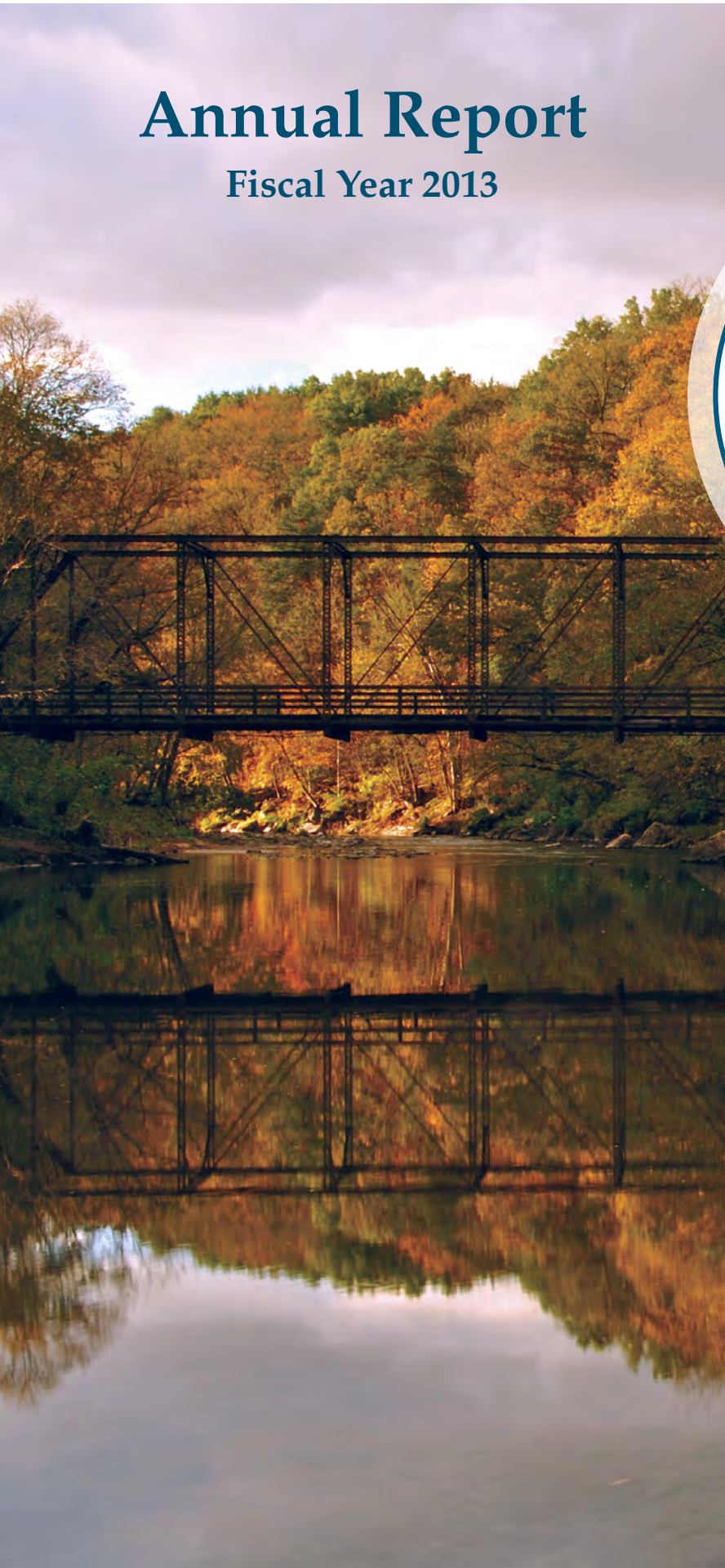
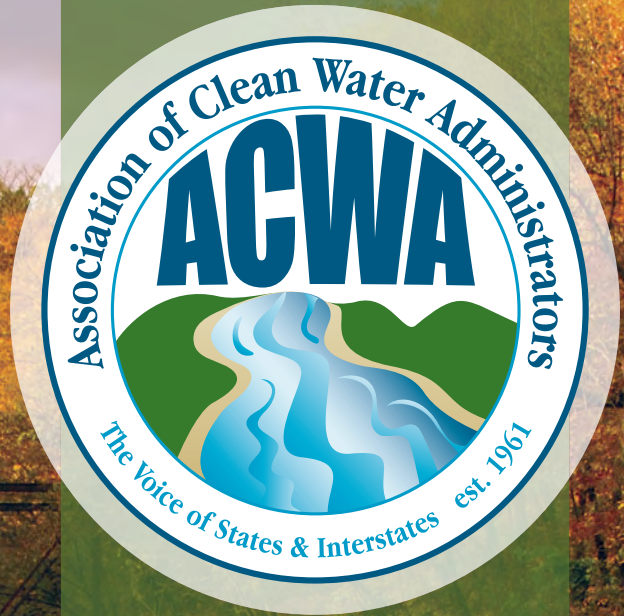


Annual Report

Fiscal Year 2013





Annual Report Fiscal Year 2013

Table of Contents

Section 1: Association Overview

Letter from ACWA’s President	1
Letter from ACWA’s Executive Director & General Counsel	2
About ACWA, History, and Mission	3
ACWA Membership	4
ACWA Leadership, Staff, Subscribers, and Sponsors	5

Section 2: Regulatory, Legislative & Programmatic Accomplishments

Permitting, Compliance & Enforcement	6
Monitoring, Standards & Assessment	7
TMDLs & Watersheds	8
319	8
Nutrients	8
Water Resources Management	9
Energy	9
Oil & Natural Gas Extraction	9
Funding	10
Legal Affairs	10
Legislative Efforts	11
Awards	12

Section 3: Fiscal Snapshot

FY2013/FY2014 Revenue Chart	13
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Cover photo: Volga River, IA. Courtesy of Jeff Tisl, Iowa Department of Agriculture.
 Back Cover photo: Duck Lake, MI. Courtesy of Grace Scott, Michigan Department of Environmental Quality.

Top photo: Lake Tahoe, NV. Courtesy of Steve McGoff, Nevada Division of Environmental Protection.

Letter to the Membership from President Steven H. Gunderson



Dear Colleagues,

I am pleased to serve as President of the Association of Clean Water Administrators (ACWA), and to welcome you to Santa Fe, New Mexico for our 52nd Annual Meeting. It has been a tremendous honor to work with all of you, my state and interstate colleagues, to advance clean water across the nation. Each of our geographic regions has its own unique challenges and priorities which occupy many hours of our days. When an issue is relevant across the nation, ACWA provides an unparalleled forum for us to work together and to ensure that the “voice of states and interstates” is heard. This Annual Report provides a wonderful opportunity to reflect on our collective accomplishments and voice over the fiscal year (FY). As you turn through the pages of this Report, I hope you are impressed by the significant progress we made, the rich and diverse topics we addressed, and the strategic and meaningful partnerships we formed.

I believe we have collectively delivered on several goals that I outlined at the start of my Presidential term. First, we sought to increase member involvement in our activities. I am confident stating that all of our committees, task forces, and workgroups are engaged, active, and populated with a diverse and meaningful number of state and interstate staff who bring expertise and practical perspectives to ACWA’s work. This year we created the Oil & Natural Gas Extraction and 319 Workgroups – demonstrating our responsiveness to emerging issues of concern as well as to specialized areas. Second, we endeavored to build an even richer relationship with the U.S. Environmental Protection Agency’s Office of Water (EPA OW). From top Agency leaders participating on ACWA calls and attending our meetings, to our multi-year Cooperative Agreement with EPA OW, to the 10 formal comment letters filed with EPA on topics including animal feeding operations, environmental data collection, nutrients progress benchmarking, and enforcement priorities, and to the numerous informal efforts such as the 10-Year Vision for the Clean Water Act’s 303(d) program, workshops on integrated planning, and meetings on the water quality standards program – ACWA’s work has improved the state-federal relationship in a meaningful way. These efforts mean that Americans will benefit both from cleaner water and more efficient government. Third, we knew this year would bring with it the challenges of sequestration and the reality of “doing more with less.” This is where building ACWA’s partnerships yielded dividends. ACWA wrote letters with and held meetings with a diverse number of organizations. Sometimes we worked with a few other organizations of state regulators; other times we worked with hundreds of NGOs and advocates. In all cases, we found common ground – and the voices of many helped carry our water to Congress, to other agencies and decision-makers, and to the public. We continue to hold hearty discussions with EPA about priorities, and running robust and effective clean water programs in the face of reduced staff and budgets. Fourth, we focused on the organization’s future, especially in the next five years. In carrying out this goal, we undertook a Strategic Planning process – and at this Annual Meeting we will finalize a realistic and implementable plan to assess how ACWA works on issues, is funded, and will grow in relevance and meaning.

As I conclude my term as your President, I look forward to remaining engaged in the good work of this organization. We benefit from the time, talent, and energy of each and every one of you. I thank you for your financial support to this organization and for making time to ensure the “voice of states and interstates” is effectively heard.

Sincerely yours,

A handwritten signature in blue ink that reads "Steven H. Gunderson". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Steven H. Gunderson
Director, Water Quality Control Division
Colorado Department of Public Health & Environment
President

Letter to the Membership from Executive Director & General Counsel Alexandra Dapolito Dunn

Dear Members,

As always, I am proud to represent you as ACWA's Executive Director and General Counsel, and I remain deeply passionate about our mission. I thank ACWA's Board of Directors, leadership, and our entire engaged membership for the tremendous commitment to ensuring that the "voice of states and interstates" is heard in important and diverse venues across the nation. Your commitment to taking meaningful action to advance cleaner, healthier watersheds is evidenced by the time, effort, and expertise you give to the challenging, evolving, and important issues we face.



In this fiscal year, ACWA built on the momentum accompanying our new name and reestablished clarity of purpose. We put time into envisioning ACWA's future, while also striving to meet and exceed existing member expectations. The hallmark of our planning resided in the development of a strategic plan for 2014-2017. We began with a comprehensive survey of our members and leadership, interviews with all Board members, and discussions with ACWA's many stakeholders and partners. Board and membership comment on a draft of the strategic plan followed. In Santa Fe, a final plan will be adopted and shared widely. The end product solidifies your desire that ACWA capitalize on its role as the voice of states and interstates, while remaining fiscally conservative, diversifying our funding sources beyond member dues, and delivering high quality professional expertise and member services.

ACWA's Washington DC location continues to support our role as a liaison between states and interstates and the federal government on water quality issues. Just minutes away from the U.S. EPA's Headquarters and Capitol Hill, ACWA maintains a continuous presence at meetings and hearings that shape clean water policy. Our relationships have continued to grow with both DC and outside the beltway organizations this year. We undertook productive dialogues and, in some cases, joint efforts with leading organizations in the urban, water infrastructure, agriculture, rural, non-governmental organization, manufacturing, drinking water, groundwater, and industrial communities.

Our dynamic workgroups, committees, and task forces – led by state and interstate experts – continue to serve the membership by offering time effective opportunities to collaborate and to share and transfer best practices and innovations. ACWA calls typically feature between 30 and 40 participating states and interstates, with top notch speakers and materials. In addition to this virtual networking, our in-person meetings offer a unique venue for networking with peers and federal government leaders. We also are proud of the three national reports ACWA produced this year – on state/interstate nutrient reduction programs, on diverse biocriteria approaches, and on compliance innovations. These reports add value to the national conversation on these topics and provide benchmarking tools.

I look forward to seeing many of you in Santa Fe, New Mexico. Our meeting will provide an opportunity to celebrate our FY 2013 accomplishments, and to set a course to meet the challenges and seize the opportunities presented by FY 2014.

Best regards,

A handwritten signature in blue ink that reads "Alexandra D. Dunn".

Alexandra Dapolito Dunn
Executive Director and General Counsel

About ACWA, History, and Mission

ACWA is the independent, nonpartisan, national organization of state and interstate (hereinafter in this Report, state refers to both states and interstates) water program directors, responsible for the daily implementation of the Clean Water Act's (CWA) water quality programs. Originally established in 1961 as the Association of State and Interstate Water Pollution Control Administrators (ASIWPCA), in 2011 we became ACWA – the Association of Clean Water Administrators (ACWA). ACWA is the only nationally recognized organization whose entire agenda and mission are set by a Board of Directors and leadership is composed only of state/interstate water quality program administrators and managers. Long before passage of the *Federal Water Pollution Control Amendments of 1972*, state and interstate professionals were working together to protect and improve water quality nationally through ACWA.

For over half a century, ACWA has consistently provided the highest level of information, programming, technical support, and collaborative opportunities to increase state capacity and to support the federal government in the implementation of the federal CWA and related water quality programs. The Association has led national co-regulator collaboration forums, orchestrated evaluation and enhancement of water quality programs, supported workshops, national meetings, webcasts, and conference calls, and identified and highlighted innovative state programs and practices. ACWA strives to assess and convey the

shared perspectives of state/interstate water quality agencies at the national level. We facilitate communication and interaction between state/interstate water quality agencies and diverse federal agencies, Congress, and the Administration. We offer forums for the exchange of technical and



The Clean Water Act celebrated its 40th Anniversary this year. Photo courtesy of Alexandra Dapolito Dunn, ACWA.

program information and innovations among water quality professionals, and we promote public education on water quality issues. The nature of ACWA's work over the years has consistently furthered the specific interests of the federal/state partnership in developing and implementing water quality protection programs. When the federal government – most importantly, the EPA – partners directly with states through ACWA, better regulations are drafted, superior

policy is created, duplication is reduced, national consistency is improved, flexibility is gained, unintended consequences are avoided, greater certainty is realized, legal challenges are minimized, and, ultimately, the public is better served.

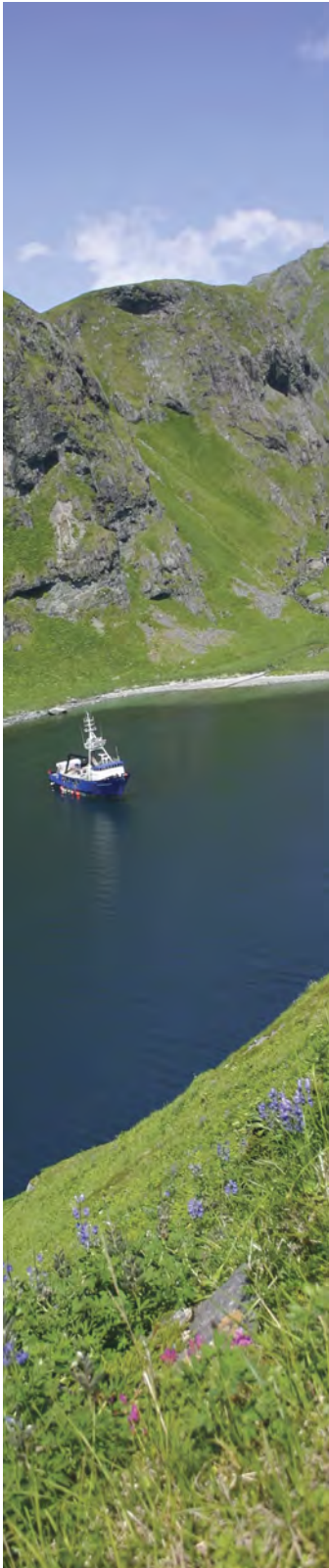
The complexity of water quality issues associated with modern challenges requires more collaboration than ever. Over our five decades, we have developed relationships with many organizations, including non-governmental organizations, industry trade associations, municipal and local governmental organizations, and other state regulator groups. ACWA's effectiveness through the years has been enhanced through collaboration, coordination, and innovation with these stakeholders.

Mission

As the national voice of state and interstate water programs, ACWA strives to protect and restore watersheds to achieve "clean water everywhere for everyone." ACWA works to maintain a vibrant national organization that:

- serves membership needs and achieves a high level of participation;
- is the national voice for state and interstate clean water program concerns, interests, and priorities;
- facilitates technical and policy innovation among national and state water programs (best practices);
- fosters the collaboration needed for sound public policy; and
- carries out activities in an efficient, ethical, and fiscally sound manner.

State, Interstate, and Affiliate Members



Aleutian Cove, AK. Courtesy of Tim Hoffman, Alaska Department of Environmental Conservation.

Alabama Department of Environmental Management, Water Division
Alaska Department of Environmental Conservation, Division of Water
Arizona Department of Environmental Quality, Water Quality Division
Arkansas Department of Environmental Quality, Water Division
California State Water Resources Control Board
Colorado Department of Public Health & Environment, Water Quality Control Division
Connecticut Department of Energy and Environmental Protection, Bureau of Water Protection & Land Reuse
Delaware Department of Natural Resources & Environmental Control, Division of Water
Delaware River Basin Commission
District Department of the Environment, Water Quality Division
Florida Department of Environmental Protection, Division of Water Resource Management
Georgia Department of Natural Resources, Environmental Protection Division
Hawaii Department of Health, Environmental Management Division, Clean Water Branch
Idaho Department of Environmental Quality, Surface Water Program
Illinois Environmental Protection Agency, Bureau of Water
Indiana Department of Environmental Management, Office of Water Quality
Interstate Commission on the Potomac River Basin
Interstate Environmental Commission
Iowa Department of Natural Resources, Water Quality Bureau
Kansas Department of Health & Environment, Bureau of Water
Kentucky Department for Environmental Protection, Division of Water
Louisiana Department of Environmental Quality, Water Quality Assessment Division
Maine Department of Environmental Protection, Bureau of Land & Water Quality
Maryland Department of the Environment, Water Management Administration
Massachusetts Department of Environmental Protection, Bureau of Resource Protection
Michigan Department of Environmental Quality, Water Bureau
Minnesota Pollution Control Agency, Commissioner's Office for Water Policy
Mississippi Department of Environmental Quality, Office of Pollution Control
Missouri Department of Natural Resources, Water Protection Program
Montana Department of Environmental Quality, Water Protection Bureau
Nebraska Department of Environmental Quality, Water Quality Division
Nevada Division of Environmental Protection, Bureau of Water Pollution Control
New England Interstate Water Pollution Control Commission
New Hampshire Department of Environmental Services, Water Division
New Jersey Department of Environmental Protection, Department of Water Quality
New Mexico Environment Department, Surface Water Quality Bureau
New York State Department of Environmental Conservation, Division of Water
North Carolina Department of Environment & Natural Resources, Division of Water Quality
North Dakota Department of Health, Division of Water Quality
Ohio Department of Agriculture, Livestock Environmental Permitting Program
Ohio Environmental Protection Agency, Division of Surface Water
Ohio River Valley Water Sanitation Commission
Oklahoma Department of Environmental Quality, Water Quality Division
Oklahoma Water Resources Board, Water Quality Programs Division
Oregon Department of Environmental Quality, Water Quality Division
Pennsylvania Department of Environmental Protection, Bureau of Water Standards & Facility Regulation
Puerto Rico Environmental Quality Board, Water Quality Area
Rhode Island Department of Environmental Management, Office of Water Resources
South Carolina Department of Health & Environmental Control, Bureau of Water
South Dakota Department of Environment & Natural Resources, Surface Water Quality Program
Susquehanna River Basin Commission
Tennessee Department of Environment & Conservation, Division of Water Resources
Texas Commission on Environmental Quality, Office of Water
Texas State Soil & Water Conservation Board
Utah Department of Environmental Quality, Division of Water Quality
Vermont Department of Environmental Conservation, Watershed Management Division
Virginia Department of Environmental Quality, Water Division
Washington State Department of Agriculture
Washington Department of Ecology, Water Quality Program
West Virginia Department of Environmental Protection, Division of Water & Waste Management
Wisconsin Department of Natural Resources, Bureau of Watershed Management
Wyoming Department of Environmental Quality, Water Quality Division

ACWA LEADERSHIP

President

Steven H. Gunderson (CO)

Vice-President

Shellie Chard-McClary (OK)

Treasurer

Martha Clark Mettler (IN)

Secretary

Mike Fulton (AZ)

Immediate Past President

Walter L. Baker (UT)

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Region 2 Michele Putnam (NJ)

Region 3 Collin Burrell (DC)

Region 4 Drew Bartlett (FL)

Region 5 William Creal (MI)

Region 6 Todd Chenoweth (TX)

Region 7 Patrick Rice (NE)

Region 8 Jenny Chambers (MT) *(Until 10/12)*

Kent Woodmansey (SD)

Region 9 Mike Fulton (AZ)

Region 10 Lynn Kent (AK)

Interstates Carlton Haywood (ICPRB)

National Office Staff

Executive Director & General Counsel

Deputy Director

Director of Operations

Environmental Program Manager

Environmental Policy Graduate Fellow

2013 Summer Law Clerk

Alexandra Dapolito Dunn

Sean Qui Rolland

Annette Ivey

Susan Kirsch

Kirk Tracy

Joe Baumann

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Beveridge & Diamond, P.C.

Crowell & Moring LLP

Geosyntec Consultants

Hach Company

Hogan Lovells LLP

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National Association of Clean Water
Agencies (NACWA)

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Hach Company

HDR Engineering, Water Business
Group

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Agencies (NACWA)

Water Environment Federation
(WEF)

Individual & Non-Profit Sponsors

Michelle Bonnet

Shellie Chard-McClary

Paul E. Davis

Alexandra Dapolito Dunn

Andrew C. Fisk,

Connecticut River Watershed Council

Mike Fulton

Steven H. Gunderson

Adrienne Nemura

Sean Qui Rolland

Paul Stacey



Deer Island Wastewater Treatment Plant, MA. Courtesy of Kirk Tracy, ACWA.

Permitting, Compliance & Enforcement

CO-CHAIRS: Kathy Stiller (DE), Melanie Davenport (VA)

The Permitting & Compliance Committee (P&CC) is an extremely active, large, and diverse group of state composed of directors, bureau chiefs, program managers, permit writers, inspectors, analysts, and data managers. Starting in 2012, the P&CC divided into workgroups aligned with substantive programmatic areas. P&CC members now participate on one or more of these workgroups. This committee and respective workgroups were invited to participate on 51 calls this year – maintaining this Committee’s historic high level of activity.

Enforcement Workgroup

CHAIR: Joe DiMura (NY)

The Enforcement Workgroup’s primary focus is the implementation of initiatives associated with the CWA Action Plan. Priority subjects of attention include moving to electronic reporting, improving compliance, addressing the most serious water pollution problems, and improving state and EPA performance in protecting water quality. Related call topics include updating the pollutant loading tool and National Pollutant Discharge Elimination System (NPDES) dashboards, updating the online general permit inventory to include Municipal Separate Storm Sewer System (MS4) permits, NPDES Memorandums of Agreement, eReporting Rule impacts to the stormwater program, discussing the electronic Discharge Monitoring Report (eDMR) Third Party Proof of Concept initiative, structuring rules and permits to improve compliance, and working towards next generation compliance. Starting in November 2012, three states (VA, CO, OH) and ACWA staff began vigorous biweekly conference calls with EPA on a CWA Action Plan Innovative Approaches Workgroup. ACWA also gathered information from the membership on “next generation” enforcement success stories, releasing an April 2013 White Paper on this subject.

The Enforcement Workgroup also works with EPA to streamline the integrated State Review Framework (SRF) to manage the number of metrics and to improve the plain language guides. The Workgroup drafted a comment letter on OECA’s *National Enforcement Initiatives for Fiscal Year*

2014-2016 and provided informal comments on EPA’s *Expanding Compliance Monitoring to Include Activities Beyond Inspections and Investigations*.

Industrial Branch Workgroup

CO-CHAIRS: Jennifer Dodd (TN) (through 12/12), Grace Scott (MI), Janet Kieler (CO)

The Industrial Branch Workgroup focuses on the pretreatment program and issues associated with effluent limitation guideline development, implementation, and related policy. The Workgroup developed comprehensive recommendations to prioritize the areas of technical support provided by EPA’s National Pretreatment Program. The recommendations were provided in a letter to EPA senior officials late in FY13 and the Workgroup anticipates future EPA-State discussions regarding the recommendations in FY14. The Workgroup also held an EPA-State call to discuss EPA’s Steam Electric ELG proposal and will prepare formal Association comments for submission in August 2014.

Rural Branch Workgroup

CO-CHAIRS: Kent Woodmansey (SD), Bruce Yurdin (NM)

The Rural Branch Workgroup focuses on the Concentrated Animal Feeding Operation (CAFO) programs and the NPDES Pesticide Permitting program. The Workgroup holds monthly calls where pesticide permitting topics included state pesticide program implementation, annual reporting requirements, legislative activity, mosquito-borne illnesses, permits with an emergency exception and lessons learned. On monthly calls, participants also discussed EPA collection of state CAFO data, the new Natural Resources Conservation Service (NRCS) 590 standard and state incorporation, winter application of manure, equipment calibration, CAFO universe expansion, narrative and linear approaches in the nutrient management planning, development of state program profiles, guidance on duty to apply, nutrient management planning tools, review on EPA’s state technical standards website, and future CAFO Roundtable discussion topics. The Workgroup also drafted ACWA’s comment letter on EPA’s 10 year § 610 Regulatory Flexibility Act Review of the CAFO Rule.



2012 CAFO Roundtable Field Trip. Courtesy of Alexandra Dapolito Dunn, ACWA.

The 2012 CAFO Roundtable was held in October 2013 in Annapolis, MD and included an overview of Maryland's program, and discussions on the Chesapeake Bay TMDL, EPA data collection, effects of size-based regulations, the discharge/permit nexus, anaerobic digesters, and NPDES permit writer and inspector resources. The Workgroup is now planning the 2013 CAFO Roundtable to be held in October 2013 in Sacramento, CA.

State, Regional & Other NPDES Issues Workgroup

CHAIR: Peter Tennant (ORSANCO)

A new priority topic for this Workgroup has been the integrated stormwater & wastewater planning initiative. ACWA co-hosted five Regional meetings across the country, and former ACWA President Walt Baker (UT) testified before the House of Representatives on the issue. ACWA also engaged with states and municipalities on developing workshop topics and encouraging feedback, improving communication, solving implementation challenges, and identifying best practices and future permitting opportunities. Other areas of focus include the yet to be proposed NPDES Program Updates Rule, the Sufficiently Sensitive Methods Rule, Sanitary Sewer Overflow (SSO) program updates, peak flow & blending, Combined Sewer Overflow (CSO) program revisions, and the new general permit web inventory website.

Stormwater Workgroup

CHAIR: Mary Borg (VT)

The Stormwater Workgroup focused mostly on wet weather issues, and continued monthly State/EPA calls. Topics included green infrastructure implementation, eReporting Rule impacts to the stormwater program, MS4 record keeping and reporting, impacts of the 2010 Census on the MS4 universe, EPA exempting logging roads from Phase I of the stormwater program, further review of scientific data on forest road stormwater impacts, monitoring, evaluation, and assessment approaches, linear and nontraditional facilities, TMDL surrogate development, stormwater wasteload allocations, EPA authority under CWA § 402(p)(6), post-construction BMP requirements, improving the quality of MS4

permits, water quality-based effluent limits (WQBELs) in MS4 permits, performance standards for new and redevelopment, MS4 permit backlog, removal of the numeric turbidity standard in the Construction & Development Rule, and managing construction stormwater outside of the MS4s.

Monitoring, Standards & Assessment

CO-CHAIRS: Martha Clark Mettler (IN), Derek Smithee (OWRB)

The Monitoring, Standards & Assessment (MSA) Committee continued to hold monthly Committee calls this year with agendas focusing on a variety of hot topics, including recreational water quality criteria implementation issues, human health criteria for fish consumption, ammonia criteria, the national rivers and streams report/surveys, CWA § 303(c)(3) FAQs, and others. The Committee calls featured regular participation by EPA Headquarters staff from the Office of Science & Technology and the Office of Wetlands, Oceans, and Watersheds to discuss the latest efforts of these Offices and solicit state input.

In May 2013, the Committee drafted and submitted Association comments on EPA's *National Rivers and Streams Assessment (NRSA) 2008-2009 Draft Report*, raising concerns over statements in the report that establish cause and effect relationships, and the need to better clarify the report's limitations for drawing conclusions about conditions at the state scale. ACWA subsequently hosted an EPA-State call where EPA responded to Association and other state comments on the draft report.

The Committee continued to lend its support to joint association efforts aimed at funding for U.S. Geological Survey's Streamgauge and National Water Quality Assessment programs. Committee members remained involved in the collaborative efforts of several EPA-State workgroups, including the Monitoring Assessment Partnership (MAP), Water Quality Standards Managers Association (WQ SMA), and the Quicksilver Caucus. In June 2013, ACWA agreed to facilitate the revived Water Quality Standards forum.

TMDLs & Watersheds

CO-CHAIRS: Tom Stiles (KS), Jan Boydston (LA) (through 5/13), Traci Iott (CT)

The TMDLs & Watersheds Committee remained very engaged this year in EPA-State workgroup efforts aimed at exploring potential new interim metrics for measuring success in the 303(d) program, and the 303(d) 10-Year Vision effort. The 303(d) Measures workgroup convened over a dozen calls this past year and developed a draft of potential program measures which was circulated for broader review in late FY13. Based on the input, further refinement and discussions are anticipated in FY14. Likewise, the EPA-State workgroup 10-Year Vision workgroup sought additional feedback on the draft Vision at the April 2013 National TMDL Workshop. Finishing touches will be made to the Vision document which is expected to be officially released and endorsed by EPA at the ACWA Annual Meeting in August 2013. Additionally, members of the Committee participated in two calls held with EPA to discuss options for replacing the 2002 baseline for impaired waters. Participants were unanimous in their most preferred option, and EPA plans to follow this recommendation. This is just one example of how this Committee continues to shape TMDL policy at the national level.



Kokosing River, OH. Courtesy of Mike Galloway, Ohio Environmental Protection Agency.

319 Workgroup

CHAIR: Jaime Gaggero (KS)

In the area of 319 reform, the Committee prepared Association comments this year on EPA's Draft *Nonpoint Source Program and Grants Guidelines for States and Territories* (i.e. Section 319 Guidelines). Last year, an EPA-State workgroup facilitated by ACWA had provided input that informed the development of the draft guidelines. ACWA hosted an EPA-State call in November 2012, which included participants from several other state associations, to discuss key changes contained in the draft program guidelines. ACWA hosted a subsequent EPA-State call in March 2013 to discuss revisions made to the final guidelines in response to state association comments. Due to the implementation of the new guidelines, ACWA anticipates ongoing activity in the 319 arena and created a dedicated 319 Workgroup in late FY13 as a forum to track and discuss these issues.

Nutrients Policy

CO-CHAIRS: Marcia Willhite (IL), Mike Tate (KS)

The Nutrients Policy Committee returned to quarterly calls this year, while committee members also contributed to other efforts aside from the regular calls. Call topics included the latest updates to EPA's Nutrient Indicators Dataset (NID), wastewater agency collaboration with the agricultural industry, various state nutrient reduction efforts, and EPA's response to a secondary treatment petition.

ACWA finalized two reports thanks to the help of Committee members providing detailed information on state practices. In October, ACWA finalized and released our consolidated report of the use of bioassessment in state nutrient programs. In December, ACWA completed and released its Nutrient Reduction Report. The two reports detailed activities in every state in the nation. The Nutrient Reduction Report included details of state efforts to adopt Numeric Nutrient Criteria (NNC) as well as other ongoing programs and efforts to manage and reduce nutrient pollution. The Nutrient Reduction Report was highlighted at both the EPA Water Division Directors Meeting in December and at the 3rd Annual EPA & State Agriculture Director Meeting for EPA Regions 7 & 8 in Rocky Mountain National Park, CO, in January 2013.

The Committee continued to follow updates to EPA's NID since its release in June 2012. ACWA sent a letter to EPA in mid-August 2012 regarding the NID. States, through ACWA, had previously provided EPA with comments on the NID, in an effort to paint a more accurate picture of state progress with respect to nutrient pollution reduction.



Singletary Lake State Park, NC. Courtesy of Bridget Munger, North Carolina Department of Environment & Natural Resources.

On multiple Committee calls, EPA Office of Science & Technology (OST) staff joined to discuss the latest proposed updates with states. Committee members also reviewed and provided feedback on a draft version of EPA's NNC State Progress tracking website.

ACWA continued working with OST on other efforts to facilitate the discussion between states and EPA. Committee members reviewed EPA's draft fact sheet on a dual-nutrient management approach to eutrophication and provided feedback to OST, including a follow-up call with several Committee members, all of which was incorporated into the final fact sheet. ACWA also continued to track the latest EPA activities spawning from the State/EPA NNC Implementation Workgroup concerning barriers to implementing NNC and possible actions to overcome them, which Committee members participated in last year. Several Committee members met with EPA to discuss the "NNC Barriers Action Plan," released by EPA in December. The action plan was developed from the State/EPA workgroup discussions and EPA plans to begin implementing actions from the plan within the next year. ACWA's Nutrients Policy Committee will continue to track the latest progress in this area.

Water Resources Management Committee

CO-CHAIRS: Carol Collier (DRBC), Jeff Manning (NC)

The Water Resources Management Committee launched this year as an evolution of the Climate Adaptation Committee. The Committee held regular calls to examine topics such as state sustainable water management initiatives, increasing resiliency on a watershed basis, and USGS's nationwide efforts through its Advisory Committee on Water Information (ACWI). Committee Co-Chairs Collier and Manning, and ACWA staff, participated on EPA's State Tribal Climate Change Council (STC3). The STC3 held several calls regarding EPA Office of Water's implementation of its 2012 Climate Strategy. Information from these calls was subsequently shared with Committee members to ensure members were aware of EPA climate related activity.

Energy Task Force

CHAIR: Stephen Bernath (WA)

The Energy Task Force continued to keep an eye on energy-water nexus issues, including holding a Task Force call to discuss geothermal NPDES permitting and state guidance in Ohio and Nevada. The Task Force will to further explore POTW energy reclamation issues in the coming year.

Oil & Natural Gas Extraction Workgroup

CHAIR: Dave Gaskin (NV)

In late 2012, ACWA launched the Oil & Natural Gas Extraction (ONGE) Workgroup, under the Energy Task Force. The Workgroup was formed to explore and track the water quality impacts associated with natural gas extraction from well siting, to fracturing, to transportation, and disposal, as well as the implications of exploration, associated development, and wastewater management. The Workgroup is tracking EPA regulatory activity associated with natural gas extraction, including EPA's Study of the Potential Impacts of Hydraulic Fracturing on Drinking Water Resources. Additionally, the Workgroup is looking at partnering with our drinking water and ground water colleagues, the Association of State Drinking Water Administrators (ASDWA) and the Groundwater Protection Council (GWPC) respectively, to examine and discuss potential water impacts from gas extraction activities. Discussions were had with GWPC to discuss potential forums for furthering the collaboration. ONGE's initial calls focused on regulatory paradigms for oil and natural gas extraction, problems with roles of state oil and gas commissions versus departments of environmental protection, the science of hydraulic fracturing's effects on groundwater, surface stormwater runoff, leak and spill oversight, disclosure of chemicals, interagency coordination and cooperation, state/federal coordination and oversight, interstate issues, water quantity, reuse, and handling of produced water, and risk-based regulatory paradigms.

Funding Task Force

CO-CHAIRS: Ron Poltak (NEIWPCC), John Litton (SC)
(until 10/12), Michael Beck (CO)

With the implementation of sequestration, continued stress on the national economy, strained state budgets, and pressure on EPA's budget, the Funding Task Force played a key role for the membership this year. The Task Force held regular calls to educate and engage states on a number of issues including the status of the Continuing Resolution for funding FY 2013, Sequestration and the Fiscal Cliff under the Budget Control Act, the President's FY 2014 EPA Budget Request, various proposals for the Water Infrastructure Financing Innovations Authority (WIFIA), including as a pilot within the Water Resources Development Act (WRDA), and EPA's Financial Capability Framework. The Task Force leaders worked with ACWA staff to track WIFIA proposals (see Legislative Efforts, *infra*). As the twists and turns of the FY 2013 Budget and Sequestration unfolded, the Task Force tracked impacts to state water programs and communicated via regular updates of ACWA's Funding Chart for federal water program appropriations.

In the face of cuts, ACWA joined other associations in sending letters to Congress in support of critical water programs. In November 2012, ACWA signed a letter with 7 other associations to the House and Senate environment committees as they considered funding for the remainder of FY 2013 of the Clean Water State Revolving Fund (CWSRF), Drinking Water State Revolving Fund (DWSRF), 106 and 319 programs, and other key state grant programs. In December 2012, ACWA joined 7 other associations in a letter to Senate and House leadership, urging them to reach a deal to avoid the Fiscal Cliff. In April 2013, ACWA and 7 other associations sent a Joint Statement to the House Interior, Environment, and Related Agencies Subcommittee to stress the critical importance and need to continue funding of CWSRF and DWSRF programs at FY2012 levels, as that Subcommittee began consideration of FY 2014 appropriations. In May 2013, ACWA joined 30 associations in support of continued funding for the BEACH Act, which provides grants to states to monitor water quality at beaches — the President's FY 2014 Budget proposes to eliminate the Beach Program. ACWA also joined letters requesting continued and increased funding for 106 and 319 programs and funding for the USGS National Water Quality Assessment program (NAWQA) at the FY2010 funding level (the highest it has historically been funded). The Task Force will continue to track budget activity and keep ACWA membership informed of impacts to federal water programs appropriations.



Stewart Mountain Dam, AZ. Courtesy of Tiffany H. Ground, Arizona Department of Agriculture.

Legal Affairs Committee

CO-CHAIRS: Beth Card (MA), Carin Spreitzer (NY)

The Legal Affairs Committee (LAC) hosted quarterly calls this year with a focus on deeper, richer agendas. Call agendas featured a diverse group of presenters from both the public and private sector on various clean water legal topics, including *Food and Water Watch and Friends of the Environment v. EPA* (seeking to overturn provisions in EPA's TMDL for the Chesapeake Bay permitting water quality trading), the U.S. Supreme Court decisions in *NEDC v. Brown* ("Forest Roads") and *LA County Flood Control District v. NRDC*, *Virginia Dept. of Transportation v. EPA* ("flow TMDL"), *Alaska Community Action on Toxics v. Aurora Energy Services* (coal dust point source case), and the Eighth Circuit decision in *Iowa League of Cities v. EPA* (held EPA could not regulate via guidance letters in lieu of rulemaking).



Hugh Butler Reservoir, NE. Courtesy of Dave Bub, Nebraska Department of Environmental Quality.

Legislative Efforts

ACWA's National Office presence in Washington, DC, combined with our substantive water regulatory, legal, and policy expertise, makes the Association a valuable source of information for Congress on key CWA issues and state funding needs. This year, ACWA actively tracked and reported on Congressional activity relevant to state programs. In addition, when called upon by Congress, we provided relevant and timely testimony on issues close to the heart of state and interstate water programs.

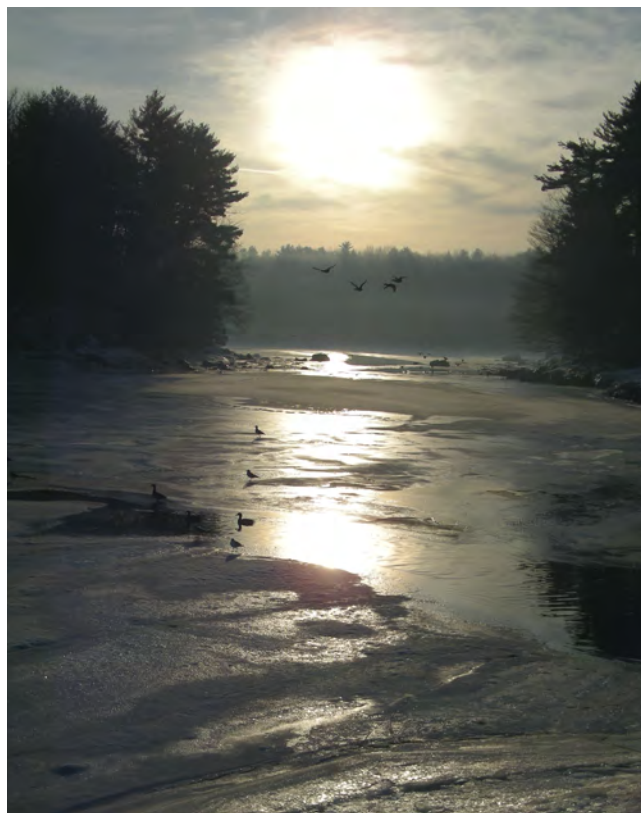
In July 2012, ACWA President Walt Baker (UT) testified before the House Committee on Transportation & Infrastructure's (T&I) Subcommittee on Water Resources & Environment, to provide perspectives on clean water integrated planning, including state progress since Baker's December 2011 testimony on the same subject. In September 2012, ACWA Region 5 Board Representative Bill Creal (MI) and ACWA member George Elmaraghy (OH) testified before the House Subcommittee on Water Resources and Environment on State Assumption of the Clean Water Act Section 404 Program. ACWA collaborated with the Environmental Council of the States (ECOS) and the Association of State Wetland Managers to organize a group of state leaders to present testimony on the subject.

Through our Funding Task Force, ACWA tracked various Water Infrastructure Financing Innovations Authority (WIFIA) proposals and collaborated with ASDWA, ECOS, and the Council of Infrastructure Financing Authorities to develop a States' Alternative Proposal for a possible WIFIA program and communicated with Congressional staffers regarding the proposal. ACWA Region 3 Board Representative Collin Burrell joined the other Associations in presenting the proposal at an April 2013 meeting of the American Water Works Association's Water Utility Council.

ACWA continued active involvement with the Healthy Waters Coalition (HWC), a diverse group of water and agricultural stakeholders working to ensure the 2013 Farm Bill better connects agricultural practices to water quality.

In May 2013, ACWA joined 28 organizations in a letter sent to Senate Agricultural Committee leaders urging support of the farm bill reauthorization package and support for farmers making important water quality investments on their working lands. ACWA also joined over 50 other associations urging the Senate to support an amendment to the Farm Bill that would create the Regional Conservation Partnership Program (RCPP) to help farmers address nutrient management issues.

Through ACWA's Funding Task Force (see above), ACWA joined six different letters in support of continued and increased funding support for key federal water program appropriations. ACWA also joined a letter to Congress in support of USGS's streamgage program.



Great Bay, NH. Courtesy of Paul Stacey, New Hampshire Fish and Game.



Canyonlands National Park, Utah. Courtesy of Lonnie Shull, Utah Department of Environmental Quality.

Awards

At ACWA's 51st Annual Meeting Awards Luncheon, the membership recognized the best and brightest of our organization and profession, as well as marked the 40th Anniversary of the Clean Water Act.

Young Professionals Awards

We gave the first ever Young Professionals Awards, to members selected by Association leadership for their contributions to the work of an ACWA Committee, Task Force and/or Workgroup and their demonstrated potential for future leadership in ACWA. The recipients were **Jennifer Wigal**, Manager of the Standards & Assessment Section, Oregon Department of Environmental Quality, and **Jenny Chambers**, Chief of the Water Protection Bureau, Montana Department of Environmental Quality.



Jennifer Wigal, accepting the Young Professionals Award

President's Service Award

The President's Service Award, given annually to members selected for their exceptional service to the Association over the last fiscal year, was given to **Shellie Chard-McClary**, Director of the Water Quality Division at Oklahoma Department of Environmental Quality, and **Mike Tate**, Director of the Bureau of Water at the Kansas Department of Health & Environment.



Shellie Chard-McClary, President's Service Award

Exceptional Service Award

The Exceptional Service Award, recognizing retirees from state/interstate government who have demonstrated exceptional service to the Association over the years, was presented to **Dave Akers** who served 33 years with the Colorado Department of Public Health & Environment, all with the Water Quality Control Division. Also recognized was **Alan Vicory**, who served over three decades as the Executive Director and Chief Engineer at the Ohio River Valley Water Sanitation Commission; and **Coleen Sullins**, who dedicated 21 years to the North Carolina Department of Environment and Natural Resources' Division of Water Quality. All three served ACWA in leadership roles and their retirements leave a gap.



Alan Vicory accepting the Exceptional Service Award

Environmental Partnership Award

The Environmental Partnership Award, honoring non-state partners who have demonstrated a true and consistent willingness to work cooperatively with the states and with the various interested organizations to effect environmental improvement, was presented to EPA Acting Assistant Administrator for Water **Nancy Stoner**.

Environmental Statesman Award

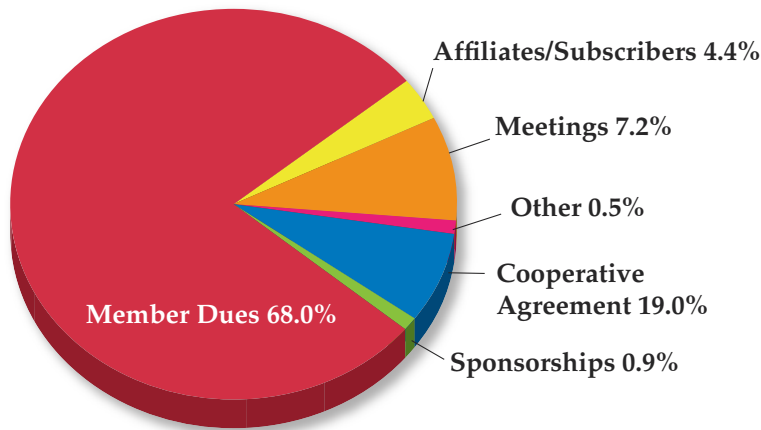
The Association's highest honor, the Environmental Statesman Award, presented to Association members and individuals who have demonstrated outstanding service to ACWA over a multi-year period, was given to **Paul Davis**. Paul spent 38 years at the Tennessee Department of Environmental Conservation, including 24 as the Director of the Division of Water Pollution Control – making him the longest-serving water director in the nation.



Paul Davis, Environmental Statesman Award

Revenue Sources

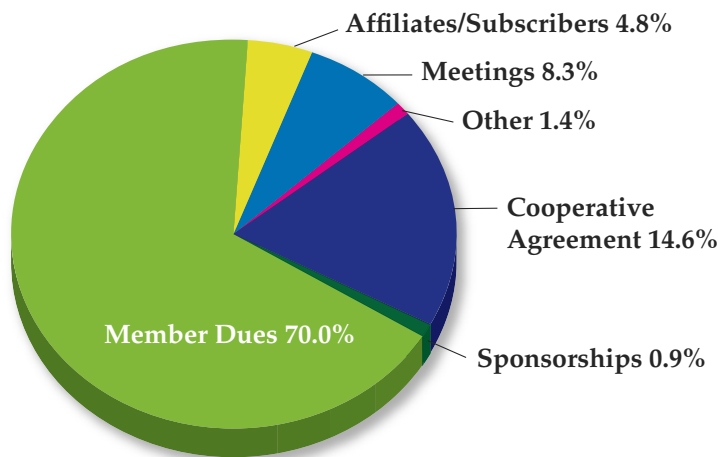
FY2013 Actual Revenue



Revenue Sources	FY2013 Actual Revenue
Cooperative Agreement	\$162,199.30
Sponsorships	\$7,900.00
Member Dues	\$581,726.00
Affiliates/Subscribers	\$38,000.00
Meetings	\$61,615.00
Other	\$3,880.30
Total	\$855,320.60

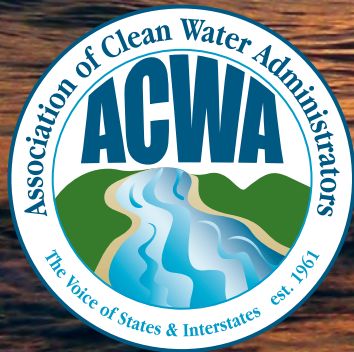
The Association’s final FY2013 financial reports are not yet finalized and audited at the time this Annual Report goes to press. However, this section presents a good snapshot of ACWA’s revenue streams for FY2013. In March of 2012, ACWA was awarded a three-year cooperative agreement titled *Technical Assistance & Knowledge Transfer – Water Protection Agencies*, which is a new source of revenue from EPA. State and Interstate Member Dues continue to represent the most important revenue source for the organization, and for FY2013 the Association received approximately 95.6% of the invoiced dues.

FY2014 Budgeted Revenue



Revenue Sources	FY2014 Budgeted Revenue
Cooperative Agreement	\$132,001.83
Sponsorships	\$8,000.00
Member Dues	\$630,493.30
Affiliates/Subscribers	\$43,600.00
Meetings	\$75,000.00
Other	\$12,200.00
Total	\$901,295.13

The FY2014 Budget provides the total expected revenue from the list of sources identified. ACWA will continue to work on the cooperative agreement with EPA and recruit Affiliate Members and Legal Subscribers, building relationships to grow these categories of membership. ACWA projects it will collect approximately 90% of invoiced dues. Even with the new federal support, our membership dues – which increased this year – are critical to ensuring the financial health and stability of the organization. Thank you for your support of ACWA.



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