

The One Water Council's Leadership Guide #3: Navigating Regulatory Silos and Building Toward Flexibility



The Leadership Challenge

One Water approaches can outperform traditional water management methods, but bringing them to life requires getting others on board and grappling with the systems geared toward existing siloed practices.

Champions who successfully enlist others to implement One Water approaches are skilled at overcoming common barriers, namely:

- Communicating about One Water approaches and benefits
- Designing and maintaining cross-sector partnerships
- Navigating siloed regulatory systems and funding sources to pave the way for more innovative and holistic programs and projects

The One Water Council is proud to present three interconnected guides designed to help practitioners and leaders enhance their effectiveness at solving complex water and community challenges.

CHECK OUT THE OTHER GUIDES IN THIS SERIES:

- » [Guide #2: Designing and Maintaining Cross-Sector Partnerships](#)
 - » [Guide #3: Navigating Regulatory Silos and Building Toward Flexibility](#)
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Acknowledgments

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Fundamentals for Working with Regulators

Building on the first two guides in this series, this third guide helps you apply your One Water communication and cross-sector partnership skills to effectively navigate regulatory silos and unlock greater project flexibility.

One Water solutions most often fall under the jurisdiction of policies and regulations designed to protect public health, well-being, and the environment—such as the National Pollution Discharge Elimination System. The contents of this are designed to support partnerships with regulators at state agencies or authorities responsible for overseeing these rules and standards in a licensing or enforcement capacity.

By design, regulatory authority is delegated, limited, and constrained to ensure the effective implementation of policy decisions and to minimize political interference. In many cases, the justification for regulatory agencies, independent from practitioners, lies in the complexity of the tasks they oversee. Complying with regulations is already complex, and many One Water approaches present additional complexity by requiring coordination across specialized areas of regulatory oversight like drinking water, wastewater, stormwater, and surface and groundwater.

The lack of a formal system for coordinating across regulatory silos poses a key challenge. Regulatory agencies typically have budgets that are tightly aligned with their specific areas of oversight, such as drinking water or wastewater, and staff roles, relevant statutes and regulations, and funding streams may not allow for sufficient flexibility. This can limit their ability to engage in or support cross-cutting initiatives. On the other hand, while utilities often spend their own funds, efforts to braid or blend funding sources (such as grants or loans tied to specific regulatory programs) can raise questions about compliance with funding terms. Without careful planning and documentation, integrated One Water projects—particularly those involving state or federal dollars—may be perceived as stretching or misallocating funds across their intended purposes. As a result, regulatory reviews can appear narrowly focused, with limited latitude for more holistic solutions.

Effective One Water leaders acknowledge the constraints regulators face and look for ways to work with them. They clearly articulate and demonstrate how One Water solutions meet core regulatory goals and deliver multiple benefits.

To exercise One Water skills, keep in mind the following fundamentals:

- **One Water champions must reframe relationships with regulators.** These relationships must shift from ones solely focused on strict oversight to ones that incorporate collaboration and partnership.
- **Cost-effectiveness is not the primary driver for regulators.** Though an important driver for One Water, cost-effectiveness is often viewed by regulators as secondary to their primary regulatory mandates for public health and environmental protection.
- **Making a strong outcomes-focused case is essential.** One Water approaches may require more time than traditional permitting and compliance approaches.
- **Timing matters.** One Water champions should stay attuned to funding cycles, political shifts, budget cycles, and processes that influence regulatory priorities and decisions.
- **Engage regulators early and often.** Proposals to use One Water approaches are unlikely to be approved after just one interaction. Begin building relationships early to understand what regulators are willing to support, what lies beyond their current authority, and how new acceptance pathways might be enabled.
- **Regulator partnerships may lead to new funding.** Alternative or innovative funding sources may open up once regulators understand and support a One Water approach.

EPA's [Framework for Permitting Innovation in the Wastewater Sector](#) is a good sign regulators are open to relationships that promote innovation.

Making One Water Work: Success Stories of Regulatory Collaboration

Across the country, utilities are proving that One Water solutions are possible when partnerships with regulators are built on trust, collaboration, and persistence. The following case studies show how early relationship-building, strong community engagement, and a commitment to technical excellence helped utilities unlock the flexibility needed to try new approaches and deliver broader benefits.

Some regulators are also encouraging innovation. The final example highlights how a state agency supports One Water approaches through alternative compliance pathways.

Milwaukee Metropolitan Sewerage District: Green Infrastructure as Permit Compliance

Milwaukee Metropolitan Sewerage District (MMSD) broke new ground when it worked with state and federal regulators to make green infrastructure, such as rain gardens and permeable pavements, a mandatory part of its discharge permit. This marked the first time in the nation that green infrastructure was formally codified as a compliance strategy for managing wet weather overflows. At a time when most permits focused solely on traditional gray infrastructure, MMSD's strong relationships with regulators and clear data on cost-effectiveness helped shift the conversation. Their success not only secured regulatory approval but also opened the door for wider adoption of nature-based solutions across the country. As of spring 2025, the green infrastructure projects MMSD has installed can capture millions of gallons of stormwater, which exceeds their permit requirements and projections.

[Learn more about MMSD's green infrastructure approach.](#)

Hampton Roads Sanitation District: Recharging Groundwater with Treated Wastewater

Hampton Roads Sanitation District (HRSD) in eastern Virginia worked closely with regulators to launch the Sustainable Water Initiative for Tomorrow (SWIFT), an ambitious effort to treat wastewater to safe drinking water and recharge depleted groundwater aquifers. Traditionally, treated wastewater is released into rivers and bays. Instead of taking this approach, SWIFT creates a sustainable water supply while helping to restore the Chesapeake Bay and guard against sea level rise and saltwater intrusion. Years of

relationship-building, transparent science, and joint problem-solving with state and federal agencies made it possible to secure regulatory approval for this groundbreaking project.

[Learn more about HRSD's SWIFT program.](#)

New York City Department of Environmental Protection: Enabling On-Site Water Reuse

At Brooklyn's Domino Sugar Factory redevelopment site, New York City's Department of Environmental Protection is working with a private developer to install a decentralized water reuse system for non-potable uses. Instead of sending wastewater to already overburdened sewer infrastructure, the project collects and treats water on-site for non-potable uses and will discharge any excess treated water directly to the East River. By working early with city regulators and showcasing high treatment standards, the development team was able to chart a new regulatory pathway that reduces strain on existing infrastructure and sets a precedent for future reuse projects.

[Learn more about the Brooklyn water reuse project.](#)

Oregon Department of Environmental Quality: Trading as a Tool for Water Quality Improvement

Oregon has become a national leader in using water quality trading to achieve clean water goals with greater flexibility. When Clean Water Services, a utility near Portland, faced costly requirements to cool its treated wastewater, it worked with regulators and nonprofit partners to chart a different course: restoring streamside vegetation to naturally shade and cool rivers rather than relying on expensive mechanical chillers. Nonprofit partners like The Willamette Partnership and The Freshwater Trust worked alongside Clean Water Services to develop scientific frameworks and transparent trading protocols that earned state regulatory approval. Recognizing the success of these early pilots, the Oregon Department of Environmental Quality formally created a water quality trading program, offering a pathway for other utilities to meet environmental goals in ways that also deliver broader ecosystem benefits.

[Learn more about Oregon's water quality trading program.](#)

Want to learn more? [Check out WEF's resources on circular water economy](#)

Four Skills to Become an Effective Collaborator with Regulatory Agencies

One Water champions can actively cultivate four skills to strengthen relationships with regulators and support innovative, integrated solutions.

Skill 1 / Building a Shared Vision with Regulators

Pursuing innovation starts with building a collaborative relationship—one rooted in mutual understanding and trust.

Skill 2 / Reframing to Highlight the Better-than-Compliance Opportunities

One Water projects often address multiple goals and yield benefits that surpass basic compliance.

Skill 3 / Preempting Risk and Creating Transparency

Addressing perceived risks early helps defuse defensiveness and opens the door to creative collaboration.

Skill 4 / Building a Persuasive Case for One Water

An effective case must be built on multiple pillars, including a strong environmental performance argument, a compelling and realistic delivery timeline, and a well-supported legal and policy foundation..

Skill 1: Building a Shared Vision with Regulators

Pursuing innovation starts with building a collaborative relationship—one rooted in mutual understanding and trust. Unlike the traditional, reactive regulatory model, this approach invites regulators into a journey of shared interest, even while acknowledging their legal requirements. Because regulators are often the final approval authority, they are typically restricted from proposing solutions themselves. This can result in a relationship that is formal, cautious, and positional.

To begin to change this dynamic, shift your focus from advocating for a specific outcome to listening with the intent to understand. Start by sharing the challenges you are facing and inviting the regulator to explore them with you. Early engagement allows you to identify concerns and opportunities together, helping build the trust and clarity needed for One Water solutions and a smoother project approval process. With that foundation, you can collaboratively develop innovative approaches that align your goals with regulatory requirements.

Having a clear purpose (as delineated in One Water Resource Guide #1) and a well-framed strategy helps regulators understand your vision. It's equally important to remain open to alternative paths and acknowledge the expertise regulators bring. See One Water Resource Guide #2 for tips on nurturing open and effective dialogue.

Practice This Skill by Deploying the Concept of 'Understanding and Advancing Others' Interests'



Tip: See the third skill in One Water Resource Guide #1 for starting early conversations to explore agency needs and anticipate concerns.

Prepare for conversations by considering the following questions:

- How will the approach you'd like to pursue help regulators fulfill their agency's mission?
- What is the pathway for codification? I.e., what steps would make it easier for regulators to say yes to this approach in the future, reducing transaction costs and helping make it a more routine or accepted option?
- What are the legal or policy barriers that need to be addressed?
- How will you ensure transparency in the planning and execution of the project?
- How will you demonstrate solid project performance?
- How can you make the regulator's job easier and more successful?

Skill 2: Reframing to Highlight the Better-than-Compliance Opportunities

One Water projects often address multiple goals and yield benefits that surpass basic compliance. For example, reducing phosphorus in drinking water can lead to measurable improvements in wastewater effluent quality and surface water quality.

Reframing the conversation to connect these dots is powerful—especially when engaging with agency leadership.

Practice this Skill Using a Sustainable Action Map to Encourage Holistic Thinking



Tip: The Interest-Based Problem-Solving exercise in One Water Resource Guide #2 can be helpful for practicing this skill.

Think through better-than-compliance opportunities using simple tools such as a Sustainable Action Map (SAM). Developed by the City of Olympia, WA, a SAM helps groups evaluate solutions from multiple perspectives,

including environmental, individual, community, and economic. Working together, groups can build a shared understanding of impacts and opportunities and focus problem-solving on the areas that have the potential to accelerate progress. To create a SAM for a One Water approach:

- Assemble a cross-sector team with technical and regulatory expertise
- Share project goals and assess strengths, weaknesses, opportunities, and threats from each perspective (i.e., environmental, individual, community, and economic)
- Identify key leverage points and barriers

SAMs can then be used to prioritize, develop, and/or refine a coordinated work plan or as tools to support you in reframing opportunities with regulators.

Figure 1:
Sustainable Action Map (SAM) framework developed by the City of Olympia, WA.

S.A.M.

Sustainable Action Map

Name: _____
Decision: _____

Leadership Required

Manageable Risks

Value Delivered

Healthy Environment	Strong Community		Vital Economy
Natural: How does it impact environmental health?	Individual: How does it directly impact the well-being of people?	Community: How does it impact relationships, effective government, social justice, and overall livability?	Economy: How does it impact the local economy and at what long and short term costs?
S:	S:	S:	S:
W:	W:	W:	W:
O:	O:	O:	O:
T:	T:	T:	T:

Print

SWOT: S=Strengths W=Weaknesses O=Opportunities T=Threats

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YOUR SUSTAINABLE ACTION MAP (SAM) HERE:

Healthy Environment	Strong Community		Vital Economy
Natural: <i>How does it impact environmental health?</i>	Individual: <i>How does it directly impact the well-being of people?</i>	Community: <i>How does it impact relationships, effective government, social justice, and overall livability?</i>	Economy: <i>How does it impact the local economy and at what long and short term costs?</i>
STRENGTHS:	STRENGTHS:	STRENGTHS:	STRENGTHS:
WEAKNESSES:	WEAKNESSES:	WEAKNESSES:	WEAKNESSES:
OPPORTUNITIES:	OPPORTUNITIES:	OPPORTUNITIES:	OPPORTUNITIES:
THREATS:	THREATS:	THREATS:	THREATS:
value delivered manageable risks leadership required			

Skill 3: Preempting Risk and Creating Transparency

Addressing perceived risks early helps defuse defensiveness and opens the door to creative collaboration. The goal is to focus attention on the challenges the regulator will face when you ask them to consider nontraditional approaches. This requires more listening and less advocating, being curious about the situation regulators face, and understanding their perspective.



Tip: Start small. Especially when perceived or actual risks are high, piloting innovative solutions gives all parties a chance to test ideas and adjust before scaling. Pilot projects can build confidence and trust and demonstrate success more safely than large-scale changes.

Practice This Skill with Small-Scale Piloting

One of the most effective ways to preempt risk and increase transparency is through piloting. A small-scale test makes it easier to discover challenges early, clarify assumptions, and show results without committing significant resources upfront.

Start by defining the purpose of your pilot and the risks you are aiming to better understand. Outline clear goals, what success looks like, and how progress will be measured. Make the process visible by establishing checkpoints to share updates, gather input, and adjust based on what you learn. This process builds trust by showing that you are approaching new ideas thoughtfully and openly.

Share the findings at the end of the pilot, including what worked, what did not work, and how the learnings will inform the next steps. If a live pilot is not possible, use case studies or peer examples to transparently explore potential risks and proven strategies before moving forward.

Check out East Bay MUD's case study on the [WEF circular water economy website](#) for a great example!

Skill 4: Building a Persuasive Case for One Water

An effective case must be built on multiple pillars, including a strong environmental performance argument, a compelling and realistic delivery timeline, and a well-supported legal and policy foundation. Bringing in experts with regulatory experience can help shape the right message and build trust.

Practice This Skill by Developing a Regulatory-Friendly Business Case

A business case is a document that defines the benefits and value an initiative will deliver alongside potential risks. Unlike private-sector business cases, these aren't profit-driven. Instead, they should demonstrate compliance, community benefits, and cost-efficiency across multiple water systems (i.e., drinking water, wastewater, stormwater, and/or surface water and groundwater) simultaneously.



Tip: See the fifth skill in One Water Resource Guide #2 for guidance on building multi-disciplinary teams.

Develop a plan that utilizes a structure the regulator is comfortable with (if known) and addresses the needs of the primary stakeholders. Common elements of a good business case include:

- Compliance objectives and how performance will be measured and reported
- Secondary benefits to other agencies or systems
- A clear compliance schedule with milestones
- Cost savings, where and to who they accrue, and how they enhance the regulator's capacity
- The public health and environmental gains

Final Thoughts

One Water champions and regulators are united by a shared mission: protecting public health and the environment. Regulators also have distinct legal responsibilities and constraints that deserve respect. When we acknowledge these responsibilities and work together to support them, we create space for innovative and integrated solutions to take root.

This work requires courage—the willingness to be vulnerable, to acknowledge uncertainty, and to pursue new paths that challenge the status quo. It also requires persistence, reflection, and learning.

One Water champions have a unique role to play by helping states institutionalize what works so others can follow with greater ease. By building trust, sharing knowledge, and committing to collaboration, we can turn possibility into progress—project by project, policy by policy.

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One Water, One Future.

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