



AMERICAN COUNCIL OF ENGINEERING COMPANIES  
**Environment & Energy Committee**

Winter Meeting  
Washington, DC  
March 2<sup>nd</sup> & 3<sup>rd</sup>, 2010  
Meeting Summary

*The following is a summary of the presentations and discussions that took place during the Winter 2010 Meeting of the Environment & Energy Committee.*

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Mike Cline, Chairman, welcomed everyone to the 2010 Winter Meeting of the committee. He noted that while the meeting would be a busy one, the number of environmental and energy issues under consideration by the Congress had declined significantly since last year. With most of the attention on health care and short-term “jobs” bills, topics like water and energy that have a great deal of impact on our businesses have not been on the front burner for some time.

## **PRESENTATIONS**

### **Senate Environment & Public Works (EPW) Committee Issues for 2010**

*Jason Albritton, Professional Staff Member, Senate EPW Committee*

Mr. Albritton is the key staff person for the water/wastewater SRF reauthorization bill that the Committee passed last year. The bill has been ready for floor consideration for months, but the key consideration is how much time it will use on the Senate’s calendar. Because some members are unhappy about the allocation formula and have will amendments, more time is needed. In addition, language last fall in the FY ‘10 appropriations conference report, along with EPA’s interpretation, have made Davis-Bacon requirements retroactive to cover projects funded by states with pre-FY ‘10 money, has caused a great deal of consternation by Republican leadership. Without their acquiescence, it will be that much more difficult to get agreement on floor time. At this point, he was unwilling to predict when the bill might pass the Senate.

Regarding a WRDA reauthorization bill, he said that the committee has begun preliminary work on a bill but it is unlikely that action will be concluded this year. Hearings will be held in late April or early May, and that there may be a bill introduced before June, but since there are only 3-4 chiefs’ reports, the only impetus for a bill would be policy issues rather than projects.

### **Federal Overview**

*Diane Shea, Environmental & Energy Programs Director, ACEC*

Ms. Shea provided an overview of the President’s budget request, the status of the SRF bills, other water infrastructure legislation, climate change and energy bills, and

regulatory activities. She provided to attendees an 8-page summary of the key issues that ACEC is working on, as well as an appropriations chart.

Regarding the FY '11 budget request, EPA water infrastructure has sustained a small cut from last year, but is still double the amount received two years ago. The Corps budget request is significantly smaller in most accounts, most specifically, the construction account. She referred attendees to the appropriations chart in the meeting packet.

She made particular notice of the effort underway in the House and Senate to roll back EPA's "endangerment finding" that greenhouse gas emissions were endangered human health and welfare, a legal prerequisite for begin the regulatory process under the Clean Air Act. The Senate "resolution of disapproval" currently has 42 co-sponsors, including 3 Democrats, and the House resolution has 79 co-sponsors. There is also a separate Democratic resolution in the House.

Since the Corps of Engineers declined to send a speaker to the meeting, Ms. Shea outlined for the committee a concern that had been forwarded by a committee member who was unable to attend. He noted that it appeared that the Corps was taking a significant amount of engineering work in house, using new staff that had been hired with ARRA funds. Similar concerns were raised around the meeting table and a suggestion was made that ACEC survey the committee to see if the practice is widespread and has headquarters support.

#### **Presentation: Steven Sondergard, Merrick & Co., Aurora, CO**

Mr. Sondergard presented remarks about climate change, highlighting his recently-published book, **Climate Balance: A Balanced and Realistic View of Climate Change**. His PowerPoint presentation is available on the Environment & Energy Committee webpage, under "EEC Committee Meetings-Presentations"– March 3, 2010.

#### **Water Infrastructure Legislation: Revolving Loan Funds**

*Ryan Seiger, Staff Director, Water Resources and Environment Subcommittee, House Transportation and Infrastructure Committee*

Mr. Seiger outlined the provisions of HR 1272 that is scheduled for a floor vote this week and is expected to pass. Several amendments are expected to be added, primarily expanding the use of SRF and grant funding. In addition, five other related bills which passed the House last year were included in the overall bill. Of particular interest is the sewer overflow control grants section, which authorizes \$500 million annually to allocate to states, which in turn are to issue grants to municipalities for sewer overflow projects.

Mr. Seiger also discussed Rep. Oberstar's wetlands bill which has been opposed by most of the building industry and agriculture. He also said that Chairman Oberstar hopes to have a WRDA bill passed out of the Transportation and Infrastructure Committee by spring and out of the House by the end of the year. The bill would be primarily the authorization of Chiefs' reports and scant on policy. In response to a question regarding the incorporation of the Levee Safety Committee's recommendations, Mr. Seiger said that there would be a hearing on levee safety in the near future, and that

the Committee's recommendations are important enough to support a stand-alone bill, including provisions on levee certification liability. He predicted that passing a levee safety bill would be a long-term effort that would not be completed this year.

### **Senate Energy Legislation**

*Deborah Estes, Counsel, Senate Energy & Natural Resources Committee*

Ms. Estes outlined the provisions of the bi-partisan energy bill passed by the Energy Committee a few months ago. Of particular interest to M/E firms, the American Clean Energy Leadership Act of 2009 includes requirements for advanced building codes and incentives for commercial and residential building retrofits. She noted that the committee would hold more hearings on a package of new amendments to the bill then re-pass the bill as amended. There is still a commitment to have the bill form the basis of an energy package for the full Senate, possibly with climate change provisions added. She referred questions about the bill's Renewable Electricity Standard and transmission expansion to Leon Lowry on the committee staff.

### **Implementation of EPA Water Stimulus Funding – State Revolving Funds**

*Jordan Dorfman, Attorney-Advisor, EPA Office of Wastewater Management, Office of Water*

Mr. Dorfman is the lead attorney in the office that is responsible for overseeing the distribution of the ARRA capitalization grants to states for the Clean Water State Revolving Fund. His comments focused on both the Clean Water SRF and the Drinking Water SRF. After noting that all of the states met the 1-year deadline for having all contracts signed, he noted that 70% of the funds distributed were principal forgiveness and zero or negative interest loans. 80% of the projects are under construction to date. The \$6 billion provided by the ARRA, combined with base SRF funding from the current and prior fiscal years has resulted in \$11 billion in projects nationwide. The Clean Water SRF funded approximately 900 projects and the Drinking Water SRF funded about 1350 projects.

He also noted that 45 waivers from the Buy American requirements were approved; only 2 waiver requests were denied. In response to a question on enforcement, he noted that 14 audits are currently underway, primarily focused on complaints from U.S manufacturers who lost bids to companies that needed waivers. A copy of Mr. Dorfman's PowerPoint presentation is available on the Environment & Energy Committee webpage, under "EEC Committee Meetings-Presentations"– March 3, 2010.

## **COMMITTEE BUSINESS**

### **Status Report: ACEC/APWA/ASCE Sustainability Project Rating System ("Green Scorecard")**

*Jeffrey Beard, ACEC Vice-President, Institute for Business Management*

Jeff Beard outlined the progress of the Green Scorecard that our committee first discussed a year ago. He noted that last year, APWA asked ACEC to collaborate in

developing a “Green Scorecard” for rating public works projects, particularly in the areas of transportation and water/wastewater. In fall of 2009, ACEC and APWA asked ASCE to join the effort and collectively draft a sustainable project rating system. ASCE had already undertaken preliminary efforts of its own in this area.

The objective is an industry-wide rating system that will rate both design and existing structures against project sustainability criteria that is performance-based and scalable to project size and complexity. Currently under discussion by the joint working group are the specific criteria for the rating system and whether these are sufficiently flexible to accommodate new practices. The group also seeks to ensure that the system lends itself to application through software accessed through desktops and PDAs, and is applicable across a range of infrastructure markets.

The ACEC – APWA – ASCE group has examined US, Canadian and European materials related to rating systems and scorecards, including the UK CEEQUAL approach. The three organizations are contemplating a new non-profit organization to create and implement a sustainable project rating toolkit, a web-based rating system, a sustainability certification system for professionals trained in the use of the rating system, and derivative products and programs related to the sustainable project rating system.

Mike Cline is actively involved in the working group and will be meeting in mid-April with the group to develop the project rating tool. Tim Psomas will also be taking part, giving high-level ACEC participation in the final decisions.

### **Committee Discussion: Goals and Strategies**

*Dave Raymond, ACEC President, and Steve Hall, ACEC VP, Government Affairs*

Dave Raymond welcomed the committee to ACEC headquarters and stressed the importance of active committees like the EEC to ACEC overall. He noted that it was from the EEC that the idea of a green scorecard arose, resulting in a collaboration that has the potential provide a significant new service to our members and their clients. He also commented that he continues to urge additional participation on the committee by firms that focus on energy work. Steve Hall reiterated the value of committee members to furthering ACEC’s legislative agenda on environmental and energy measures.

### **Subcommittee Reports: Energy Subcommittee**

Ralph Christie, subcommittee chairman, presented the report of the subcommittee which met by conference call on January 20. The subcommittee recommended that we focus our advocacy efforts on a three-pronged approach – demand, supply and delivery. In particular, the subcommittee is recommending that our priority legislative items include:

- Advanced building codes
- A broader definition of “renewable energy” in requirements that electric utilities meet a renewable portfolio standard or something similar
- The transfer of authority for siting most interstate transmission lines to FERC if a state fails to give its approval.

An additional item was suggested by the committee: seeking additional funding for the Energy Efficiency and Conservation Block Grant (EECBG).

There was also discussion about a proposed amendment to a future jobs bill from Sen. Jeanne Shaheen (D-NH) to increase EECBG funding for retrofitting public buildings. Diane was asked to look into the proposal and see if it was worth supporting.

The subcommittee chair also proposed a “summary focus” document for guiding future priority setting. Diane will draft the chart and circulate it to the Energy Subcommittee for review and comment.

### **Subcommittee Reports: Water Subcommittee**

Gene Koontz, subcommittee chairman, presented the subcommittee’s report which outlines the key issues for the year. They include:

- Levee liability/standard of care
- Stormwater permit changes regarding effluent limitation guidelines and post-construction runoff.
- Funding for water infrastructure projects

The first issue, levee liability protection, has been recognized by the National Committee on Levee Safety, which is gathering information and is expected to pursue legislation. The stormwater regulatory changes are of particular concern to the Land Development Coalition, which will be following these issues closely and possibly recommending policy positions to the subcommittee. The third issue, long-term funding for water infrastructure projects, continues to be a high priority item at ACEC and is actively lobbied.

After discussion, a fourth issue was added by the full committee – that of adequate funding for dams and levees and where local match money comes from. This issue will be further explored. Other issues mentioned were levee adaptation, standards for invasive mussels, and nutrient trading.

### **Subcommittee Reports: Climate Change Subcommittee**

The Subcommittee Report was presented by John Baker, on behalf of Russ Erbes, chairman. The subcommittee recommended several changes to the EEC’s position paper on greenhouse gas reductions. Those changes were accepted and incorporated into the document (attached).

The priority issues for the year selected by the subcommittee were items #2, incentives for technical innovations and alternatives; #10, financial assistance, incentives and guidance for states and local governments for adaptation assessments and actions; and item #11, third-party verification of carbon emissions, reductions and offsets in EPA regulations implementing any greenhouse gas emissions legislation.

## **Next Meeting**

The Committee proposed that the next meeting take place in early August on Long Island at a location to be determined near the Islip Airport. Diane was asked to work with the ACEC meeting planner to research the options and report back on availability and costs.