

GOOD NEIGHBOR ENVIRONMENTAL BOARD

Presidential advisory committee on environmental and infrastructure issues along the U.S. border with Mexico

<u>GNEB website</u>

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President Joseph Biden The White House 1600 Pennsylvania Avenue Washington, DC 20006

Dear Mr. President:

As your federal advisory committee for environmental and infrastructure issues along the U.S. border with Mexico, the members of the Good Neighbor Environmental Board (GNEB) are pleased to provide this advice letter about the unmet drinking water and wastewater infrastructure needs for hundreds of thousands of Americans along the southwest border. This advice letter serves as the Board's report for 2022 and will be followed in 2023 with a full, detailed report documenting and elaborating on the themes and recommendations described in this letter.

Border Context

The southern U.S. border region includes the counties immediately adjacent to the U.S.–Mexico border or located partially within the zone that extends 60 miles north of the international boundary; this is referred to as the "border area" or "border region." This area is the poorest region of the country, with per capita incomes, health outcomes and education levels well below the national average. Nearly 1 million border residents live in colonias and rural settlements, and more than two dozen U.S. federally recognized tribes are located in the region. Numerous urban and rural populations in the border area are underserved in terms of water and wastewater infrastructure. The intersection of poverty, ethnicity, and lack of basic water and sanitary services has created enduring inequities and an environmental and public health crisis along the southern border.

Nearly 10 million people live on the U.S. side of the border region. Approximately 1 million of these individuals are residents of colonias, small cities and towns, and unincorporated rural areas. Residents of the border region are 57 percent Hispanic. When the more affluent counties of San Diego (CA) and Pima (AZ) are discounted, the region is 84 percent Hispanic. More than 390,000 of the border residents are Native Americans. Populations that are inadequately provided with water and waste infrastructure services include approximately 300,000 people in colonias, rural areas and small towns; 50,000 Native Americans; and more than 1 million residents of larger U.S. cities located on the international boundary.

The border area has environmental and infrastructure challenges not found elsewhere in the United States. Much of the border's population resides in urban areas that form binational sister cities, separated only by the international boundary. As a result, many wastewater issues of U.S. border cities are inextricably linked with conditions in adjacent cities in Mexico. Although some federal programs provide adequate support for the infrastructure needs of border communities, others do not consider the unique realities of the border region, which include high levels of poverty and distinct socioeconomic and health challenges, as well as a predominance of Hispanic populations, tribal nations and cities that bring added complexities and costs for provision and maintenance of resilient infrastructure.

Climate Change

Long-term drought and climate change in the border region significantly exacerbate the current shortfall of adequately functioning infrastructure for safe drinking water and effective wastewater and stormwater management. Precipitation changes and rising temperatures reduce the water production of the major river systems of the Colorado and Rio Grande, as well as smaller surface streams and aquifers. Chronic drought has increased wildfires and has impacted the flora and fauna that many rural residents and tribal members depend on. More intense storm events—related to climate change—have increased flooding and damaged aging water and wastewater infrastructure. Climate change effects and uncertainties pose significant challenges for border communities' resiliency measures. Adaptation actions by U.S. border cities must consider the Mexico sister cities because water availability, water quality and wastewater system failures impact both sides of the border.

Challenges for Small Communities and Tribes

Poverty and lack of local administrative, technical and financial capacity are continuing features of colonias, rural communities and many border tribes. Small water systems require technical assistance, funding, and legal and structural mechanisms to consolidate or tie into larger or high-functioning complexes. These systems need existing or new funding to be flexible and require support for regionalization approaches. Climate change modeling is only partly helpful, as there is a lack of consistent, reliable data and robust analysis at the local level for the entire region. This limits the ability of local leaders to make evidenced-based decisions, and many

communities do not have the resources necessary to compete for funding. These and other factors, particularly those outlined in this letter, mean that underserved border Americans are not able to plan for and obtain necessary water and wastewater infrastructure and also do not have financial and technical resources for long-term operation and maintenance.

International Transborder Challenges for U.S. Border Cities

Small and large towns and cities adjacent to the U.S.-Mexico border face additional challenges concerning water and wastewater infrastructure and related services. San Diego (CA), Nogales (AZ), El Paso (TX), Del Rio (TX), Laredo (TX), McAllen (TX), Brownsville (TX) and other border cities cannot resolve their water, wastewater and stormwater challenges using otherwise well-established approaches employed by interior cities in the United States because border solutions often require binational cooperation. Border cities are impacted by flows of wastewater and stormwater from Mexico that include sediments, trash, and chemical and biological contaminants. The access to fresh water supplies of many Texas cities located along the Rio Grande, currently at a historic low, is compromised by chronic shortfalls of water deliveries by Mexico despite treaty agreements with the United States. These water and wastewater problems, many of which are chronic and predictable, only can be resolved through the intervention of U.S. and Mexican federal authorities, which lack adequate funding sources for the problems. Most state governments have difficulty funding projects if the problem is transnational. Furthermore, arranging federal support for issues that require immediate attention is complex, costly, inefficient, generally ad hoc and not proactive.

New Infrastructure Funding and Gaps for the Border

The Bipartisan Infrastructure Law of 2021 provides significant resources for water, wastewater and irrigation investments nationally through 2026. The Inflation Reduction Act of 2022 provides funding to enhance sustainable agricultural practices and increase water and energy efficiency in affordable housing. These investments align with needed water-related infrastructure improvements in the border area. Simultaneously, the current administration—through executive orders, implementation of existing federal programs and new authority from Congress—has identified the priority of meeting the infrastructure needs of underserved and disadvantaged communities throughout the nation. The significant influx of new federal funding for recent and existing programs, however, is overwhelming and difficult for border communities to navigate. Without focused federal training, outreach and technical assistance that help these border communities take advantage of federal funding opportunities that benefit them, they are at risk of missing out on these historic investments.

Important gaps in funding programs remain for resolving the water and wastewater services shortfall in the border region.

- First, underserved communities in the border region, such as tribal peoples, colonias and rural communities, lack well-developed administrative and technical capabilities and financial resources. Many of their infrastructure needs cannot be served by traditional models of large and expensive centralized systems that require significant capital investments and ongoing operation and maintenance expenditures. Most tribes and other underserved border communities do not have "shovel-ready" projects poised to use available funding. These communities often cannot provide matching funds required by many federal agencies and also cannot afford to repay loans. Many communities have only a limited universe of ratepayers—many or most of whom are in lowincome households and require ongoing support for operations and maintenance of infrastructure—yet federal grant programs generally exclude coverage of these essential activities. Federal agencies and border state governments must develop new approaches and criteria for assisting these underserved populations. New and existing federal resources, combined with continuing executive and congressional priorities to advance environmental justice, provide a rare opportunity to resolve local inequities related to water and wastewater services and improve the quality of life in many border communities. It takes a tailored approach to ensure access to water and wastewater services for these underserved communities, which merit the same degree of protection from environmental and health hazards as the rest of the nation.
- Second, large border cities are well equipped to access new infrastructure funding because they have the administrative, technical and financial ability to design and build projects, provide matching funds, qualify for loans, and provide ongoing operation and maintenance. These cities also have the government relations resources necessary to secure funding at the federal and state levels; however, larger U.S. border cities that share binational metropolitan ecosystems with Mexico's sister cities—which have large populations and few resources for public services—are challenged to effectively and proactively address cross-border environmental flows (e.g., sewage spills, stormwater, sedimentation, trash). In other words, the border location introduces special difficulties in providing water and wastewater infrastructure that other cities in the United States do not face.
- Third, critical components of border water infrastructure include irrigation systems that supply water to public water systems in the Rio Grande Valley and elsewhere. Essential infrastructure also includes that used for flood control, including levee and dam repair in the Rio Grande, Santa Cruz and Tijuana River systems. Especially important is the necessary rehabilitation of the Amistad Dam, currently classified as potentially unsafe and requiring urgent attention; its failure could impact hundreds of thousands of downstream residents and

disrupt trade and agriculture. Ongoing sediment removal from the major border waterways is a critical maintenance task for flood prevention. Funding for water projects through the Bipartisan Infrastructure Law and Inflation Reduction Act already is in high demand and likely will fall short of the irrigation and flood control infrastructure project needs throughout the border area, thereby extending the risk faced by many vulnerable border residents resulting from drinking water shortages and flooding.

Recommendations

GNEB is pleased to provide seven high-priority recommendations that the federal government should pursue immediately to address the chronic water and wastewater infrastructure problems in the southern border region. These actions target the historic underfunding and inadequacy of mainstream programs to address the unique needs of the border region. These actions are in line with the current administration's federal policies on environmental justice and its emphasis on improving access to water and wastewater services in disadvantaged communities.

Remove Administrative Burdens Associated With the Bipartisan Infrastructure Law and Inflation Reduction Act Funding

- 1. The President should direct federal agencies to immediately review their eligibility requirements, processes and procedures, and where flexibility exists, revise their requirements for infrastructure funding programs to increase access for communities and utilities with limited technical, financial and managerial capacity. Among reform steps that federal agencies can take is to create applications that allow entities to apply for multiple grants simultaneously and increase the set-asides that are granted to rural areas, small communities and tribes.
- 2. Federal agencies should collaborate to leverage existing and new technical assistance and finance centers to provide targeted and tailored support to communities in the border area to address water infrastructure needs. For example, on November 4, 2022, EPA announced the selection of 29 Environmental Finance Centers (EFCs) that will share \$150 million in grant funding during the next 5 years to help communities develop and submit project proposals for federal funding. EPA funds EFCs to support underserved communities with technical assistance to identify sustainable infrastructure solutions. EPA should identify one or more of the EFCs to develop specialization that supports tribal and disadvantaged border communities. EPA's increased investment in EFCs should be coordinated with other federal agencies, such as the U.S. Department of Agriculture (USDA) and International Boundary and Water Commission, and provide a clearinghouse for underserved border communities.

3. In 2023, the White House should convene federal agencies (e.g., EPA, USDA, U.S. Department of the Interior, National Oceanic and Atmospheric Association) and develop a whole-of-government strategy to meet climate modeling and data needs of communities in the border area to support near- and long-term investments in resilient infrastructure and climate adaptation. The strategy should build on existing federal agency programs, resources and tools and provide recommendations for the policy changes and appropriations needed to fully meet the needs of border communities. Additionally, after seeking public and expert input, the strategy should include recommendations for incorporating Indigenous ecological knowledge into climate models and tools to facilitate local infrastructure planning and project implementation. In addition, EPA and the U.S Department of Energy will allocate \$100 million to fund at least five (and up to 10) Environmental Technical Assistance Centers to support capacity-constrained communities, especially underserved, rural and remote communities. GNEB recommends that at least one of these centers be established in the border area.

Amplify Funding Opportunities for Improvements to Dams, Levees and Related Infrastructure

- 4. Early in 2023, the White House should coordinate with relevant federal agencies—including EPA, USDA, U.S. Department of Homeland Security, Federal Emergency Management Agency, Bureau of Reclamation, and U.S. Army Corps of Engineers—to provide workshops and training opportunities throughout the border area to educate communities on all available funding for irrigation and flood management infrastructure from the Bipartisan Infrastructure Law, the Inflation Reduction Act and other federal sources.
- In 2023, the White House should coordinate with relevant federal agencies (including those listed above) to (a) gather input from irrigation districts, local and regional water managers, tribal governments, and agricultural entities and (b) complete a gap analysis to inform future federal infrastructure investments for broad applicability and for specific border projects, such as Amistad Dam restoration.

Cross-Border Flows

6. Federal agencies and Congress must take immediate and decisive actions to mitigate or eliminate the problem of flows of polluted surface water and untreated sewage from Mexico that affect U.S. southwest border cities and rural communities. For example, the President should direct the U.S. Department of State and EPA, working closely with their counterparts in Mexico, to establish a binational workgroup tasked with providing recommendations to the President on how to institutionalize proactive and long-term cooperation across the international border to benefit U.S. border communities. A central part of this effort must be to implement permanent and effective cooperation and funding

mechanisms with Mexico on shared water and wastewater issues in the binational border region.

North American Development Bank Funding

7. EPA and the U.S. Departments of Treasury and State should identify and implement adjustments, as necessary, to the operating rules and funding sources of the North American Development Bank. First, the bank should develop special programs for U.S. border communities that are underserved in terms of water and wastewater infrastructure. Second, the bank should play a significant role in developing and institutionalizing proactive mechanisms for funding projects in Mexico that complement or mirror projects in adjacent U.S. border communities.

GNEB looks forward to receiving your response to this letter, which will help guide the Board's efforts in 2023.

Respectfully,

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Paul Ganster, Ph.D. GNEB Chair, on behalf of the Good Neighbor Environmental Board

NOTE: GNEB representatives from federal departments and agencies have recused their organizations from this advice letter.

cc: The Honorable Kamala Harris The Vice President of the United States

> The Honorable Nancy Pelosi The Speaker of the House of Representatives

The Honorable Brenda Mallory Chair, White House Council on Environmental Quality

The Honorable Michael Regan Administrator, U.S. Environmental Protection Agency