

The Town of Barnstable Office of Town Manager

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March 3, 2025

The Honorable Maura Healey, Governor State House Boston MA 02133

RE: 2025 Environmental Bond CWSRF Authorization

Dear Governor Healey:

I am writing on behalf of the Town of Barnstable to request that your proposed Environmental Bond includes \$500 million to be used by the Clean Water Trust Fund to expand its borrowing limitations to meet the increasing capital requests of eligible communities utilizing the State Revolving Fund (SRF). By expanding the capacity of the SRF to meet the demands for Clean Water State Revolving Fund projects you will allow the SRF to meet its current obligations and provide a viable funding mechanism to allow Barnstable to continue advancing its approved Comprehensive Wastewater Management Plan (CWMP).

On January 30,2024 the Town of Barnstable received notice from the Department of Environmental Protection of the release of the 2025 Draft Intended Use Plans (IUPs) for the Clean Water (CW) and the Drinking Water (DW) State Revolving Fund (SRF) programs. The draft IUP proposes to cap applicants to \$50 million annually and provides no carryover costs for new projects in subsequent years. The IUP states that projects that need additional financing should reapply for future IUPs. These proposed changes deviate from past practices and undermine financial planning performed at the local, regional and State levels to create financial assumptions that maximize use of the State Revolving Funds and in doing so securing Cape Cod & Island Wastewater Trust Fund principal subsidies that have been essential in allowing towns to advance wastewater projects. I cannot emphasize enough the importance of being listed in the IUP as eligible for funding as this is the mechanism to receive a 25% principal subsidy from the Cape Cod and Islands Wastewater Trust Fund.

Barnstable understands that the State Revolving Fund has received a significant increase in capital requests and to address the increases modifications will be required to ensure that the SRF remains a reliable source of project financing. For years the local, regional, and State entities have come together to strategize on how to maximize our collective financial ability to achieve successful implementation of each community's approved CWMP. Each Cape town proposing projects for the 2025 funding cycle did so assuming that the terms of financing would be what it has been in prior years because that is what we collectively discussed and agreed upon. Barnstable will submit a request on March 3, 2025, that the proposed changes to the 2025 draft IUP discussed above must be rescinded and that the terms and conditions of financing revert to those that have been discussed to date with the Clean Water Trust. The \$500 million requested above will assist the SRF in meeting the future demand for financing of these critical environmental infrastructure projects.

Barnstable stands ready to work with you and the Legislature on this priority effort. I want to thank you for having Undersecretary Cooper and staff meet with Cape Cod leaders on February 28, 2025. We had a productive discussion and renewed hope that we will solve this challenge together. I am available at your convenience to further discuss this matter.

Respectfully,

Mark S. Ells Barnstable Town Manager

cc: The Honorable Kim Driscoll, Lieutenant Governor Bonnie Heiple, Commissioner, MassDEP The Honorable Julian Cyr, State Senator The Honorable Kip Diggs, State Representative The Honorable Steven Xiarhos, State Representative Barnstable County Board of Regional Commissioners Barnstable County Assembly of Delegates Barnstable Town Council President Craig Tamash