

President's Letter



It is now April; which means that spring is here and better days are ahead! WASDA just concluded another Annual Meeting which by all accounts was a success.

As I write this, there is a significant amount of political turmoil around the world, devastation and distress in Japan, and economic uncertainty much closer to home. While all of these things have a direct or indirect impact on our business and personal

lives; we don't have the ability to "make it all go away," we must educate ourselves, determine the best course of action, and implement. That is where being a member of WASDA pays dividends.

We have all returned home from our very successful Annual Meeting at the Turnberry Isle in Miami, Florida. Not only did we have the best attendance in years, but the weather was very cooperative for those needing a break from the winter blues. The slate of speakers included Nancye Combs, from HR Enterprise and David Crowe, Chief Economist from the National Association of Home Builders. Nancye's presentation – Managing The Bottomline Impact of HR covered all aspects – Application, Interviewing, Compensating, Training, Supervising – of the management of one of our most important resources – people. David gave us quite a statistics-filled outlook on the future landscape of residential home building nationwide.

The Lead-Free Brass Panel Discussion was a major success. It was a great opportunity for everyone to get up to speed on the impending lead-free brass requirements, an issue that will have tremendous impact on our businesses. A special thanks go to our Panel leader, Ed Nugent, Utility Supply Company, as well as the panelists – Ken Clark, Mueller Company, Gary Bryant, Ford Meter Box Company, Rob McDonald, A.Y. McDonald, Andy Olbrycht, Cambridge Brass and Andy Gidney, E.J. Prescott.

Each evening was capped off with a sensational reception that gave all members, the proverbial who's who of the waterworks industry, an opportunity to chat about the past, present, and future. Our hosted dinner on the final night gave everyone an opportunity to sit back, relax and enjoy the evening without having the hassle of making reservations and leaving the property. What better way is there to see so many key figures in our industry and gain insight into topics that affect us on a daily basis?!

Now we move into the meat and potatoes of our association, the work done by our committees. First off, I would like to thank the committee chairs and members that serve on our six committees. These committees are what really drive the organization. As always, we encourage all members to get involved with a committee that interests them. It does not require much time and they are vital to the growth of the organization. You may contact Sarah at WASDA Headquarters to learn more: shagy@fernley.com.

The Government Relations Committee is busy following the workings of Washington and keeping us abreast of any pending legislation. The Marketing Committee, which now includes publications, has a full plate as well – upcoming ACE in Washington D.C., articles and ads for publishing in *WaterWord* Magazine, the membership directory and the statistical survey. The Program Committee is busy planning the upcoming Partnership Forum in Dallas and next year's Annual Meeting in Las Vegas. The Membership Committee is continuing their quest to promote the value of WASDA to current and prospective members. We

continued on page 3

In This Issue

Annual Meeting Highlights	p. 2
Future Meeting Dates	p. 3
Government Relations Update	p. 4
Message From the President	p. 1
Member Reminders & News	p. 6
New WASDA Officers and Board Members	p. 5
New WASDA Legal Counsel	p. 5
WASDA at AWWA ACE 2011	p. 3

Bringing together all elements of the waterworks and sewer distribution industry for the purpose of promoting, educating and representing its participants.

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2011 Annual Meeting

WASDA's 2011 Annual Meeting Highlights

by Sarah Hagy, Executive Director

When asked, "What would you consider the best value of the meeting... what did you enjoy most?" attendees answered with:

"By all means, the Brass Tsunami was the highlight of the meeting. Very good industry related content. I also thought the HR and economist speakers were very good."

"Networking with my industry peers and the ability to see so many of my key distributor partners in one location, in a short period of time."

"Applicable industry issues, camaraderie amongst fellow distributors, [addressing] new law facing our industry, time with key vendors."

Attendees ranked the 2011 Annual Meeting a success, delivering timely industry specific information only available to WASDA members. Here are some of the highlights from the Annual Meeting!



General Session

In Managing the Bottom Line Impact of HR with Nancye Combs, Ms. Combs delivered a presentation packed full of important and helpful human resource tips, tools, templates and stories of issues spanning from: hiring and firing, the financial impact of health care reform, affordable health care plans and more.

Dr. David Crowe from the [National Association of Home Builders](#) shared a high-level housing forecast (Industry Forecast) to allow members to make more informed decisions when managing the company's bottom line. A few days after the WASDA Meeting, Dr. Crow testified before the Senate Banking Committee on housing policy that would improve the housing market. Read the article [here](#).



Jack Schaller, HD Supply, Jay Eversoll, Pastic Trends, Steve Little, Corix, John Houghton, Plastic Trends

A session that was consistently ranked as one of the top benefits of the meeting, The Brass Tsunami, facilitated by Ed Nugent of Utility Supply Company, brought members together to address lead free law and the impact it will have on their businesses and customers. A panel of manufacturers and distributors currently affected by the law shared their experiences and knowledge about the law impact on conducting their businesses. Check out the [Regulatory Overview](#) and [FAQ's](#) about the law.

Outside of the educational sessions, members spent their time networking during meal functions and receptions as well as open Committee Meetings. The Fairmont Turnberry Isle as the host hotel was a great backdrop, facilitating several opportunities for informal business opportunities and camaraderie amongst members.

continued on next page



Bernie Pipan, Steven Prescott, EJ Prescott, Ed Nugent, Utility Supply and Andy Gidney, EJ Prescott

Upcoming Events

AWWA ACE 2011: Promoting the Value of Distribution

It's that time of year again; time to prepare our booths for the Annual Conference and Exposition hosted by AWWA. WASDA will host its' exhibit booth for the third year in a row, promoting the value of distribution while driving traffic to Associate Member booths. The Marketing Committee is in the process of redesigning the advertisement that will be placed in the May issue of AWWA's Opflow. They are also preparing a new backdrop for the booth and fine tuning details that go along with the Stamp Card program.

Calling all ACE attendees! We need volunteers to help staff the booth and discuss the value WASDA brings to the industry. For Associate Members that will have a booth; please send us the name and email address of your key exhibit booth contact who we can send information to about the Stamp Card program in advance of the show. Contact Jason Harbonic at WASDA Headquarters with the information requested above: jharbonic@fernley.com.



2011 Fall Meeting & Partnership Forum

October 24 – 26, 2011
The Fairmont Dallas
Dallas, Texas

2012 Annual Meeting

February 26 – 29, 2012
Caesar's Palace
Las Vegas, NV

2012 Fall Meeting & Partnership Forum

October 22 – 24, 2012
JW Marriott Indianapolis
Indianapolis, IN

WASDA's 2011 Annual Meeting Highlights

(continued)

Next year the Program Committee looks forward to trying a new venue, Las Vegas, for the 2012 Annual Meeting, February 26 – 29 (leap year), 2012 at Caesar's Palace. Stay tuned for details!



*Justin Kohl, MSC Waterworks and
Peter Schmidt, Romac Industries*

President's Letter *(continued from front page)*

are always looking for new members to bring ideas and strength to the organization.

I would like to thank our most recent Past-President, Sam Peirce, for his nearly three years guiding this organization through some tough economic times. We are on sound footing and prospering because of his leadership. It is my honor to follow Sam and work with so many leaders in our industry. I look forward to any input or ideas that will make WASDA a better organization for its members.

Sincerely,

Deron Johnson
WASDA President

Government Relations

Government Relations Update

By Peter Krainock, WASDA Government Relations Chair

Over the last few years I have reported to members about doings in Washington D.C. related to water and wastewater funding. In October, I communicated our hope that the bill eliminating the cap on Private Activity bonds had a good chance of being included with one of the bigger bills that were being debated in December of last year. That didn't happen.

Here is a brief summary of the doings in Washington D.C. that will affect our industry in 2011. Please remember that WASDA is represented in the Capital through our membership in the Clean Water Council, organized by NUCA.

OBAMA BUDGET

The Obama budget turned out to be bad news for water and wastewater infrastructure financing, namely for the Environmental Protection Agency's State Revolving Fund (SRF) programs. The SRFs would receive a total of \$2.5 billion, down from approximately \$3.5 billion in FY 2010. Specifically, the FY12 proposal includes \$1.55 billion for the Clean Water SRF (down from \$2.1 billion in FY2010) and \$990M for the Drinking Water SRF (down from \$1.4 billion in FY2010). This would reflect a 27% reduction in total SRF funding.

The SRF is not the only EPA water program to take a significant hit. A small EPA grant program that provided \$157 million in FY2010 for wastewater projects in specific communities would be terminated under the president's budget, as well as grants for water restoration and shoreline protection projects overseen by the U.S. Army Corps of Engineers. (these are "WRDA"-type projects)

While traditional sources of public financing for water infrastructure projects took a beating, the White House budget was not all bad in terms of underground infrastructure investment. The president's proposal includes \$30 billion to establish a National Infrastructure Bank, which would leverage federal investment by providing loans and grants to support critical projects.

The administration also proposes to renew and extend the Build America Bond (BAB) program. The Obama budget would make the BAB program permanent, but at a reduced subsidy level of 28 percent, compared to the 35 percent the program before the program expired at the end of last year.

TAX EXEMPT FACILITY BONDS (EFBs)

Last year the Congress was just short of passing the EFB provision in the "tax extenders" package considered in



December. As a reminder, the EFB provision would eliminate the state volume cap on tax exempt facility bonds that fund water and wastewater infrastructure projects. This has the potential to allow up to \$5 billion annually in private investment in this devastated market at a low cost to government (last score by the Joint Tax Committee was approximately \$370 million over 10 years). The Clean Water Council believes, and Congress should agree, that \$50 billion in revenue over 10 years at a cost of \$370 million would be a very wise investment.

Rep. Bill Pascrell (D-NJ) is again eager to push an EFB bill. Right now the CWC is in the final process of nailing down a lead Republican – right now the odds-on favorite is looking like Rep. Geoff Davis (R-Ky). Sens. Bob Menendez (D-NJ) and Mike Crapo (R-Idaho) will likely drop Senate companion legislation, probably after the House bill moves forward.

Recognizing the reduced levels of public funding for water and wastewater infrastructure improvements and, apparently, a new hostility toward public financing these critical systems, America needs new opportunities for private investment. The EFB provision would be a big first step in this direction. While the Clean Water Council remains dedicated in defending traditional infrastructure financing, they will also continue to lead the construction industry on efforts in increase opportunities for public-private-partnerships in the water and wastewater infrastructure market.

OTHER NOTABLES

SRF Reauthorization: In big trouble in the Senate because of last year's debacle over Davis-Bacon application in FY2010 SRF appropriations. On top of that, staff from

continued on next page

WASDA Board & Officers

WASDA Welcomes New Officers and Board Members

WASDA's 2011-2012 Board of Directors

President – Deron Johnson, Dana Kepner Company
President-Elect – Jim Fuller, Coburn Supply Company
Treasurer – Ed Nugent, Utility Supply Company
Immediate Past President – Sam Peirce, H.R. Prescott & Sons, Inc.

Directors:

Peter Krainock, American Water Works International
Tom Butler, Underground Pipe & Valve
Justin Kohl, MSC Waterworks
Jack Schaller, HD Supply Waterworks
Bill Thees, Ferguson Enterprises, Inc.
Mike Vore, Clow Valve Company (Associate Director)

New Directors:

Any Wright, ISCO Industries
Ramon Morrison, Distribution One
Kevin Murphy, Blair Supply Company
Mark Baum, The Ford Meter Box Company (Associate Director-Elect)

The Board would also like to thank Ed Morrison of The C.I. Thornburg Company, David Putnam of Putnam Pipe & Supply, and Mike Dooley of MJ Pipe & Supply for their tenure on the WASDA Board. Thank you for your hard work to advance WASDA! If you are interested in serving on the WASDA Board of Directors, please email Sarah at WASDA Headquarters shagy@fernley.com.



Welcome Mark Grueskin, WASDA's New Legal Counsel

WASDA Welcomes Mark Grueskin from Rothergerber, Johnson and Lyons! You may remember meeting Mr. Grueskin at the 2010 Fall Meeting & Partnership Forum or more recently at the 2011 Annual Meeting, where he provided a brief education on antitrust guidelines in advance of the Lead-Free Brass Panel. We are pleased to have Mark on board to represent WASDA!

Government Relations Update *(continued)*

the House Transportation and Infrastructure Committee indicates there is no immediate plan to even introduce an SRF bill in the House.

National Infrastructure Bank: This is in the Obama budget, and House and Senate legislation has been dropped. If and when legislation is introduced – big questions will be over how much private participation to be allowed, con-

cerns over federal, state, and private sector oversight, and of course, how to pay for it.

Congressman Blumenauer's Water Infrastructure Trust Bill. This bill faded into history when the new Congress was sworn in. Unless a Senior republican steps forward to introduce a new version of this bill, I don't see anything happening in the near future.

Member Reminders & News

Water & Sewer Distributors of America Facebook Page



Don't forget to become a fan of WASDA's Facebook Page (WASDA is spelled out)! Does your company have a

Facebook page? If you answered yes and you don't see it added to WASDA's favorite pages, please send the link of your company's Facebook page to be added to WASDA's favorites! wasda@fernley.com

Clean Water Council - Today's Water News



Today's Water News provides updates of water infrastructure issues that arise daily. This site serves as a reminder of the need for federal investment in the nations aging underground infrastructure. This site is produced by the Clean Water Council of NUCA, of which WASDA is a Silver Sponsor. To subscribe, visit <http://waternewsupdate.com/>.

WASDA Lending Library

Don't forget to take advantage of WASDA's Lending Library. The Library is full of business related books that cost hundreds of dollars each. Instead, loan them from WASDA and save your company and employees the cost. To learn more, login to the Members Only Section of the WASDA website and visit the Forms and Logo's section to obtain a library listing and a loan form.

WASDA Membership Directory

The 2011-2012 Directory is currently in production and will land in your office by June. Did you submit your advertisement for the top rated membership benefit? If your answer is no, contact Jason at WASDA Headquarters: jharbonic@fernley.com.

2011 Congressional Directories Now Available!

In the coming weeks, all member companies not in attendance at the Annual Meeting will receive a complimentary copy of the 112th Congress directory. Additional copies will be made available on request, based on availability.

Val-Matic Meets Lead Free Requirements



Val-Matic Valve & Mfg. Corp. has received certification by WQA (Water Quality Association) that our lead-free bronze valves are in compliance with California and Vermont's Drinking Water Law that went into effect January 1, 2010. State legislation was passed in California (AB1953) and Vermont (S152) reducing the allowable amount of lead in all products coming in contact with drinking water to contain less than 0.25% lead. All valves containing bronze shipped to California and Vermont must meet the "lead-free" requirement. Val-Matic is proud to be one of the first valve manufacturers in our industry to meet these requirements that affect the drinking water supply for our Dual Disc Check Valves and Threaded, Wafer and Globe style Silent Check Valves. In complying with these new state laws, we are now offering our Dual Disc Check Valve sizes 2"-60" and Silent Check Valves (wafer style in sizes 2"-10" and globe style in sizes 2½"-42") with "lead-free" (less than 0.25%) bronze.



Connections is a publication of the Water and Sewer Distributors of America.

Deron Johnson
Jim Fuller
Ed Nugent
Sarah Hagy
Jason Harbonic
Trish Keppler
Lindsay Groff

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President-Elect
Treasurer
Executive Director
Associate Director
Meeting Manager
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WASDA WELCOMES YOUR INPUT

MEMBERS OF WASDA ONLY, please use this form to provide WASDA with news about your company and input on issues you'd like to see covered in *Connections*.

Member News

List any recent employee promotions, branch openings, strategic alliances, acquisitions, etc.:

Topic Suggestions

Are there any issues you'd like to see addressed, such as market conditions, improving your operations, international issues, business technologies, ISO certification, etc., in a future issue of *Connections*? Suggest an article and author or submit an article yourself.

Quality Kudos

Has your company recently been recognized for its "quality" efforts: ISO certifications, favored distributor, special awards, etc.? Share your success with other WASDA members by listing the information here:

WWW Update

Since the printing of the directory, if your company has acquired a new website or email and would like to publish the update in *Connections*, please list it here:

Submitted by:

Name: _____ Title _____

Company: _____ Phone: _____

Your e-mail address: _____ Company e-mail address: _____

Return this form by fax to: WASDA • Sarah Hagy • 215-564-2175