



NEWS & NOTES

A PUBLICATION OF THE MWRA ADVISORY BOARD
JANUARY 2008

GOVERNOR RELEASES HOUSE 2; \$15 MILLION IN DEBT SERVICE ASSISTANCE

Last week Governor Patrick unveiled H.2, his \$28.2 billion budget bill marking the beginning of the FY09 budget deliberations. In what promises to be a challenging budget year for state government, the Governor included \$15 million for the statewide Commonwealth Sewer Rate Relief Fund, known as Debt Service Assistance (DSA). The Advisory Board applauds the Governor's commitment to this important program in the midst of a difficult budget year, but is wary of the burden of increasing rate revenue requirements in the upcoming years. DSA directly offsets wholesale rates to MWRA communities and other communities and districts across the Commonwealth. The Advisory Board pledges to continue strong advocacy for DSA throughout the budget season. Katherine Dunphy, Chairwoman of the Advisory Board stated, "We are pleased that the Governor recognizes the importance of providing rate relief to communities. We will continue to communicate the importance of the state's partnership in investing in water and sewer infrastructure."

In other budget news, the Governor proposed an increase in the employee contribution for health benefits within the Group Insurance Commission (GIC). This proposal includes a shift away from a date of hire system to one based on salary levels with employee contributions increasing from 20% to 25% for those employees making more than \$50,000. The Governor also proposed \$67.5 million for the Water Pollution Abatement Trust which administers loan programs such as the State Revolving Fund (SRF). The SRF is issued to fund improvements to local water projects and wastewater infrastructure. Some communities with eligible projects have been able to take advantage of this funding, though the list of projects heavily outweighs the financial assistance available.

In the coming months the budget bill will be reviewed by the House and Senate Committees on Ways & Means, which will issue their own recommendations. The final state budget will be signed by Governor Patrick by June 30, 2008 prior to the start of the new fiscal year.

AB STAFF MEET WITH NEW MAYORS

This month staff from the Advisory Board met with newly elected mayors from three communities to discuss local support of Debt Service Assistance. Mayor Joseph Sullivan of Braintree, Mayor Thomas Koch of Quincy, and Mayor Susan Kay of Weymouth each have been in office for three weeks; they were concerned about the impacts of rising water and sewer rates on residents and municipal budgets. Staff from the Advisory Board discussed information about the upcoming budget season and advocacy efforts on the state level to obtain funding for Debt Service Assistance. In addition to the communities already visited, the Advisory Board plans to meet with other new mayors and communities in the coming months.

WATER MANAGEMENT ACT REGISTRATIONS

The MWRA recently received a 10-year renewal of the Water Management Act registration for its Chicopee and Nashua River Basin withdrawals from the Massachusetts Department of Environmental Protection (DEP). Opting to meet with DEP and ask questions about the registration, the Board of Directors decided not to appeal the registration at this month's meeting. DEP Commissioner Laurie Burt attended the January Board meeting to address any concerns from members. Several partially supplied MWRA communities are independently appealing their registrations to the DEP including Cambridge, Lynn, Wakefield, Wellesley, Worcester, Needham, and Peabody. The MWRA permit contains provisions for maintaining the allowable withdrawal of the current 312 million gallons per day (mgd), for treating the MWRA system as whole rather than individual communities and for protecting MWRA communities from being required to impose summer use restrictions unless the Quabbin Reservoir is at critically low elevations. The registration also includes conditions about increased conservation goals of 65 gallons per person per day of water use and reducing unaccounted for water usage to ten percent.

UPCOMING MEETINGS

FEBRUARY 13: MWRA BOARD OF DIRECTORS / 10 AM - CHARLESTOWN
FEBRUARY 15: EXECUTIVE COMMITTEE / 8:30 AM - BOSTON
FEBRUARY 21: MWRA ADVISORY BOARD / 11:30 AM - LEXINGTON

If you have any questions regarding topics raised in this newsletter or any other MWRA issue, please contact:
Christine Hevelone-Byler, Government & Media Coordinator • Phone: 617.742.7561 • Fax: 617.742.4614 •

Email: christine.hevelone-byler@mwra.state.ma.us

Web Site: www.mwraadvisoryboard.com