

**CAPE COD REGIONAL GOVERNMENT
ASSEMBLY of DELEGATES
2023 Session
Resolution No. 10**

Supporting additional funding for the Cape Cod and Islands Water Protection Management Fund (CCIWPF)

Whereas, since its inception in 2019, the CCIWPF has awarded approximately \$140 million in subsidies to Cape Cod wastewater and water quality projects; and

Whereas, the CCIWPF Resolution has helped spur Cape Cod communities to advance their wastewater planning in earnest, and;

Whereas, as a result, the number of wastewater management projects in the region has increased significantly, underscoring the important role the Fund plays in accelerating the pace of wastewater projects on Cape Cod – even at the same time of unprecedented inflation and increased project costs, and;

Whereas, in 2022 and 2023, the Clean Water Intended Use Plan (IUP) included over \$108 million and \$167 million in wastewater projects from Cape Cod, respectively – which are the greatest amounts we have seen for Cape Cod in a single year, and;

Whereas, the Management Board cannot continue to award subsidies at this rate and has voted to reduce the subsidy to 12% for 2024 IUP projects, absent any additional sources of funding.

NOW, THEREFORE,

BE IT HEREBY RESOLVED by the Cape Cod Regional Government Assembly of Delegates:

Requests the urgent assistance of Governor Maura Healey in sustaining the long-term financial viability of a critical source of funding that towns on Cape Cod rely upon to clean up our coastal waterways and embayments; and

Specifically requests additional revenues of \$5 million in Fiscal Year 2024, followed by approximately \$66 million in revenue spread over the following three fiscal years; and

Authorizes the Speaker of the Assembly to draft a support letter for the same.

The Assembly of Delegates adopted the foregoing resolution at its regular meeting on September 6, 2023 by a roll call vote with delegates representing 98.93% of the population of Barnstable County voting in the affirmative.

Attested by:



Owen Fletcher

Clerk of the Assembly of Delegates



Assembly Delegates

Speaker:

Patrick Princi
(Barnstable)

Deputy Speaker:

Randi Potash
(Chatham)

Dean:

John Ohman
(Dennis)

Mary Chaffee

(Brewster)

Jon R. Fuller

(Orleans)

J. Terence Gallagher

(Eastham)

Daniel Gessen

(Falmouth)

Lilli-Ann Green

(Wellfleet)

Elizabeth Harder

(Harwich)

James Killion

(Sandwich)

Brian O'Malley

(Provincetown)

George Slade

(Bourne)

Sallie Tighe

(Truro)

Susan Warner

(Yarmouth)

Michaela Wyman- Colombo

(Mashpee)

Clerk of the Assembly

Owen Fletcher

(508) 375-6761

owen.fletcher@capecod.gov

CAPE COD REGIONAL GOVERNMENT ASSEMBLY OF DELEGATES

BARNSTABLE COUNTY COMPLEX

OLD SHERIFF'S HOUSE

3195 MAIN STREET – ROUTE 6A

P.O. BOX 427

BARNSTABLE, MA 02630

September 6, 2023

Her Excellency Maura Healey
Massachusetts State House
24 Beacon Street, Room 280
Boston, MA 02133

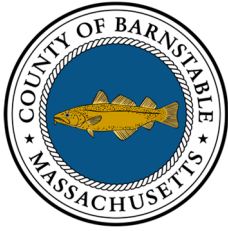
Dear Governor Healey,

I write on behalf of The Barnstable County Assembly Delegates. We strongly support the request of the Cape Cod and Islands Water Protection Fund (Fund) Management Board for your urgent assistance to sustain the long-term financial viability of this critical source of funding. Cape Cod towns rely on the Fund to address nutrient loading in our coastal waterways and embayments. Our sensitive watersheds are in crisis, caused mainly by a lack of wastewater treatment systems. The current state of water pollution also presents challenges in addressing Cape Cod's pressing need to build affordable and workforce housing.

The Fund has been highly instrumental in helping Cape Cod towns move forward with much needed wastewater and water quality projects, awarding approximately \$140 million in subsidies since 2019. This funding has enabled Cape Cod towns to accelerate the implementation of wastewater treatment solutions despite unprecedented inflation and increased project costs. Consequently, the number of wastewater management projects on Cape Cod has increased significantly, underscoring the important role the Fund plays in supporting critical wastewater projects for Cape Cod towns.

In 2021 PFM Financial Advisors LLC developed a cash flow model to support the administration of Fund projects. The Fund's cash flow is based on certain assumptions, including annual tax collections and annual State Revolving Fund (SRF) eligible Clean Water Intended Use Plan (IUP) projects. Initial assumptions to create the model included eligible annual project costs of approximately \$60 million and annual tax collections of approximately \$20 million. This model was supportive of providing a 25% subsidy to eligible projects while maintaining a Fund balance of at least 50% of annual collections.

In 2022 and 2023, the IUP included over \$108 million and \$167 million in wastewater projects from Cape Cod, respectively. These represent the greatest dollar amounts for Cape Cod towns in any given year. With some adjustments to the financial model, including reducing subsidies from the Fund for projects that have received additional



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state subsidies from the American Rescue Plan Act and reducing the set-aside for critical water quality monitoring, the Board was able to continue to award 25% subsidies to 2023 IUP projects.

However, based on current assumptions for project costs and revenues and without additional sources of funding, the Board is unable to award subsidies at the 25% rate. Thus, the Management Board recently voted to reduce the subsidy to 12% for 2024 IUP projects.

This subsidy decrease will have serious ramifications for Cape Cod towns as they strive to build wastewater treatment facilities and begin to clean their waters.

The Cape Cod and Islands Water Protection Management Fund will require additional revenues to remain solvent through 2030. According to the modeling provided to the Fund by PFM Financial Advisors LLC the Fund will require additional revenues of \$5 million in FY24, and approximately \$66 million in revenue spread over the following three fiscal years. This additional funding will allow the Fund to continue to provide towns with the 25% subsidy through the end of 2030.

Barnstable County Assembly Delegates appreciate the Administration and the Legislature's support of the Fund and its commitment to improving water quality on Cape Cod. We urge you to grant the Fund's request for additional funding to help Cape Cod towns to move forward with improving water quality.

Sincerely

Patrick Princi, Speaker
Assembly of Delegates

Senator Edward J. Markey
Senator Elizabeth Warren
Congressman William R. Keating

Governor Maura Healey
State Senator Julian Cyr
State Senator Susan L. Moran
State Representative Kip A. Diggs
State Representative Christopher Richard Flanagan
State Representative Dylan A. Fernandes
State Representative Sarah K. Peake
State Representative David T. Vieira
State Representative Steven George Xiarhos