

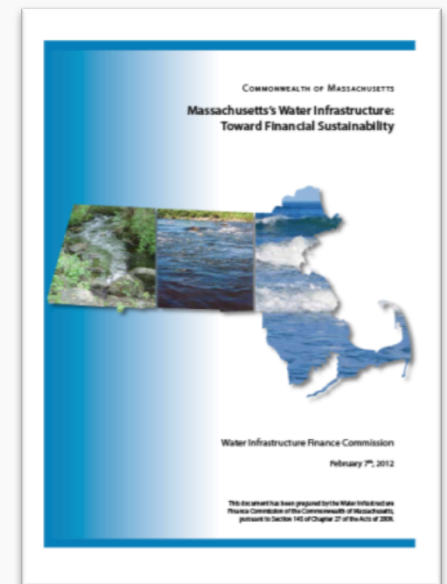


# Building Support for Infrastructure Funding

Massachusetts Municipal Association  
January 20, 2017

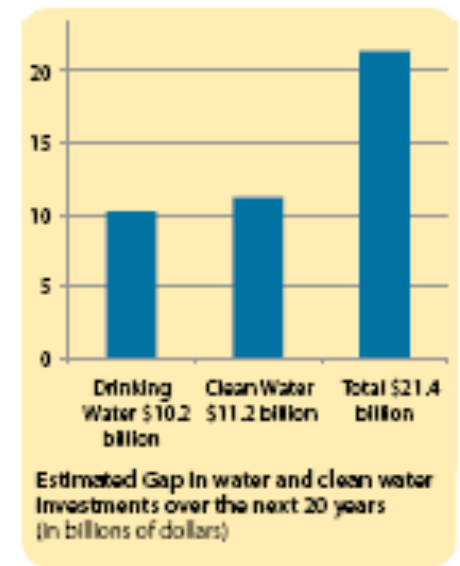
# Background

- 2009—MA Legislature votes for the creation of a Water Infrastructure Finance Commission
  - Mission: Develop a comprehensive, long-range water infrastructure finance plan for the commonwealth and municipalities
- 2010 & 2011—Commission meets and develops recommendations for addressing the Commonwealth's infrastructure challenges
- 2012—Report released
  - ***“Massachusetts’s Water Infrastructure: Toward Financial Sustainability”***



## Key Findings

- There is a substantial funding gap over the next 20 years
  - \$10.2 billion for drinking water
  - \$11.2 billion for wastewater
  - \$18 billion for stormwater  
(conservative estimate)
- Significant spending above current levels will be necessary to maintain current levels of service





## Key Recommendations

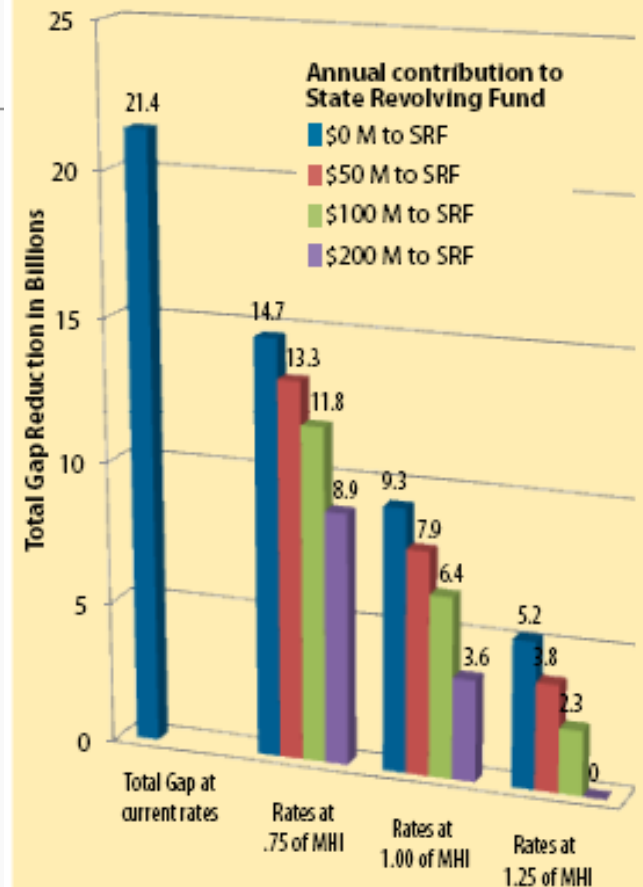
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- 💧 The WIFC made 23 specific recommendations, among them:
  - 💧 Raise public awareness of the true value and cost of water-related services
  - 💧 Increase available resources at the state level
  - 💧 Encourage municipalities, districts and authorities to cover reasonable costs of service when setting rates
  - 💧 Encourage BMPs in asset management, capital improvement plans and enterprise accounting

## Recommendations, cont'd

- An approach that incorporates rate increases to 1.25% of Median Household Income with a \$200 million annual appropriation from the state, eliminates the gap entirely
- In 2012
  - Water Rates averaged .52% of MHI
  - Sewer Rates averaged .75% of MHI
- We have a ways to go....

Gap reduction possible using rates increases and new revenues



*Increases in rates to 1.25% of MHI with a \$200 million annual appropriation from the state eliminates the Gap entirely*



## What has happened since the report was released?

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- 💧 Interested stakeholders formed a “Water Infrastructure Alliance” to keep the momentum going
- 💧 Legislation was passed addressing some of the recommendations of the WIFC- See Chapter 259 of the Acts of 2014
- 💧 Public outreach opportunities are being pursued



## Chapter 259 of the Acts of 2014

- Modifications to SRF program
- Provided a mechanism at local option to assess property tax surcharge of 3% for infrastructure improvement
- Established a Water Infrastructure Committee to report on the progress of closing the gap
- Incentives for connection to MWRA (subject to appropriation)
- Established a special commission to investigate and study ways to improve coordination among utility providers and municipalities to reduce unnecessary or duplicative roadway construction related to underground utilities



# Underground Utility Coordination Commission

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- Suggested Best Management Practices
  - Each municipality and utility develop multi-year capital improvement plans and establish regular planning meetings
  - Upgrade infrastructure in coordination with gas main replacement
  - utilities and municipalities establish designated coordinators to manage planning and coordination
  - municipalities explore options for developing a coordination software solution that may assist in the permitting and excavation clearance process
  - <http://www.mass.gov/eea/docs/dpu/sp-util-comm-report.pdf>



# Water Infrastructure Advisory Committee

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- 💧 First Meeting on September 14, 2016





# Public Outreach

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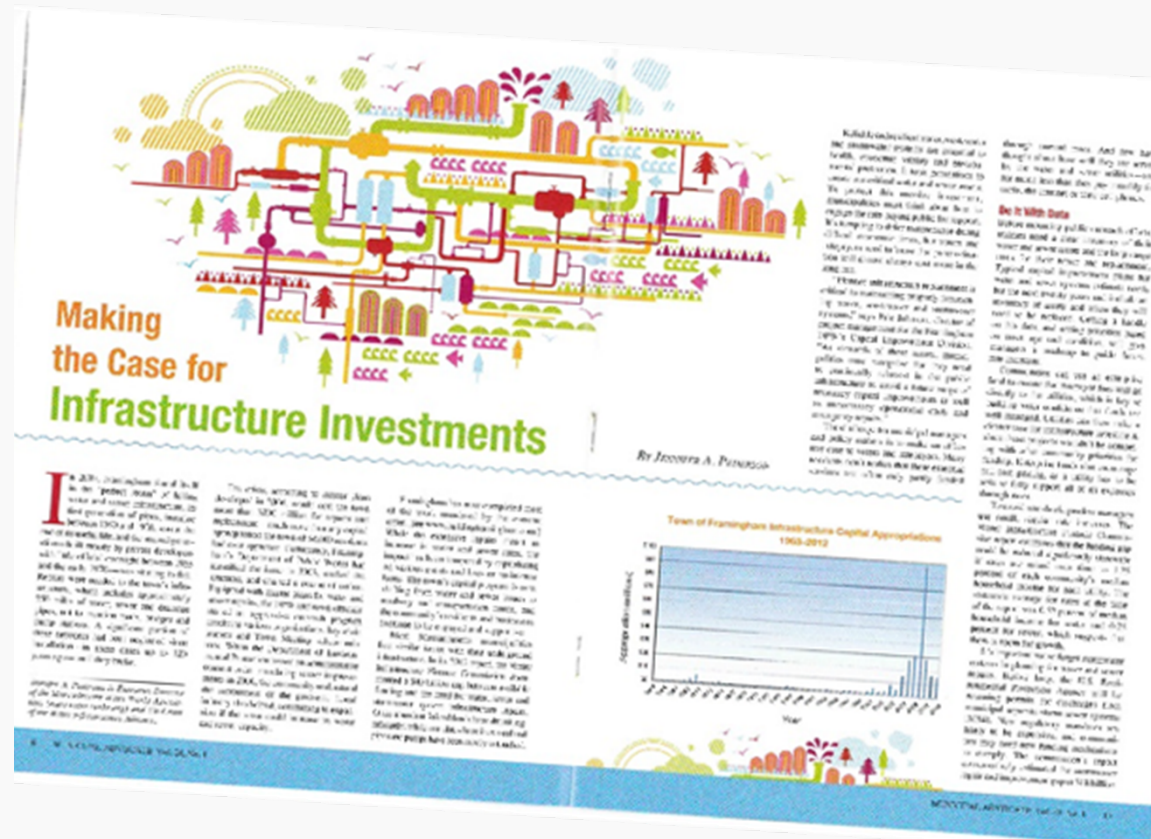
- 💧 Alliance put together flyers and messaging around the Water Environment Federation's **WATER'S WORTH IT®** campaign

## Resources

- 💧 **Value of Water Coalition**
  - 💧 [www.thevalueofwater.org](http://www.thevalueofwater.org)
- 💧 **Only Tap Water Delivers™**
  - 💧 [www.awwa.org](http://www.awwa.org) (*Only Available to AWWA Utility Members*)
- 💧 **WATER'S WORTH IT®**
  - 💧 [www.waters-worth-it.org](http://www.waters-worth-it.org)
- 💧 **Liquid Assets**
  - 💧 <http://liquidassets.psu.edu>

## Public Outreach

- MA Municipal Association  
published a magazine devoted to  
water



# Town of Framingham-"Water is Life"

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<https://youtu.be/uBnIDIVaMco>



## Legislation

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- 💧 **Water Banking** – Promoted by MWWA, MMA and Watershed Groups-Would allow communities to impose a fee on new development and create a dedicated fund for offsets/mitigation (formerly H. 657)
- 💧 **Water Bond** – Filed by Rep. Carolyn Dykema-Would create a \$1 billion bond and funds would be disbursed to municipalities similar to Chapter 90 (formerly H. 656)

## Questions??

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💧 To get a copy of the WIFC report visit:

**[www.masswaterworks.org](http://www.masswaterworks.org)**