

Water Infrastructure Alliance

c/o The Engineering Center
One Walnut Street
Boston, MA 02108

April 2, 2018

Honorable Jeffrey Sanchez, Chairman
House Committee on Ways and Means
State House, Room 243
Boston, Massachusetts 02133

Dear Chairman Sanchez:

On behalf of the Water Infrastructure Alliance, we write relative to the fiscal year 2019 funding for the Massachusetts Clean Water Trust's ("CWT's") Contract Assistance line-item, 1599-0093. Critical for the success of the Commonwealth's water infrastructure future is the increase to this line-item as recommended by Governor Charlie Baker in his budget proposal. Accordingly, we respectfully request that the House include \$63,383,680 in funding for this line-item to ensure that the CWT can continue to help municipalities and regional water authorities invest in their water infrastructure.

As you know, the 2012 report of the Massachusetts Water Infrastructure Finance Commission and a 2017 report from the Office of the Auditor found that the Commonwealth and its municipalities have a \$18 billion to \$21 billion funding gap in meeting their drinking and wastewater infrastructure needs. This not only potentially presents significant public health and environmental concerns, but directly impacts the Commonwealth's ability to create meaningful economic development opportunities. Recognizing the need to assist municipalities and regional water authorities in addressing this problem, the Massachusetts legislature has given greater flexibility to the CWT in recent years to provide additional financial assistance for eligible projects that have met a series of reasonable best management practices (i.e. development of an asset management plan, etc.).

Accordingly, without an increase in the Contract Assistance line-item, the CWT will not be able to provide the support necessary to incent our municipalities and regional water authorities to address critical maintenance needs, develop long term plans and incorporate important water management reforms today, as part of the overall effort to save on long term costs, sustain economic development and manage systems more efficiently. (Note: contract assistance does not directly fund projects; it addresses the difference between borrower repayments and amounts owed on debt service.) An increase in this line-item will allow the CWT to provide greater incentives for municipalities and regional authorities to address their water infrastructure more affordably today.

While cognizant of the Commonwealth's fiscal realities, it is important to recognize that investing in our water infrastructure not only protects our environment and public health, but directly contributes to increased revenue for the Commonwealth through direct and indirect job creation. As reported by the Edward J. Collins, Jr. Center for Public Management at UMASS-Boston, every \$1 invested in water/wastewater infrastructure generates almost \$15 of private investment, leverages \$2 of other public funds and adds \$14 to the local property tax base. This represents common sense employment opportunities that lead directly to a safer, cleaner and growth-oriented Commonwealth.

Our diverse membership looks forward to working with the entire Massachusetts legislature to see that the Commonwealth's water infrastructure needs are met. As recent news reports about drinking water and sewer line failures have shown, we cannot afford to ignore this problem any longer.

We appreciate your attention to this important matter.

Sincerely,

Abbie Goodman, Executive Director
American Council of Engineering Companies of MA

Jennifer A. Pederson, Executive Director
Massachusetts Water Works Association

Marc D. Draisen, Executive Director
Metropolitan Area Planning Council

Robert Greene, President
Massachusetts Water Pollution Control Association

Geoffrey C. Beckwith, MMA Executive Director & CEO
Massachusetts Municipal Association

Paul Matthews, Executive Director
495/MetroWest Partnership

Craig Allen, Chair,
Wastewater Advisory Committee to the MWRA

Cheri R. Cousens, Executive Director
Greater Lawrence Sanitary District

Mary Barry, Executive Director
New England Water Environment Association

John M. Pourbaix, Jr., Executive Director
Construction Industries of Massachusetts

Joseph Favaloro, Executive Director
MWRA Advisory Board

Matthew Thomas, President
Because Water Corp

Philip D. Guerin, President
Massachusetts Coalition for Water Resources Stewardship

Anne Klayman, Executive Director
Utility Contractors' Association of New England

cc: Honorable Robert DeLeo, Speaker
Office of the Speaker of the House

Honorable Brad Jones, Minority Leader
Office of the Minority Leader