change, emerging contaminants and cybersecurity risks.