

July 30, 2021

SENATE VOTES TO OPEN DEBATE ON BIPARTISAN INFRASTRUCTURE BILL

This week the US Senate moved to open debate on a nearly \$1 trillion hard infrastructure package. The affirmative vote included Senate Minority Leader Mitch McConnell and 16 other Republicans. This represents a major breakthrough after weeks of negotiations between the Biden Administration and senators in both parties. Last night's action clears the path for a final vote *in the Senate* on the package in the coming days.

What's Included:

The funding numbers below are across a 5-year baseline. Fine details are still being worked out, but primary to the interests of CWCC members, the Senate-passed package is expected to include the 2021 Drinking Water and Wastewater Infrastructure Act which calls for \$35 billion in new investment in water infrastructure primarily through the SRF programs. Digging into what this means for CW and DW SRF levels, these numbers represent a doubling of funding compared to recent funding allocations. In addition, separate program funding for lead remediation and funding to address PFAS contamination is included. In addition to the water infrastructure funding, the package includes;

- \$110 billion in new funds for roads, bridges and major projects (which represents an additional \$55B to the STRA 5-year reauthorization, and is about \$550B over current baseline
- \$73 billion for clean energy;
- **\$66 billion** for passenger and freight rail to address deferred maintenance, enhance existing corridors, and build new lines in high-potential locations;
- \$65 billion for broadband;
- \$50 billion to help states and cities prepare for droughts, wildfires, and flooding;
- \$39 billion new investment for public transit (on top of 5-year reauthorization);
- \$25 billion for airports;
- \$21 billion for environmental remediation;
- \$17 billion for ports and waterways;
- \$11 billion for transportation safety programs; and
- \$3.5 billion for Superfund Remediation.



How It's Funded:

Republican negotiators were able to secure fundamental changes to funding sources for the bill. Originally, the Administration proposed increased revenues from tightening tax loopholes as a major payfor. Instead, both parties agreed to new sources including:

- Repurposes \$205 billion from previous pandemic aid legislation;
- Recoups \$53 billion from states returning expanded unemployment benefit funding;
- Saves \$49 billion by delaying a Medicare Part D rebate rule enacted under President Trump;
- Raises nearly \$30 billion by applying tax information reporting requirements to cryptocurrency;
- \$89 billion from future spectrum and c-band auctions;
- \$13 billion from reinstating Superfund fees; and
- \$6 billion in sales from the Strategic Petroleum Reserve.

What's Next:

The deal still faces several obstacles to becoming law. Legislative text is still being written and the measure will need to survive debate, amendments, and a final vote.

During negotiations, President Biden and Democratic leaders were forced to agree to concessions, including less new money for public transit, clean energy, electric vehicle charging stations, and the elimination of the \$20 billion national infrastructure bank. These reductions have rankled members in both chambers, including Speaker Nancy Pelosi and Representative DeFazio (D-OR), Chair of the Transportation and Infrastructure Committee.

However, the procedural vote is still a major step forward in advancing a mega-infrastructure bill that has been teased at for several years. If enacted, these numbers are transformative and would keep our industry working for years to come.

Despite the challenges, we remain optimistic that Congress will pass an infrastructure package in some form this year. We ask that you stay actively engaged with your federal delegation to protect and promote the CWCC's priorities. We'll keep you updated as details emerge and the process unfolds.



UTCA of NJ SCORES LEGISLATIVE VICTORIES FOR WATER WORK

UTCA of NJ of has been working for several years to update the laws, standards, and regulatory environment governing our water infrastructure. We have recently seen some important items from our **Water Infrastructure Investment Program** come to fruition that may serve as useful for CWCC members to consider applying to their own jurisdictions. By pushing for more funding **and** better water policy, we are hoping to create a steady stream of projects in communities across the state. We have provided bill numbers for each piece of legislation so you can look up the details at https://www.njleg.state.nj.us/ if you are interested. We are sharing this with you in the event it may be helpful in your individual jurisdictions.

Lead Service Line Replacement – (S3398/A5343) UTCA of NJ was on hand last week as Governor Murphy signed into law legislation that would require all drinking water systems to inventory lead service lines and replace them within 10 years. The Governor highlighted the public health crisis facing many New Jersey communities and cited this legislation, as well as the \$60m water infrastructure line item that UTCA of NJ championed, as an historic step toward ensuring every resident has access to clean drinking water. UTCA CEO Bob Briant, Jr.'s **comments** were also **highlighted** in the press.

Drinking Water System Asset Management – (S647/A4825) UTCA of NJ has been working on legislation that would increase asset management planning requirements for drinking water systems and enable DEP to develop a penalty system for non-compliance. The measure will create a three-year capital plan for every drinking water system in the state, as well as funding plans to ensure those capital projects advance. That means more work with greater predictability for contractors. We are pleased to report that the bill has been passed by the legislature, and at the time of this writing, is expected to be signed into law.

Statewide Water Infrastructure Capital Plan – (S4011) UTCA worked with NJ Senate leadership to develop this legislation, which would require DEP to prepare a Statewide Water Infrastructure Investment Plan every five years, and the I-Bank to present an annual water capital plan to the legislature. This legislation represents the advancement of a major priority called for in the UTCA Water Infrastructure Investment Program. If passed, the measure will increase transparency and predictability for water work and mirrors the type of capital planning we see on the transportation side of our industry.

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CWCC BUSINESS MEETING IN SEPTEMBER

Plans are underway and will be shared shortly to hold a mostly *VIRTUAL* CWCC Business Meeting concurrent with the Utility Expo between **September 28-29, 2021 in Louisville, Kentucky.** This event is operated in partnership with and held concurrently with the Association of Equipment Manufacturers' national event, The Utility Expo (formally known as ICUEE): https://www.theutilityexpo.com/

This is a challenging year and time of year for many of us to travel. Partnering with Planet Underground, the CWCC and its members have been presented with an opportunity to coordinate with them to have a CWCC Business meeting and potential to generate revenue for the Coalition and its members. The potential revenue would consist of a 20% commission for the acquisition of sponsorships for the event specifically targeting utility contractors, with a majority of the commission going to your association.

Those interested in attending / sponsoring this event please contact Mike Parilac with Planet Underground (mike@planetunderground.tv) directly. An updated flyer is attached to this report.

Event Description

The Planet Underground aspects of the Expo branded "The Jobsite" represents the first-ever opportunity for service-based companies to directly participate in The Utility Expo. Consisting of 80,000 square feet of outdoor space dedicated to creating an actual construction site, this event is used for promotion of safe work and damage prevention practices through peer-to-peer education. It is a networking event where food and refreshments can be enjoyed in a casual, nontraditional setting.

The Jobsite is a construction site. Sponsoring firms must have operating personnel in attendance. In most all cases, the equipment and supplies will be provided by companies exhibiting at The Utility Expo. The Jobsite is the only location within the 30-acre indoor and outdoor event site to have complete integration of sponsor activities. With its own food and refreshment centers, The Jobsite is a unique event allowing sponsoring organizations to network with their customers, potential customers, and suppliers in relaxed environment.

KEY ADVOCATES REPORT

Included with this notice is Key Advocates recent report which is current to July 30, 2021.

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August 2021 Insights

Senate Bipartisan Infrastructure Agreement

On July 28, the Senate negotiators and the White House reached agreement on a bipartisan infrastructure bill. Legislative language and more details forthcoming. Summary link below. Cloture vote passed. Debate, amendments and final vote to follow. Vote on final passage expected at the end of next week or sometime during the week of August 9. There's still a long road ahead for the package - a fraught Senate amendment process, escalating attacks from Trump and his allies in Congress and the media, and an uncertain path in the House given the concerns over substance by key Members like Congressman DeFazio, Chair of the Transportation and Infrastructure Committee. Remember – this is the Senate agreement; the House may have its own package. In addition, the Speaker has stated that the House will not take up its infrastructure bill until after the Senate has passed its \$3.5T budget. Passage of the budget resolution would set in motion a reconciliation process to address issues not included in the infrastructure bill such as human infrastructure. The plan by the Senate Democratic leadership is to use reconciliation as it only requires a majority vote and not 60 votes. If the Senate Democrats vote in lockstep they will have 50 plus the Vice President. Summary link:

https://static.politico.com/7e/74/659737a14980a049b2b23 3aa43c9/bif-summary.pdf

Issues of interest included:

S. 914, the bipartisan Senate-passed "Drinking Water and Wastewater Infrastructure Act" – see page 3 of the link above and the section below in this report;

Water Infrastructure, \$55B, including \$25.4B for the "Drinking Water and Wastewater Infrastructure Act" – see page 4 of the link and the section below in this report;

The "Energy Infrastructure Act" approved by the Energy and Natural Resources Committee – see pages 3, 20 and 35 of the link and the Western Water Bill section below in this report; and, FYI – the bipartisan highway bill from the Environment and public Works and the Commerce Committees – see page 3 of the link and the Senate Highway Bill section below in this report.

Western Water Bill

On July 14, the Senate Energy and Natural Resources Committee marked up its title to the infrastructure bill that includes the following: \$1B for water recycling and reuse projects, of which \$550M is for projects authorized by Congress or selected for funding under the Title XVI WIIN grant program, and \$450M is for large-scale recycling and reuse projects (total estimated cost of \$500M or more, 25 percent Federal cost share, no total dollar cap); \$400M for WaterSMART grants; \$1.15B for water storage, groundwater storage and conveyance projects; \$3.2B for aging water infrastructure; \$1B for rural water projects; \$250M for water desalination

projects; \$500M for dam safety programs; \$300M for implementing the Colorado River Basin Drought Plan; \$100M for watershed management projects; \$250M for aquatic ecosystems; \$100M for multi-benefit projects; and, \$50M for endangered species programs.

H.R.1015, the "Water Recycling Investment and Improvement Act" and the STREAM Act: "Support to Rehydrate the Environment, Agriculture, and Municipalities Act"

On July 8, staff of Congresswoman Napolitano said that they are continuing to work with committee staff and leadership to get H.R. 1015 included in larger packages as well as advocate for more money in general for Title XVI. Also said that the Natural Resources Committee staff has been working with their Senate counterparts to push for more funding for Title XVI. On February 11, Congresswoman Napolitano introduced H.R.1015, the same bill she introduced last Congress. It increases the WIIN Act authorization to \$500M, strikes certain requirements, and increases the Federal share from \$20 to \$30 M. Last Congress, her bill did not move on its own but was included in H.R.2, the omnibus mega infrastructure bill that passed the House but not the Senate. A hearing is expected in the near future.

A draft by Senator Feinstein for which letters of support/comments were requested by April 15 – these are currently being reviewed. The Coalition sent a support letter noting the reauthorization of the Title XVI competitive grant program of \$250 million over 5 fiscal years, the increase in the per project maximum Federal funding contribution to \$30 million, and the elimination of the requirement that Congress must approve funding awards for specific projects through designating them by name in an enacted appropriations bill, the newly proposed Reclamation Infrastructure Finance Program and increased funding for, and expedited congressional approval for water shortage projects of \$750 million, and \$100 million for desalination projects, both over 5 fiscal years. This draft is viewed as the "son of S. 1932" which stalemated last Congress. The goal of this legislation is with Senate passage to conference with H.R.1015, the Napolitano bill, with the outcome hopefully closer to the higher Napolitano funding bevels.

S. 914, "Drinking Water and Wastewater Infrastructure Act of 2021" and H.R. 1915, "Water Quality Protection and Job Creation Act of 2021"

On April 28, the Senate passed the bill which provides \$14.65B over five fiscal years for the Clean Water SRF, the same for the Safe Drinking Water SRF, and \$125M for the AWSP and which includes the Feinstein-Padilla amendment which limits the prohibition against applying for Alternative Water Source Program (AWSP) grants to USBR projects that received construction funds. Receipt of funds for other purposes - for example, feasibility studies - would no longer be a bar as they are in existing law.

On July 1, the House is expected to pass H.R. 3684, the "INVEST in America Act" - the House version of the highway bill. Included in that bill is H.R. 1915 which provides \$40B over five fiscal years for the Clean Water SRF and \$1B for the AWSP. It also includes the same prohibition language as S. 941 regarding eligibility for recycled water projects in the AWSP – that is, projects that have received USBR construction funds would not be eligible for AWSP grants. Lastly, includes reauthorization of the Safe Drinking Water SRF at \$52.94B over ten fiscal years starting in FY22 (H.R. 3291).

In the Senate, the Environment and Public Works Committee and the Commerce Committee have reported their versions of the highway bill. The Banking and Finance Committees have yet to act.

H.R. 3404, the FUTURE Western Water Infrastructure and Drought Resiliency Act

On May 21, Congressman Huffman introduced the FUTURE Act (with 10 cosponsors, all CA Dems), the same bill he drafted last Congress and which was included in H.R. 2. The bill increases the authorization of the Title XVI WIIN grant program to \$500M and the Federal cap share from \$20M to \$30M – per the Napolitano bill above. It also includes a \$300M water trust fund with \$100M earmarked for recycled water projects. Plans going forward unclear at this time.

H.R. 4099, the "Large Scale Water Recycling Project Investment Act"

On June 24, Reps. Napolitano, Grijalva, Huffman and Lee introduced the above bill which establishes a competitive grant program within the Department of the Interior for large-scale water recycling projects that have a total estimated cost of at least \$500M. The bill authorizes \$750M for the program from FY 23-27. Federal share is 25% but there is provision for increasing that. Projects must be within one of the USBR 17 western states. It has been reported that Senator Cortez Masto plans to introduce companion legislation.

FY22 Appropriations

This week the House passed its FY22 Energy and Water and Interior Appropriations Bills that included \$1.87B for the Clean Water SRF, \$1.357B for the Safe Drinking Water SRF, \$75M for WaterSMART grants, and \$63.617M for Title XVI grants, of which \$10M is for Title XVI WIIN grants. The House has reported all 12 FY22 appropriations bills and is in the process of bundling them for Floor consideration. No action to date in the Senate.

Senate Budget

On July 13, Senate Democrats announced a top line budget number to enact the full array of the President's social welfare and family aid promises without Republican votes. The proposal, which is opposed by the Republicans as tax and spend, sets an overall limit of \$3.5 trillion for Democratic policies that won't make it into a bipartisan infrastructure deal, if Congress can reach one. If the still-forthcoming budget resolution can clear both chambers with party support, it will unleash the power to circumvent a GOP filibuster using the so-called reconciliation process, the same move that Democrats used to pass the President's \$1.9 trillion pandemic aid package in March. Combined with a bipartisan infrastructure compromise, Senate Majority Leader Chuck Schumer said the budget's investments in infrastructure, the middle class and more would total about \$4.1 trillion, which is very, very close, he said, to what President Biden asked for.

Senate Highway Bill

On May 26, the Senate Environment and Public Works Committee marked up its portion of the FAST Act reauthorization. It is substantially similar to the bill, S. 3202, that EPW approved on a bipartisan basis and unanimously nearly two years ago. That bill authorized \$287B in highway spending, 90- percent of which would be distributed to the states by formula. The bill featured a title on climate change that authorized \$10.8B for various programs addressing resiliency and \$1B (note the new bill increases that to \$2.5B) for electric, hydrogen, and natural gas vehicle charging and fueling stations. It provided billions for curbing emissions, reducing congestion and truck idling. It also streamlined infrastructure permitting and set a two-year target for environmental reviews. Lastly, the bill authorized \$12.5M per year to fund state and reginal pilot testing of user-based alternative revenue mechanisms to the gas tax. Action by other Senate committees of jurisdiction – primarily Banking, Finance and Commerce – is pending.

House Highway Bill

On July 1, the House passed the Transportation and Infrastructure Committee's "INVEST in America Act" a five-year \$547B surface transportation reauthorization bill that includes \$343B for roads, bridges and safety (\$32B for bridge funding to ensure bridges in communities of all sizes are safer, more reliable, and more resilient; \$4B in electric vehicle charging infrastructure; \$8.3B for activities targeted to reduce carbon pollution; and, \$6.2B for mitigation and resiliency improvements); \$109B for transit (scales up investment in zero-emission transit vehicles and streamlines the Capital Investment Grant program) and, \$95B for passenger and freight rail (\$32B for Amtrak; funding for corridor planning and development of high-speed rail projects; and, improves rail safety by addressing highway-rail grade crossings needs, requiring additional rail safety inspectors, addressing trespasser and suicide fatalities, and eliminating gaps in railroad safety).

FY22 Transportation Appropriations

This week the House passed its FY22 Transportation Appropriations Bill which provides \$106.7B for DOT programs – an increase of \$19B for FY21 and \$18.7B above the President's budget request for FY22. Highlights are \$1.2B for National Infrastructure Investment Grants, \$61.9B for state highway formula programs, \$625M for passenger rail, \$2.7B for Amtrak, and \$15.5B for transit. The House has reported all 12 FY22 appropriations bills and is in the process of bundling them for Floor consideration. No action to date in the Senate.

Bill Tracking

We are taking a different approach on bill tracking. Hundreds of bills are introduced and the numbers increase daily - for example, as of July 30, there have been 716 water bills and 1272 infrastructure bills introduced since January. Many are not relevant to our issues and most never get beyond the introduction stage. Therefore, what we are going to do is focus on bills that are marked up by committees and/or come to our attention and identify and report on those of interest. Markup of a bill demonstrates a level of importance and interest.

Imagine a damage prevention event...

attended by thousands of professional excavators,

and thousands of utility company personnel,

and the manufacturers that make the equipment used to install and maintain utility systems.

What would you call it?

The best damage prevention event ever assembled!

It's Planet Underground at The Utility Expo, offering two great events at North America's largest utility trade show.



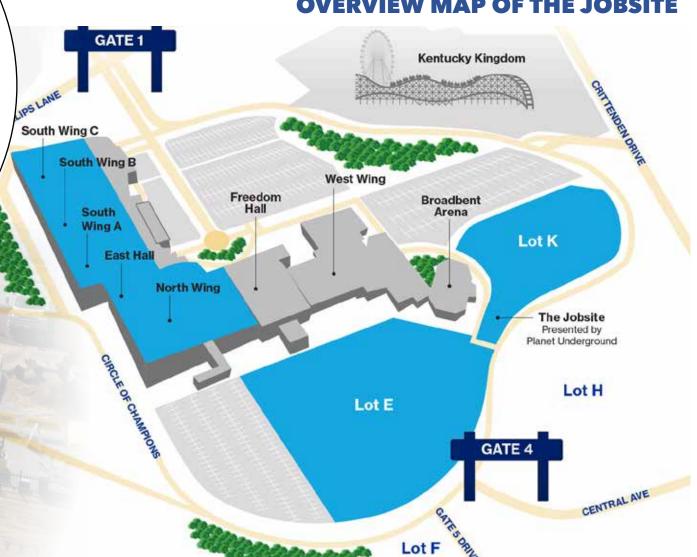




The Utility Expo...

is the largest event for utility professionals and construction contractors seeking comprehensive insights into the latest industry technologies, innovations, and trends. The biennial trade show, known for equipment test drives and interactive product demonstrations, takes place in Louisville, Ky.

GATE 6





Experience the best in peer-to-peer hands-on education!

The Jobsite represents the first-ever opportunity for service-based companies to directly participate in The Utility Expo. Consisting of 80,000 square feet of outdoor space dedicated to creating an actual construction site, *The Jobsite* is used for promotion of safe work and damage prevention practices through direct peer-to-peer education. Attendees can take advantage of *The Jobsite's* unique networking space, where food and refreshments can be enjoyed in a casual, nontraditional setting.

The Jobsite is the only location within the 30-acre indoor and outdoor Utility Expo site to have complete integration of sponsor activities. With its own food and refreshment centers, *The Jobsite* is a unique event allowing sponsoring organizations to network with their customers, potential customers, and suppliers in a relaxed environment.

Through our relationship with the Association of Equipment Manufacturers (AEM), we are able to create significant pre-event publicity for our top sponsors.



LEADING>CHANGE















LIVE! Excavation at:

The Utility Expo

Just outside Broadbent Area, Lot K September 28-30

Sponsorship Levels:

\$10000 \$7500 \$5000

SOLD OUT!

Don't Miss Out on All These Exclusive Benefits for Jobsite Sponsors!

Tent Space / Meal Tickets

\$7500 - 10x20 / tickets for customers,
prospects and others
\$5000 - 10x10 / tickets for attendees only

To enhance networking and learning, sponsors are not limited to tented areas. Tents ring *The Jobsite* along the edges, but the open space is for anyone with equipment working on construction projects, including vehicles and displays.

The Jobsite is a networking event so food and drink is a big part of the festivities. It's the only setup like it at The Utility Expo.

Number of Attendees

There is no limit to sponsors' attendee numbers, but all sponsor personnel must pay \$25.00 for entrance to The Utility Expo. This is a discounted rate compared to \$79.00 for other attendees.

On Right: Photo of *The Jobsite*

*The Jobsite is for service providers.

Top Sponsor Benefits: \$10,000 Level

- Your logo prominently displayed on all Planet Underground promotional material
- Pre-event publicity through the PR team of The Association of Equipment Manufacturers
- Meal tickets to our food trucks on location at The Jobsite for customers, future customers and other associates
- Includes sponsorship of *The Roundtable* indoor event
- 10x20 Tent space at edge of *The Jobsite*



Construction projects and networking area



www.planetunderground.tv

Why participate?

Underground utility strikes in the U.S. are going up, impacting public safety, worker safety, and creating adverse economic impact.

The 5-year rise in underground utility strikes is troubling because it speaks to the effectiveness of current damage prevention practices and programs. These practices and programs, rooted in communication and cooperation between facility owners and excavators, were effective in bringing down utility strikes in years prior.

While communication, planning and other forms of cooperation between owners and excavators can certainly go a long way, cooperation cannot work hand-in-hand with legislation to significantly reduce our country's damage prevention problems. If they could, damages would be going down. Instead, damages continue to rise.

Yes, there is a significant difference in the physical nature of utility detection versus utility avoidance. Workers that detect do not see what they are detecting while workers that avoid see what they are avoiding. This is an important distinction that underscores why there are two sides to the problems in damage prevention. Designating where to find a pipe or cable isn't the same as actually locating it.

Why become a sponsor of Planet Underground at The Utility Expo? Because you recognize that the world of locating underground utilities includes a lot more people that just those spraying paint. We all are American Locators and the most important step in fixing bad trends in damage prevention is engaging in peer-to-peer education. Share what you know—that's the best reason to participate.

