NEWS & NOTES

A PUBLICATION OF THE **MWRA ADVISORY BOARD**
JUNE 2009

MWRA FINAL ASSESSMENTS REDUCED FROM 4.8% TO 3.8%

At the June 24 meeting, the MWRA Board of Directors approved a 3.8% increase in the rate revenue requirement for FY10. The Advisory Board staff, working closely with the Board and Authority staff, helped to reduce the proposed rate increase from 4.8% to 3.8%. The 3.8% rate hike includes an average 0.6% decrease for water assessments and a 6.0% increase for sewer assessments. Each community's FY10 assessment can be found on the MWRA website:

http://www.mwra.com/annual/rates/fy2010/assessments2010.pdf

The Authority was faced with difficult decisions in developing the FY10 budget and achieving a 3.8% increase. The Authority reduced the budget by $3.9 million from Capital Financing and $1.9 million in Direct Expenses, among other reductions. The budget reflects the MWRA's share of $500,000 from the state-wide Debt Service Assistance Program (which was approved by the Legislature but awaits the Governor's signature for final approval). Debt Service Assistance has decreased dramatically in recent years. Additionally, a line item providing more than $800,000 from the state to help with chemical costs was removed from the FY10 State Budget.

In state budget news, a Legislative Conference Committee approved the $27.4 billion state spending plan for FY10. The budget reflects the difficult economic climate and includes cuts to programs across the board including municipal aid, health and human services, and Debt Service Assistance. The budget includes an increase in the sales tax from 5 to 6.25%.

UPCOMING MEETINGS

JULY 15: MWRA BOARD OF DIRECTORS / 10 AM - CHARLESTOWN

THE **MWRA ADVISORY BOARD** AND **EXECUTIVE COMMITTEE** *DO NOT* MEET IN JULY OR AUGUST.

HAVE A HAPPY 4TH OF JULY!

SAVE THE DATE!

THE ADVISORY BOARD FIELD TRIP WILL BE HELD ON AUGUST 20, 2009!

LG TALKS STIMULUS AT AB; AUTHORITY RECEIVES STIMULUS FUNDS

Lieutenant Governor Tim Murray spoke to Advisory Board members at the June meeting about the impacts of the American Recovery and Reinvestment Act (ARRA) on cities and towns. The Lt. Governor told members that the State Revolving Fund (SRF) will be the best vehicle to receive funding for water and sewer infrastructure projects.

Lt. Governor Tim Murray and Katherine Dunphy, Chairwoman of the Advisory Board, at the Advisory Board meeting in June.

In other stimulus funding news, US Environmental Protection Agency (EPA) Administrator Lisa Jackson was recently at the Deer Island Wastewater Treatment Plant to announce the distribution of $185 million in ARRA funds for wastewater and drinking water projects in Massachusetts. The funding includes approximately $52 million in Drinking Water funds and just over $133 million in Clean Water funds. Although the distribution formulas are not final, staff believes MWRA is poised to receive $25 million in principal forgiveness loans for all of its eligible clean water projects and approximately $4.1 million of the ARRA Drinking Water funds. In order to be eligible for ARRA funding, projects must either be in construction or have signed contracts by February 17, 2010. Additionally, ARRA requires that 20% of both the Clean and Drinking Water grants go to Green Infrastructure projects. Among the "green" projects likely to be funded is a regional water conservation project: $10 million for a meter modernization project for MWRA member communities to install remote reading water meters.

If you have any questions regarding topics raised in this newsletter or any other MWRA issue, please contact:
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