THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

1482 Session of 2010 2010

INTRODUCED BY MUSTO, M. WHITE, TARTAGLIONE, O'PAKE, RAFFERTY, STOUT AND COSTA, OCTOBER 8, 2010

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, OCTOBER 8, 2010

AN ACT

- Requiring water and wastewater systems to develop and implement asset management plans and document progress toward full-cost 2 pricing; authorizing the Environmental Quality Board to adopt 3 regulations; providing for duties of the Department of 4 Environmental Protection and the Pennsylvania Public Utility 5 Commission; establishing contracting and bidding requirements for municipalities and municipal authorities; imposing 7 penalties; and making related repeals. 8 The General Assembly of the Commonwealth of Pennsylvania 9 10 hereby enacts as follows: 11 CHAPTER 1 12 PRELIMINARY PROVISIONS 1.3 Section 101. Short title. 14 This act shall be known and may be cited as the Water and 15 Wastewater Infrastructure Sustainability Act. Section 102. Definitions. 16 The following words and phrases when used in this act shall
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- 18 have the meanings given to them in this section unless the
- 19 context clearly indicates otherwise:
- 2.0 "Asset." The principle structures, machinery and equipment
- 21 essential to effectively operate a water or wastewater system.

- 1 The term includes treatment plants, pumps, lift stations, pipes,
- 2 hydrants, wells, reservoirs and tanks.
- 3 "Asset management." The combination of best management,
- 4 financial, economic, engineering and other practices applied to
- 5 physical assets with the objective of providing the required
- 6 level of service in the most cost-effective manner.
- 7 "Asset management plan." A written document that describes
- 8 the asset management program of a water or wastewater system.
- 9 "Bottled water system." A public water system which provides
- 10 water for bottling in sealed bottles or other sealed containers.
- 11 The term includes, but is not limited to, the sources of water
- 12 and treatment, storage, bottling, manufacturing and distribution
- 13 facilities. The term does not include a public water system
- 14 which provides only a source of water supply for a bottled
- 15 water.
- 16 "Bulk water hauling system." A public water system which
- 17 provides water piped into a carrier vehicle and withdrawn by a
- 18 similar means into the user's storage facility or vessel. The
- 19 term includes, but is not limited to, the sources of water
- 20 treatment, storage or distribution facilities. The term does not
- 21 include a public water system which provides only a source of
- 22 water supply for a bulk water hauling system.
- "Capability enhancement program." The Department of
- 24 Environmental Protection's technical, managerial and financial
- 25 outreach assistance program implementing the capability
- 26 development program provisions of section 1420 of the Safe
- 27 Drinking Water Act (Public Law 93-523, 42 U.S.C. § 300g-9).
- 28 "Commission." The Pennsylvania Public Utility Commission.
- 29 "Committee." The Water and Wastewater Infrastructure
- 30 Advisory Committee established under section 301(a)(3).

- 1 "Community water system." A public water system which serves
- 2 at least 15 service connections used by year-round residents or
- 3 regularly serves at least 25 year-round residents.
- 4 "Customer." A person who pays for the services provided by
- 5 water and wastewater systems.
- 6 "Customer assistance program." A plan or program sponsored
- 7 by a water or wastewater system for the purpose of assuring
- 8 service to low-income households.
- 9 "Department." The Department of Environmental Protection of
- 10 the Commonwealth.
- "Environmental Quality Board." The board established under
- 12 section 1920-A of the act of April 9, 1929 (P.L.177, No.175),
- 13 known as The Administrative Code of 1929.
- 14 "Federal poverty guidelines." The poverty measure based on
- 15 family size and household income issued annually by the United
- 16 States Department of Health and Human Services as published in
- 17 the Federal Register.
- 18 "Full-cost pricing." The establishment of user charges
- 19 which, in combination with any other available resources,
- 20 provide the revenues necessary to recover a water or wastewater
- 21 system's cost of providing service and that enables it to:
- 22 (1) Comply with all applicable laws and regulations.
- 23 (2) Promote economic efficiency.
- 24 (3) Ensure provision of high quality and affordable
- 25 services to the public.
- 26 (4) Promote efficient use of the system by customers.
- 27 (5) Implement its asset management plan.
- 28 "Household income." The combined gross income of all
- 29 residents 18 years of age or older in a household.
- 30 "Industrial waste." Any liquid, gaseous, radioactive, solid

- 1 or other substance, not sewage, resulting from any manufacturing
- 2 or industry or from any establishment, and mine drainage,
- 3 refuse, silt, coal mine solids, rock, debris, dirt and clay from
- 4 coal mines, coal collieries, breakers or other coal processing
- 5 operations. The term shall include all such substances whether
- 6 or not generally characterized as waste.
- 7 "Industrial wastewater treatment system." Any system that
- 8 treats industrial waste or pollution, as those terms are defined
- 9 in section 1 of the act of June 22, 1937 (P.L.1987, No.394),
- 10 known as The Clean Streams Law.
- "Municipal authority." A public authority established under
- 12 53 Pa.C.S. Ch. 56 (relating to municipal authorities) or the
- 13 former act of May 2, 1945 (P.L.382, No.164), known as the
- 14 Municipality Authorities Act of 1945, which supplies water or
- 15 provides wastewater treatment services.
- 16 "Municipality." A county, city, borough, town or township.
- 17 "Noncommunity water system." A public water system which is
- 18 not a community water system.
- "Nontransient noncommunity water system." A noncommunity
- 20 water system that regularly serves at least 25 of the same
- 21 persons more than six months per year.
- 22 "Person." Any individual, partnership, association, company,
- 23 corporation, municipality, municipal authority, political
- 24 subdivision or any agency of Federal or State Government. The
- 25 term shall include the officers, employees and agents of any
- 26 partnership, association, company, corporation, municipality,
- 27 municipal authority, political subdivision or any agency of
- 28 Federal or State Government.
- 29 "Public water system." A system which provides water to the
- 30 public for human consumption which has at least 15 service

- 1 connections or regularly serves an average of at least 25
- 2 individuals daily at least 60 days per year. The term includes
- 3 collection, treatment, storage and distribution facilities
- 4 whether or not they are under the control of the operator of the
- 5 system and used in connection with the system. Water for human
- 6 consumption includes water that is used for drinking, bathing
- 7 and showering, cooking, dishwashing or maintaining oral hygiene.
- 8 "Retail water facility." A public water system which
- 9 provides water for bottling without the use of a water vending
- 10 machine by dispensing unit servings of water in containers
- 11 whether or not the containers are provided by the customers.
- "Revenue." All funds received by a water or wastewater
- 13 system.
- "Secretary." The Secretary of Environmental Protection of
- 15 the Commonwealth.
- 16 "Transient noncommunity water system." A water system which
- 17 is not a community, nontransient noncommunity, bottled or vended
- 18 water system, nor a retail water facility or a bulk water
- 19 hauling system.
- "User charges." Amounts charged to customers of a water or
- 21 wastewater system for system services.
- "Vended water system." A water system which provides water
- 23 for bottling through the use of one or more water vending
- 24 machines.
- 25 "Wastewater." A substance that contains the waste products
- 26 or excrement or other discharge from the bodies of human beings
- 27 or other noxious or deleterious substances that is harmful or
- 28 inimical to the public health, to animal or aquatic life or to
- 29 the use of water for domestic water supply or for recreation, or
- 30 which constitutes pollution under the act of June 22, 1937

- 1 (P.L.1987, No.394), known as The Clean Streams Law.
- 2 "Wastewater system." Any structure or system that has the
- 3 primary purpose of collecting, conveying or treating wastewater
- 4 and from which effluent in excess of 2,000 gallons per day is
- 5 discharged into waters of this Commonwealth. The term does not
- 6 include an industrial wastewater treatment system or a system
- 7 whose entire service area is regulated by the Pennsylvania
- 8 Public Utility Commission.
- 9 "Water system." A public water system that is not:
- 10 (1) Regulated by the Pennsylvania Public Utility
- 11 Commission.
- 12 (2) A nontransient noncommunity water system.
- 13 (3) A transient noncommunity water system.
- 14 (4) A bottled water system.
- 15 (5) A vended water system.
- 16 (6) A retail water facility.
- 17 (7) A bulk water hauling system.
- 18 CHAPTER 3
- 19 POWERS AND DUTIES
- 20 Section 301. Powers and duties of department.
- 21 (a) Powers and duties. -- The department shall have the power
- 22 and duty to:
- 23 (1) Cooperate with and seek assistance from the
- commission in accordance with sections 502 and 503.
- 25 (2) Provide technical, managerial and financial
- 26 capability assistance to water and wastewater systems to
- implement the asset management and full-cost pricing
- requirements of sections 501 and 502.
- 29 (3) Create a Water and Wastewater Infrastructure
- 30 Advisory Committee to advise the department in developing

1 regulations and guidelines to implement the provisions of

2 this act. The committee shall provide written comments and

3 recommendations to the department on regulatory proposals and

4 departmental guidelines related to water and wastewater

5 infrastructure. Within 60 days of the effective date of this

act, the secretary shall appoint 17 members to the committee

who represent all aspects of water and wastewater treatment.

8 Members of the committee shall include representatives of

providers, consumers, suppliers and the public. Members of

10 the committee shall elect a chairman annually by majority

11 vote. Members of the committee shall serve without

12 compensation other than reimbursement for actual and

13 necessary expenses incurred in the performance of their

duties, in accordance with Commonwealth policy or

15 regulations.

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- 16 (4) Review and take action on asset management plans 17 under section 501.
- 18 (5) Inspect water and wastewater systems to evaluate the 19 development and implementation of asset management plans 20 required under section 501.
- 21 (6) Review financial reports submitted under section 502 22 to determine whether water and wastewater systems have moved 23 toward full-cost pricing.
 - (7) Issue orders or include conditions in permits issued to water and wastewater systems necessary to ensure compliance with sections 501 and 502.
 - (8) Charge water and wastewater systems fees, in accordance with regulations adopted by the Environmental Quality Board, in an amount sufficient to fund the necessary staff to undertake the review of asset management plans and

1 financial reports and provide technical, financial and

2 managerial assistance to water and wastewater systems and

administration and oversight of this act. Fees assessed under

4 this chapter and civil penalties collected under Chapter 9

shall be paid into The Clean Water Fund, established under

section 8 of the act of June 22, 1937 (P.L.1987, No.394),

known as The Clean Streams Law, and shall be used for

8 implementation and administration of this act, including

9 review of asset management plans, training programs for water

and wastewater system boards and the Asset Management

11 Assistance Provider Program.

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- (9) Establish optional training programs designed to provide training and information to members of water and wastewater system boards.
- 15 (10) Create an Asset Management Assistance Provider 16 Program in which the department may accredit a person 17 providing assistance in the development of an asset 18 management planning process, either on a program basis or on 19 a system-specific basis, as an asset management assistance 20 provider. The department may approve the materials to be used 21 by the person, the person's qualifications and the 22 methodology used by the person for the development of an 23 asset management planning process and resultant reports in 24 accordance with such specifications or quidelines the 25 department may develop in consultation with the committee. 26 The department may audit, examine, inspect and review the 27 operations of asset management assistance providers, 28 including staff hired by the provider to provide asset 29 management plan development, and review services and any 30 materials or mechanisms to be used by the provider to provide

- 1 these services in accordance with the department's
- 2 guidelines.
- 3 (11) Provide assistance to water and wastewater systems
- 4 to support compliance with the requirements of this act. To
- 5 the extent practicable, the department will use technical,
- 6 financial and managerial assistance approaches and tools set
- 7 forth in the capability enhancement program for drinking
- 8 water systems funded and established under section 1420 of
- 9 the Safe Drinking Water Act (Public Law 93-523, 42 U.S.C. §
- $10 \quad 300q-9)$.
- 11 (b) Other laws. -- Nothing in this act shall be construed to
- 12 abrogate the authority of the department under any other law
- 13 administered by the department.
- 14 Section 302. Powers and duties of Environmental Quality Board.
- 15 The Environmental Quality Board shall have the power and duty
- 16 to adopt such rules, regulations and fees of the department to
- 17 implement the requirements of this act that are subject to the
- 18 jurisdiction of the department, including relevant provisions of
- 19 sections 501 and 502.
- 20 Section 303. Powers and duties of commission.
- 21 (a) Powers and duties. -- The commission shall have the power
- 22 and duty to:
- 23 (1) Cooperate with the department in accordance with
- 24 sections 502 and 503.
- 25 (2) At the request of the department, review financial
- reports submitted under section 502 and make recommendations
- 27 to the department for resubmittal of reports that do not meet
- the requirements established under this act.
- 29 (b) Other laws.--Nothing in this act shall be construed to
- 30 abrogate the authority of the commission under 66 Pa.C.S.

- 1 (relating to public utilities).
- 2 CHAPTER 5
- 3 ASSET MANAGEMENT AND FULL-COST PRICING
- 4 Section 501. Asset management.
- 5 (a) General rule. -- Each water and wastewater system subject
- 6 to this act shall develop and maintain an asset management plan.
- 7 Each plan shall be submitted to the department for review and
- 8 approval upon request of the department. The review and approval
- 9 by the department shall be done in accordance with a phased
- 10 schedule to be set forth in regulations adopted by the
- 11 Environmental Quality Board under this act. Revisions of any
- 12 plan may be required at any time by order of the department, as
- 13 directed by regulations adopted by the Environmental Quality
- 14 Board, if there is information indicating that the asset
- 15 management plan does not adequately satisfy the objectives of
- 16 this act. An initial asset management plan shall not be required
- 17 to be submitted until the Environmental Quality Board has
- 18 adopted initial regulations under this act. The following apply:
- 19 (1) A copy of the asset management plan shall be filed
- in the water or wastewater system's office and, if
- 21 applicable, posted on the water or wastewater system's
- 22 Internet website.
- 23 (2) Nothing in this act shall be construed to abrogate
- the provisions of the act of November 29, 2006 (P.L.1435,
- No.156), known as the Public Utility Confidential Security
- 26 Information Disclosure Protection Act.
- 27 (b) Content of asset management plans.--
- 28 (1) Asset management plans shall conform to the
- 29 requirements established in regulations adopted under this
- 30 act.

- 1 (2) Asset management plans shall include:
 - (i) An inventory of existing assets.

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- 3 (ii) An assessment of the condition of existing
 4 assets and the identification of the risk and impact of
 5 asset failure.
 - (iii) An assessment of the anticipated useful life of assets based on the assessment in subparagraph (ii).
 - (iv) Identification of needed operation,
 maintenance, repair, improvement, expansion,
 rehabilitation and replacement of existing assets. This
 identification shall be prioritized to identify the most
 critical needs and shall include a schedule to reflect
 the point in time that improvements are most cost
 effective.
 - (v) A schedule of costs to operate, maintain, improve, expand, repair, rehabilitate and replace assets for each of the following ten years.
 - (vi) Identification of sources and amounts of funds to finance the operation, maintenance, repair, improvement, expansion, rehabilitation and replacement of assets, including debt service, and to provide for emergencies for each of the following ten years.
- 23 (c) Department review.--The department shall review asset
 24 management plans for technical adequacy and consistency with the
 25 financial reports submitted under section 502(b). The department
 26 shall approve the plan or require resubmittal within 120 days of
 27 the submission of a complete asset management plan.
- 28 (d) Use of revenues.--Revenues from user charges shall only
 29 be used for operation, maintenance, capital expenses and other
 30 costs directly related to the provision of water or wastewater

- 1 treatment service by the water or wastewater system that
- 2 receives the revenues.
- 3 (e) Action by department. -- If the department determines,
- 4 after review of a financial report, that the water or wastewater
- 5 system has failed to implement the requirements of this act, the
- 6 department may take appropriate actions, including any or all of
- 7 the following:
- 8 (1) Require that an asset management plan that meets the
- 9 requirements of this section be submitted within 60 days.
- 10 (2) Provide assistance in the development and
- implementation of the asset management plan.
- 12 (3) Issue an order requiring the development,
- implementation or revision of an asset management plan.
- 14 (4) Initiate enforcement action as outlined in Chapter
- 15 9.
- 16 Section 502. Full-cost pricing.
- 17 (a) General rule.--Each water and wastewater system shall
- 18 make every effort to move toward the implementation of full-cost
- 19 pricing.
- 20 (b) Financial reports.--
- 21 (1) Each water and wastewater system shall submit
- 22 annually to the department a financial report, including
- 23 sufficient detail to demonstrate compliance with any
- regulations adopted by the Environmental Quality Board under
- 25 this act. A copy of the financial report shall also be
- submitted to the Department of Community and Economic
- 27 Development.
- 28 (2) The financial report shall consist of two parts as
- 29 follows:
- 30 (i) Part I of the financial report shall consist of

a compilation, review or audit of the books, accounts and records, conducted by a certified public accountant. The compilation, review or audit shall include an identification of the revenues from user charges and how those revenues were used, including implementation of the asset management plan required under section 501 in accordance with section 501(d).

- (ii) Part II of the financial report shall consist of a budget for the next fiscal year. The budget shall contain sufficient detail to demonstrate how revenues from user charges will provide the required level of service to the public, including implementation of the asset management plan required under section 501, within limits of affordability to be established in regulations. If regulations are not adopted by the time of the initial submission required under this subparagraph, the limit of affordability to be applied is 1.2% to 1.5% of the median household income. The initial Part II financial report is not required until such time as the initial asset management plan is required.
- (3) The financial reports required under this act shall be submitted according to one of the following schedules:
 - (i) A water or wastewater system whose fiscal year ends December 31 shall submit the report on or before May 1 of the following calendar year.
 - (ii) A water or wastewater system whose fiscal year does not end on December 31 shall file the report within 120 days after the end of its fiscal year.
- 29 (4) A copy of the financial report shall be filed in the 30 water or wastewater system's office and, if applicable,

- 1 posted on the water or wastewater system's Internet website.
- 2 (c) Customer assistance program. -- Water and wastewater
- 3 systems shall offer a customer assistance program to reduce the
- 4 financial burden of user charges on customers with household
- 5 incomes 150% or less of the Federal poverty level according to
- 6 Federal poverty guidelines. A customer assistance program may
- 7 not conflict with other laws of the Commonwealth which control
- 8 user charges.
- 9 (d) Departmental action. -- If the department determines that
- 10 the water or wastewater system is not moving toward the goal of
- 11 implementing full-cost pricing, the department may:
- 12 (1) Require that a corrected financial report that meets
- the requirements of this section be submitted within 60 days
- 14 after issuance of an order.
- 15 (2) Confer with the commission to recommend a schedule
- of user charge adjustments to achieve the goal or the
- customer assistance program requirements of subsection (c).
- 18 Section 503. Acquisition of small water and wastewater systems.
- 19 (a) Petition and determination. -- The department may petition
- 20 the commission to request that it order a capable public utility
- 21 as the term is defined in 66 Pa.C.S. § 529(m) (relating to power
- 22 of commission to order acquisition of small water and sewer
- 23 utilities) to acquire a water or wastewater system that
- 24 regularly serves no more than 1,200 customer connections and
- 25 that is owned by a municipal authority or a municipality. The
- 26 commission may issue the requested order if the commission,
- 27 after notice and an opportunity to be heard by the owner of the
- 28 water or wastewater system, determines all of the following:
- 29 (1) The water or wastewater system is in violation of
- 30 any applicable statutory or regulatory standards, including,

- but not limited to, the act of June 22, 1937 (P.L.1987,
- No.394), known as The Clean Streams Law, the act of January
- 3 24, 1966 (1965 P.L.1535, No.537), known as the Pennsylvania
- 4 Sewage Facilities Act and the act of May 1, 1984 (P.L.206,
- No.43), known as the Pennsylvania Safe Drinking Water Act,
- 6 and the regulations adopted thereunder, which affect the
- 7 safety or adequacy of the service provided by the water or
- 8 wastewater system.
- 9 (2) The water or wastewater system has failed to comply,
- 10 within a reasonable period of time, with any order of the
- department concerning the safety of the system or adequacy of
- service, including, but not limited to, the availability of
- water, the potability of water, the palatability of water,
- 14 the availability of wastewater collection, interceptor or
- treatment capacity or the provision of water at adequate
- 16 volume and pressure.
- 17 (3) The small water or wastewater system cannot
- reasonably be expected to furnish and maintain adequate and
- 19 safe service and facilities in the future.
- 20 (4) Alternatives to acquisition as set forth in 66
- 21 Pa.C.S. § 529(b) have been considered and have been
- determined by the commission to be impractical or not
- economically feasible.
- 24 (5) The acquiring capable public utility is financially,
- 25 managerially and technically capable of acquiring and
- 26 operating the small water or wastewater system in compliance
- with applicable statutory and regulatory standards.
- 28 (6) The rates charged by the acquiring capable public
- 29 utility to its preacquisition customers will not increase
- 30 unreasonably because of the acquisition.

- 1 (b) Factors. -- In making the determination pursuant to
- 2 subsection (a), the commission shall consider the factors set
- 3 forth in 66 Pa.C.S. § 529(c).
- 4 (c) Order.--Subsequent to the determination under subsection
- 5 (a), the commission may issue an order for the acquisition of
- 6 the small water or wastewater system by a capable public
- 7 utility. The order shall provide for the extension of the
- 8 service area of the acquiring capable public utility.
- 9 (d) Acquisition price. -- The price for the acquisition of the
- 10 small water or wastewater system shall be determined by
- 11 agreement between the owner of the small water or wastewater
- 12 system and the acquiring capable public utility, subject to a
- 13 determination by the commission that the price is reasonable,
- 14 considering the value of assets as well as liabilities. If the
- 15 owner of the small water or wastewater system and the acquiring
- 16 capable public utility are unable to agree on the acquisition
- 17 price or the commission disapproves the acquisition price on
- 18 which they have agreed, the commission shall issue an order
- 19 directing the acquiring capable public utility to acquire the
- 20 small water or wastewater system by following the procedure
- 21 prescribed for exercising the power of eminent domain pursuant
- 22 to 26 Pa.C.S. (relating to eminent domain), without regard to
- 23 any restrictions in 26 Pa.C.S. or otherwise regarding the use of
- 24 such procedures against property owned by a municipal authority
- 25 or municipality.
- 26 (e) Procedure. -- The provisions and procedures set forth in
- 27 66 Pa.C.S. § 529(f), (g), (h), (i), (j), (k) and (l) shall apply
- 28 to any proceeding initiated by the commission against a small
- 29 water or wastewater system under this section.
- 30 CHAPTER 7

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- 2 Section 701. Competition in award of contracts.
- 3 (a) Exceptions to competitive bid requirement. --
- 4 Notwithstanding any provision of law to the contrary, the use of
- 5 competitive bidding is not required for:
- 6 (1) Construction, reconstruction, repair or other work
- 7 made by a municipality or municipal authority for water and
- 8 wastewater projects where the project amount is below the
- 9 bidding requirement threshold in subsection (b) if:
- 10 (i) procurement is made through solicitation of
- 11 written proposals from three qualified contractors if
- 12 available in the market area;
- 13 (ii) it is practicable to obtain the quotations; and
- 14 (iii) procurement is made through issuance of a
- 15 contract.
- 16 (2) The purchase of supplies and materials by a
- municipality or municipal authority for water and wastewater
- 18 needs where the amount is below the bidding requirement
- 19 threshold set forth in subsection (b) if:
- 20 (i) procurement is made through solicitation of
- 21 proposals from three qualified vendors if available in
- 22 the market area;
- 23 (ii) it is practicable to obtain the quotations; and
- 24 (iii) procurement is made through issuance of a
- 25 contract.
- 26 (3) The purchase of pollutant reduction credits by a
- 27 municipality or municipal authority from a State-approved
- 28 public exchange, where the credits are used to meet legal
- 29 requirements for wastewater systems under a credit program
- 30 administered by the department if:

1 (i) public notice is made prior to the purchase; and

2 (ii) the governing body of the municipality or

3 municipal authority has made a finding that the purchase

4 is in the best interests of the public and the customers

5 of the wastewater system.

- 6 (b) Competitive bid threshold.--If a water and wastewater
- 7 project is \$100,000, or a higher amount in future years based
- 8 upon any increase in the Consumer Price Index as compared to the
- 9 Consumer Price Index on the effective date of this subsection,
- 10 as published annually in the Pennsylvania Bulletin by the
- 11 department, it shall be competitively bid.
- 12 Section 702. Use of multiple-factor and comprehensive bidding
- and contracting.
- 14 (a) Procedures. -- Notwithstanding any provision of law to the
- 15 contrary, where the use of competitive bidding by a municipality
- 16 or municipal authority is required by law for the erection,
- 17 construction and alteration of any water or wastewater system,
- 18 the following procedures may be used when the governing body of
- 19 the municipality or municipal authority has made a finding that
- 20 the procedures are in the best interests of the public and the
- 21 customers of the water or wastewater system:
- 22 (1) The architect, engineer or other person may prepare
- 23 specifications that contain all of the requirements for the
- 24 project, including performance-based criteria or multiple-
- decision criteria to the extent that those criteria are
- 26 necessary to address the particular complexities of the
- 27 project, in addition to the lowest price.
- 28 (2) The person authorized to enter into contracts for
- the erection, construction or alteration of the water or
- 30 wastewater system may receive bids responsive to the

- 1 specifications, and may award contracts, only as necessary to
- 2 reflect the complexity of the project, considering the
- 3 qualifications, financial strength and past performance of
- 4 the contractor, the initial design and construction costs and
- 5 the long-term operating and replacement costs.
- 6 (b) Single contract. -- Notwithstanding any contrary provision
- 7 of law, any municipality or municipal authority may procure
- 8 through a single contract the construction, the design and
- 9 construction or the design, construction and operation of water
- 10 and wastewater projects.
- 11 CHAPTER 9
- 12 ENFORCEMENT
- 13 Section 901. Violations.
- 14 (a) Civil penalty.--
- 15 (1) In addition to proceeding under any other remedy
- available at law or in equity for a violation of this act,
- any rule or regulation of the department under this act or
- any term or condition relating to this act in any permit
- issued by the department, the department may assess a civil
- 20 penalty upon a person for the violation.
- 21 (2) A civil penalty may only be assessed after the
- 22 department has issued an order relating to the violation and
- the person fails to comply within 60 days of the issuance of
- the order.
- 25 (3) A civil penalty may be assessed whether or not the
- violation was willful or negligent.
- 27 (4) When the department assesses a civil penalty, it
- shall inform the person of the amount of the penalty. The
- 29 person charged with the penalty must pay the penalty in full
- 30 within 30 days or, if the person wishes to contest either the

- 1 amount of the penalty or the fact of the violation, the
- 2 person shall, within the 30-day period, file an appeal of the
- 3 action with the Environmental Hearing Board. Failure to
- 4 appeal within 30 days shall result in a waiver of all legal
- 5 rights to contest the violation or the amount of the penalty.
- 6 (5) The maximum civil penalty which may be assessed
- 7 pursuant to this section is \$1,000 per day for each
- 8 violation. Each violation for each separate day and each
- 9 violation of any provision of this act, any rule or
- 10 regulation under this act, any order to the department or any
- 11 term and condition relating to this act in the permit shall
- 12 constitute a separate and distinct offense under this
- 13 section.
- 14 (b) Other remedies. -- The penalties and remedies prescribed
- 15 by this act shall be deemed concurrent, and the existence of or
- 16 exercise of any remedy shall not prevent the department from
- 17 exercising any other remedy under this act, at law or in equity.
- 18 (c) Funding. -- Any person who fails to make payments of
- 19 penalties in full within the appointed time will be ineligible
- 20 for any funding of State moneys for the purpose of water or
- 21 wastewater infrastructure construction until such time as the
- 22 penalty is paid in full.
- CHAPTER 21
- 24 MISCELLANEOUS PROVISIONS
- 25 Section 2101. Repeals.
- 26 (1) The General Assembly declares that the repeals under
- 27 paragraph (2) are necessary to effectuate the purposes of
- this act.
- 29 (2) Repeals are as follows:
- 30 (i) Section 4.1 of the act of November 18, 1968

- 1 (P.L.1052, No.322), known as the Water and Wastewater 2 Systems Operators' Certification Act, is repealed.
- 3 (ii) Section 6(b) of the act of March 16, 1992
- 4 (P.L.10, No.5), known as the Small Water Systems
- 5 Assistance Act, is repealed.
- 6 (iii) 53 Pa.C.S. \S 5612(b) (relating to money of
- 7 authority), is repealed insofar as it relates to water
- 8 and wastewater systems.
- 9 Section 2102. Effective date.
- 10 This act shall take effect in 30 days.