

## Urge voter support for Infrastructure Funding Referendum *By Erik A. Ross*

On November 4, 2008, Pennsylvania voters will go to the polls to cast their votes for president, Congress, statewide row offices, state House of Representatives, and half of the state Senate. In accordance with Act 64 of 2008, Pennsylvanians will also be asked to authorize the incurring of \$400 million indebtedness for drinking water, storm water, nonpoint source projects, nutrient credits (including the purchase or trading of nutrient credits), and wastewater treatment projects in the form of grants and loans to municipalities, municipal authorities, and public utilities. The aggregate amount of grants is limited to no more than \$200 million.

Specifically, the question shall be in substantially the following form:

*Do you favor the incurring of indebtedness by the Commonwealth of \$400 million for grants and loans to municipalities and public utilities for the cost of all labor, materials, necessary operational machinery and equipment, lands, property, rights and easements, plans and specifications, surveys, estimates of costs and revenues, prefeasibility studies, engineering and legal services and all other expenses necessary or incident to the acquisition, construction, improvement, expansion, extension, repair or rehabilitation of all or part of drinking water system, storm water, nonpoint source projects, nutrient credits and wastewater treatment projects?*

If approved by the voters, the Pennsylvania Infrastructure Investment Authority (PENNVEST) is authorized and directed to borrow, on the credit of the Commonwealth, money not exceeding in the aggregate \$400 million in increments of not more than \$150 million every year over a three-year period. PENNVEST shall implement and administer the proceeds of the bond no later than March 31, 2009.

Act 64 also amends the definition of "project" to include (1) the purchase or trading of nutrient credits; (2) the control of nonpoint sources of pollution identified in programs established under the federal Water Pollution Control Act; or (3) the consolidation or regionalization of two or more water supply systems, sewage disposal systems or storm water systems managed or operated as an integrated system, regardless of whether the system is physically interconnected.

The PENNVEST Board shall have no power to award any grant, loan, or combination thereof that exceeds the following monetary limits:

- For a sewage treatment system that has an annual average daily flow greater than 100 million gallons per day or a water system that serves a population greater than 300,000 people, \$50 million.
- For a sewage treatment system that has an annual average daily flow greater than 50 million gallons per day but less than 100 million gallons per day or a water system that serves a population between 100,000 and 300,000 people, \$35 million.
- For a sewage treatment system that has an annual average

daily flow greater than 20 million gallons per day but less than 50 million gallons per day or a water system that serves a population between 10,000 and 100,000 people, \$25 million.

- For a sewage treatment system that has an annual average daily flow greater than 10 million gallons per day but less than 20 million gallons per day or a water system that serves a population between 3,301 and 10,000 people, \$20 million.
- For a sewage treatment system that has an annual average daily flow greater than 1 million gallons per day but less than 10 million gallons per day or a water system that serves a population between 501 and 3,300 people, \$15 million.
- For a sewage treatment system that has an annual average daily flow less than 1 million gallons per day or a water system that serves a population less than 500 people, \$10 million.
- Notwithstanding the provisions above, the PENNVEST Board, by vote of at least nine members, may authorize a grant in excess of the limits imposed by the act to projects which provide or propose consolidated service to a region encompassing two or more municipalities.

Finally, proceeds from the bond may be used for grants or loans to assist a public utility to acquire a small sewer utility or small water utility, as defined by 66 PA.C.S. § 529 (relating to power of commission to order acquisition of small water and sewer utilities), if both of the following apply:

- The Public Utility Commission (Commission) has determined that the small sewer utility or small water utility has provided unsafe, inadequate, or unreasonable service.
- The Commission has assessed civil penalties against the small sewer utility or small water utility.

With the presidential election driving voter turnout this year, Pennsylvania water and sewer systems need to do their part by educating the public about this referendum and urging its support through grassroots activities. For example, directors, managers, and employees can write letters to the editor of their local and weekly newspapers, hold news conferences or rallies with state and local officials, go door to door, send mailings or make phone calls, and speak before civic groups like Chambers of Commerce and the Rotary, urging support for this referendum.

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**See Sample "Letter to the Editor," on Page 19**