

**Association of Metropolitan Sewerage Agencies
(AMSA) 2005 Winter Conference
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Regional Administrator - Dallas
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[Prepared for text]

Thank you. Ben Grumbles extends his sincere regrets that he was unable to be here with you this morning. These are important issues to him, to me and to the agency as a whole.

, As a nation, we have made great progress over the past three decades in cleaning up this nation's rivers, lakes, and estuaries.

- More than any single effort, it is the cooperative, intergovernmental investment in wastewater infrastructure that has paid dramatic dividends.

, However, as our population and economy grow, we must reinforce and build upon our success if we are to sustain the gains of the last three decades.

- , More than ever, this 21st Century is a time to focus on sustainable and affordable infrastructure. To do this, we need to recapture the spirit of achievement and innovation that have been the hallmarks of this nation.

- , The touchstone of our national agenda should be building infrastructure sustainability. This is linked to each community's (and each system's) capacity to operate, manage, and fund its infrastructure in a self-sustaining manner.

- , We know that infrastructure decisions are significantly affected by the particulars of how a community chooses to grow, and what legacy issues it faces. Many communities face both overwhelming needs to improve management and control of “wet weather flows” while facing real issues in terms of managing changing demographics – whether growth, decline, or sprawl.

, Already, we see many States and local governments across the country successfully manage their infrastructure needs, using creative, individualized approaches that are cost-effective, environmentally protective, and socially equitable -- efficient, clean, and fair.

, In particular, we have a lot to learn from some of their basic “guiding” principles:

- sustainable management;
- cost-based and affordable rates;
- watershed-based decision making; and
- smart water use.

- Sustainable Management: We've seen improvements in system planning and management through adoption of Environmental Management Systems or advanced asset management techniques. We've seen reduced costs through the use of innovative technologies. We've seen reduced life-cycle costs and improved service through improved decision-making. The utilities at the forefront of innovation are advancing their capabilities with significant savings – and they are willing to share their lessons more broadly. In Region 6 many of our municipal water systems are developing Environmental Management Systems, like the Do Rios Water Recycling Facility here in San Antonio. On a national level, we're interested in promoting the adoption of these best practices, and we continue to work with AMSA and other organizations to provide tools and training based on the best of the best.

- Cost-based and affordable rates: It is realistic to expect that water and wastewater service fees must continue to increase, and in some cases, will need to double. Although most households spend a very small portion of their household income on water and sewer services, there is a growing portion of households where affordable service is emerging as a real challenge. Maintaining affordable service will become a much larger concern for utilities and more emphasis will be placed on developing approaches that assure affordable access to services. On the national level, we are looking for innovative ways of enhancing access to private funding, and improving the coordination between private and public funding sources to ensure that all communities have affordable access to that funding.

- Watershed-based decision-making: The rest of the country is starting to face what we in the arid south have experienced for years: that the watershed is more than just a riverbed. The decisions we make affect not only the quality of water for fishing and swimming, but also affect the amount and quality of water that is available to us and those around us for a multitude of uses. All water resource decisions affect our lifestyle and future. In the South, we've seen communities achieve greater efficiency by making resource decisions on a watershed basis. By involving the community in setting priorities, these efforts have ensured that community values are sustained and resource decisions are supported. On a national level, we are looking to find models of what works and why, so that the lessons of these leading communities can be shared more broadly.

- Promoting smart water use: Finally, getting smarter about how we use water is important to our business and industry. Making sure that we have clean water and sanitation is vitally important to many sectors including not only manufacturing, but tourism and other service industries as well. Smart efficient water management is smart business and critical to communities' competitive economic situation, and ultimately the economic health of the country. San Antonio Water System's Calvin Finch says that his system has reduced their per capita water use by 1/3 since the 1980s, and that's with a 200,000 person population increase since the 1990s. We know it can be done. On a national level, we are pursuing a market-enhancement program to promote water efficient products. We hope that this program will supplement and enhance the many local programs to promote water efficiency.

- In conclusion, we are interested in collaborating with communities and a broad segment of the water using industries to explore the business and economic dimensions of achieving a sustainable, affordable infrastructure. Working in partnership with communities, like San Antonio, Houston, El Paso and many others, we believe that this is not only achievable, but necessary to our nation's future. I look forward to working with all of you to ensure clean and safe water for the 21st century.