

O'Leary seeks relief for Cape

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BARNSTABLE — It could take \$2 billion to \$3 billion to address the degradation of the Cape's ponds, rivers and bays from nitrogen and phosphates, largely coming from septic system effluent.

Last week, Cape clean water advocates and county and town officials testified before a joint Statehouse committee on natural resources on behalf of state Sen. Robert O'Leary's legislation to provide zero interest loans to communities dealing with nutrient enrichment problems.

If passed, O'Leary's plan could mean a big savings for many Cape towns.

"I think that this is the most critical piece of legislation for the future of Cape Cod," said Maggie Geist, executive director of the Association to Preserve Cape Cod. Geist testified last Tuesday.

"I think the future health of our environment and economy are very much at stake. We depend on our visitors, and the people who retire here, to support our economy. If we don't have clean water, we lose those people."

O'Leary's bill would earmark up to 30 percent of the available clean water revolving fund for towns that are dealing with nutrient pollution in freshwater and saltwater environments. "I'm very optimistic," O'Leary said Friday. O'Leary spoke with Natural Resources committee chairwoman Sen. Pamela Resor, D-Worcester, after the hearing and said she was favorably disposed.

Nitrogen in saltwater, mainly coming from septic systems, and phosphates in freshwater from lawn fertilizers, septic systems and other sources feed algal blooms the way fertilizers fuel plant growth in lawns and gardens. Explosive algal blooms block sunlight from reaching native plants in bays and ponds, and remove oxygen from the water through respiration and decomposition, killing plant and animal life.

Cape towns lead the way

O'Leary's bill fits into the state's effort to comply with a federal mandate. Since 2001, the state Department of Environmental Protection has overseen the Massachusetts Estuaries Project, which collected water quality data in coastal areas, analyzed it and produced a list of impaired water bodies impacted by nutrients. The data was also used to determine the maximum daily amounts of nutrients for each water body to tell communities how much they needed to cut nutrient loading.

Cape Wastewater Collaborative executive director Andrew Gottlieb said Cape towns are leading the way in the state and the nation in dealing with their coastal water quality issues.

Cape communities could be spending billions of dollars in the coming decades to address the problem because the federal government, under the Clean Water Act, requires states to improve water quality in all impaired water bodies to the point where they are swimmable, fishable and capable of sustaining

healthy marine life.

O'Leary and other legislators are concerned that towns could also face a court-ordered cleanup if they do not act soon and environmentalists sue to force them to comply with federal law. A key factor is money, in part because the federal government backed away from funding wastewater infrastructure more than 20 years ago.

Until 1988, the federal and state governments funded 90 percent of the cost of building wastewater treatment facilities and sewer systems. When that program ended, the federal government instead put money into a state trust fund to subsidize a low interest loan program for drinking water and wastewater projects known as the Clean Water State Revolving Fund.

At one point, the state fund offered zero interest loans to municipalities, but now has only 2 percent loans. In comparison, other municipal construction projects have 4 to 5 percent interest rates.

O'Leary, D-Barnstable, said he wanted to be able to give communities a financial incentive to start addressing nutrient issues within the next decade.

"Huge benefit"

The state revolving fund is already a competitive process, but towns wanting the zero interest loans would have to meet additional criteria.

The loans would only be available over a 10-year time span, possibly starting in 2009. The loans are designed to reward towns that are either working on the problem now, or will be soon.

O'Leary filed his bill in July, and members of the Cape delegation have signed on as supporters.

Gottlieb estimated the state would spend an additional \$240 million subsidizing the zero interest rate over the life of the loans, but would get well over \$1 billion in wastewater infrastructure over that time.

"It's a big deal. We have over \$100 million in our capital plan for wastewater expansion right now," said Barnstable Department of Public Works director Mark Ells.

Barnstable Finance Division director Mark Milne estimated a zero interest rate on a \$100 million loan would save the town's municipal wastewater ratepayers \$21 million in interest compared to a 20-year loan at 2 percent.

"I think it's good news, although a billion doesn't sound like a lot," said David Whitcomb, chairman of the Chatham selectmen.

Chatham is about to submit its comprehensive wastewater plan to DEP for review. Town officials anticipate spending more than \$300 million to sewer the remainder of the town and may expand the wastewater treatment plant within the next 12 to 18 months, Town Administrator William Hinchey said.

Hinchey said it's always easier to get taxpayer support if there is some state and federal assistance to

lighten the tax burden.

If it is passed through the natural resources committee, O'Leary's bill would still have to survive at least one more committee vote, votes in the House and Senate, then be signed by the governor. "It's an absolutely critical initiative for the Cape. It's the single largest environmental issue we can wrestle with," O'Leary said. "It speaks to the fact that the Cape is about our beaches and our water quality, and if we lose that we lose everything."

O'Leary hopes to use the fact that communities outside of the metropolitan Boston area have supported rate relief for years for water users saddled with higher water bills to pay for the Boston Harbor cleanup. He said it is time for some payback.

"We have been financing a significant portion of the solution to wastewater problems in other parts of the state for years, and we got none of that," he said. "It's our turn."

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How O'Leary's bill could help

- Communities must have comprehensive wastewater plans, approved by the state Department of Environmental Protection, that describe how they will achieve nitrogen and phosphate reduction goals to clean up their ponds, rivers and bays.
- Towns must have zoning laws that limit growth to what would have occurred under current septic regulations.
- They must be ready to apply within the 10-year window, from 2009 to 2019.
- If chosen, they receive zero interest loans subsidized by the state. Potential savings are significant, with an esti-

mated \$21 million in interest saved on a loan

of \$100 million financed at 2 percent over 20 years.