

COMMUNITY RESOURCES

Regional Water Solutions

Many water and wastewater systems and the communities they serve are faced with difficult decisions as they work to balance regulatory compliance with providing clean, safe water and sanitary services at affordable rates. Across the U.S., many of these same systems are reaching their end-of-life and are in serious disrepair, unable to meet the challenges of today. These factors are often compounded by constrained technical and financial capacity, especially in systems that serve vulnerable populations. If your community is in this situation, you may want to consider a regional solution.

What are Regional Solutions?

Finding the best solution for a community can be a difficult process and often calls for looking at that community's needs through a regional lens. Communities within a watershed often share common water supplies, natural resources, and economic interests. Challenges managing those resources, such as drought and resiliency, are also shared. A regional perspective can help rate payers better understand the connection between affordable, sustainable water infrastructure and healthy economic development.

More communities are turning to regional solutions to build technical, managerial, and financial capacity, thereby leveraging greater economies of scale and improving operational performance. Lenders and regulators are increasingly supportive of regional solutions, offering new catalytic federal investments and higher priority for State Revolving Fund (SRF) funding for consolidation of systems and other regional strategies.

Types of Regional Solutions

- Interlocal agreements for shared services/equipment.
- Sale/Purchase of wholesale water
- Mergers/Consolidation of assets
- Concession (Public-Private-Partnership)
- Regional cooperative models
- Decentralized solutions (e.g., advanced septic and package plants)
- Contracting of operations/management

Who Should Consider Regional Solutions?

There are tens of thousands of water and wastewater utilities, many of them small, rural and underserved, which share common challenges:

- Overbuilt or underbuilt systems
- Demographic changes and contracting tax base
- Aging workforce/operator turnover and retention
- Unaffordable rates impacting low- and fixed-income households
- Increasingly stringent and costly federal standards
- Drought and stressed watershed resources
- Poor quality or unreliable water availability
- Increased enforcement for noncompliance

Benefits of Regional Solutions

- Cost savings and improved operations
- Additional financial and technical capacity
- Improved relations with regulators and meet regulatory requirements
- Economic growth and advances in economic prosperity
- Better resource management
- Improved accessibility, water quality and quality of services

COMMUNITY RESOURCES - REGIONAL WATER SOLUTIONS

WFX Technical Assistance for Regional Solutions

- Partnership development
- Governance and legal structures
- Pre-development financing support
- Sustainability and resiliency project guidance
- Regulatory liaison and compliance support
- Comprehensive financial review, including rate analysis
- Project management
- Identification and application to funding and financing resources

About Water Finance Exchange

Water Finance Exchange (WFX) is a 501(c)(3) non-profit comprised of experienced water and finance professionals who work closely with communities to address head-on their water infrastructure funding needs and opportunities. WFX assesses a community partners' positioning in their region and, where applicable, actively promotes and supports regional strategies to advance watershed solutions. Our mission is to help communities build sustainable and resilient utilities that are the foundation of economic growth and prosperity. WFX will work with you to explore the various regional solutions and identify the best approach for your community. WFX can also serve as an intermediary, an expert resource, an advocate, and a partner with communities that are seeking collaborative approaches.

Success Story

United Regional Water Cooperative (IL)

WFX supported the consolidation of six small communities into a not-for-profit water cooperative, United Regional Water Coop (URWC), in order to regionalize water treatment. URWC is constructing a new water treat plant, which will provide long-term affordable drinking water to each community. The 1.5MG water treatment plant, located south of Illiopolis on the Sangamon River, will serve 5,000 people, in these water systems:

- Harristown
- Niantic
- EJ Water
- Illiopolis
- Latham
- Mount Auburn

Throughout this project WFX helped to streamline regulatory requirements aimed at reducing lead contamination risks from the new water source.

Specifically, WFX provided \$100,000 in predevelopment funding for corrosion control work. WFX worked closely with the utility and state regulators to clarify and streamline corrosion control requirements, reducing costs, accelerating project schedule for providing compliance water to communities struggling with poor water quality.

"We have really enjoyed working with the team at the Water Finance Exchange. Not only were they able to provide us with predevelopment funds to support the consolidation of five small utilities, they helped us successfully navigate regulatory challenges associated with project approval."

-Eric Emmerich, United Regional Water Cooperative, Inc.

