

**Cape Cod 208 Area Water Quality Planning
Mid Cape Sub Regional Group**

Meeting Three

May 15, 2014

1 PM – 5 PM

Cape Cod Commission

Barnstable, Massachusetts 02630

Meeting Summary Prepared by the Consensus Building Institute

I. ACTION ITEMS

Working Group

- Provide feedback on the Consensus Building Institute's draft meeting summary
- Submit ideas and feedback regarding the proposed Special Review Process

Consensus Building Institute

- Draft meeting summary
- Contact Working Group about next steps

Cape Cod Commission

- Send date and details of July Tabletop exercise to the Working Group

II. WELCOME AND REVIEW OF 208 PLANNING GOALS

Ms. Carri Hulet, Facilitator from the Consensus Building Institute, welcomed the group members to the third meeting of the Mid Cape Sub Regional Group and reviewed the meeting agenda and objectives. She requested group members provide suggested edits to the Meeting Two draft summary within one week. After a round of introductions, the group paused momentarily to recognize group member George Allaire, who passed on April 24, 2014. Members noted his contribution to the group and that his passing leaves an unfillable void in the group and on the Cape.

Mr. Paul Niedzwiecki, Cape Cod Commission Executive Director, reviewed the timeline of the 208 Process with the Working Group. The initial 208 draft is due June 1st. The Department of Environmental Protection (DEP) will review and a draft 208 Plan will be released to the public on August 1st, after which a 90-day public comment period will begin. After the public comment period, the Commission will have 60 days from November 1st to January 1st to review and respond to the comments and submit a revised plan to the DEP.

Mr. Niedzwiecki described the meeting topics. Similar to the first two meetings, this third meeting would cover three overarching topics: scenario planning; regulatory, legal, and institutional interactions; and implementation. For the scenario planning discussion, the group would review the subregional watershed scenarios. During the regulatory, legal, and institutional interactions discussion, the group would review possible models for collaboration and discuss how those mechanisms do or do not meet the needs of the Cape towns. Finally, the group learned about affordability, revenue, and financial models supporting the 208 Plan.

Meeting Three goals included:

- Define the process for convening towns within a watershed to reach agreement for a watershed approach to water quality.
- Illustrate and further develop the adaptive management / watershed permitting approach
- Understand the resources available to watersheds and municipalities, the impacts on homeowners, and affordability

III. SCENARIO PLANNING: Subregional Scenarios

Mr. Niedzwiecki used the 208 Scenario Viewer to present a map of the Cape's 57 watersheds and several scenarios, which used traditional and nontraditional approaches to manage nitrogen in the watersheds. Maps associated with each scenario illustrated the geographic extent of the scenario footprints (see presentation.)¹ The first scenario represented a maximum collection footprint of a traditional wastewater collection approach and assumed treatment within the watershed. This approach illustrates the size of a traditional system that would be required to meet the total maximum daily load (TMDL). The second scenario illustrated a centralized scenario, which had a smaller geographic extent than the first scenario because credit was given for fertilizer and stormwater management. For watersheds without Massachusetts Estuaries Project (MEP) reports, the Commission assumed nitrogen reduction levels of 25% and 50% and presented collection footprints for both the reduction levels. Mr. Niedzwiecki showed another map where Comprehensive Wastewater Management Plans (CWMPs) had been developed/implemented. The third scenario illustrated an array of nontraditional approaches that could be implemented in Three Bays Watershed to manage nitrogen. Mr. Niedzwiecki pointed out specific technologies that were selected by screening parcels and matching landscape characteristics with specific technologies. He stated that the 208 Viewer and the information contained within it represent the parameters of an adaptive management plan.

Mr. Niedzwiecki said a next step will be to convene stakeholders in July for a tabletop exercise where participants will apply these tools to a scenario to simulate the process of identifying a

¹<http://watersheds.capecodcommission.org/index.php/watersheds/mid-cape/regional-stakeholder-group-mid-cape>

problem in the watershed, developing approaches to multi-town collaboration, building an adaptive management plan, and reviewing financial implications of the selected approach.

Ms. Hulet introduced the Working Group to keypad polling, emphasizing that it would only be used to get a sense of the group's feelings, not to make decisions during the meeting. Several warm-up questions revealed that 56% of the respondents hailed from Barnstable, 17% from Yarmouth, and 17% from other, and 6% each from Dennis and Sandwich. Regarding age, 38% of the respondents were 41 to 50 years of age, 31% were 70 years old or older, 19% were 51 to 60 years old, and 13% were 31-40 years old.

IV. REGULATORY, LEGAL, AND INSTITUTIONAL INTERACTIONS: Structures for Permitting

Kristy Senatori, Deputy Director at the Cape Cod Commission, introduced the Regulatory, Legal, and Institutional (RLI) interactions segment of the agenda. She commented that the objectives of the RLI segment were to discuss the existing permitting process and the proposed joint review process, as well as apply the collaboration models discussed during meeting two to a watershed.

Ms. Senatori briefly reviewed the joint review process between the Massachusetts Environmental Protection Act (MEPA) and Cape Cod Commission, which a town would go through if they have a CWMP. She commented that it is lengthy process—sometimes taking years to complete—that requires an Environmental Notification Form (ENF), Draft Environmental Impact Statement (DEIS), several public hearings, a Final Environmental Impact Statement (FEIS), and a Development of Regional Impact (DRI) review process (see presentation for full process).² Ms. Senatori asked the group to indicate with the polling device what they thought are the most difficult challenges of the current process:

- Number of agencies reviewing the plan: 12% (11.76%)
- Cost: 6% (5.88%)
- The process is too long: 12% (11.76%)
- Not enough opportunity for public comment: 12% (11.76%)
- Doesn't always account for remediating nitrogen in a shared watershed: 6% (5.88%)
- All the above: 53% (52.94%)

Ms. Senatori then reviewed a new, streamlined six-step special review process based on the lessons learned from the Herring River Project and suggestions proposed by the Massachusetts Secretary of Energy and Environmental Affairs (EEA) in the certification of Falmouth's Comprehensive Wastewater Management Plan. Ms. Senatori suggested that 208 projects could possibly be reviewed through this proposed process or a similar one.

² <http://watersheds.capecodcommission.org/index.php/watersheds/mid-cape/regional-stakeholder-group-mid-cape>

Ms. Senatori outlined the six steps of the streamlined review process:

1. Consultation with the Commission to review 208 requirements and application of decision support tools for early planning
2. Formation of Watershed Associations, which the EEA Secretary would designate as Citizen Advisory Committees (CACs). The Secretary could appoint/approve 10 members to the association, including:
 - a. An elected member
 - b. An appointed member
 - c. Water Quality Advisory Committee (WQAC) member
 - d. Joint Base Cape Cod (JBCC) or National Seashore member
 - e. Cape Cod Commission representative
 - f. Business member
 - g. Real Estate member
 - h. Environmental member
 - i. Alternative technology member
 - j. The project proponent
3. Development of a watershed management plan for submission to MEPA and the Commission under the Special Review Procedure (SRP). These plans could cover nitrogen, phosphorus, contaminants of emerging concern (CECs), and other water quality issues addressed through Targeted Watershed Management Plans (TWMPs), CWMPs, and Nutrient Remediation Projects.
4. A public hearing process
5. The submission of a single Final Review Document in compliance with both MEPA and 208 requirements, considered the MEPA Final Environmental Impact Review (FEIR) and the Commission's Development Impact Review (DRI).
6. The issuance of a certificate of FEIR adequacy the Secretary and DRI approval from the Commission

Group members discussed step two, formation of watershed associations and CACs. Members noted that coordination between multiple CAC groups in a town would be challenging given they must compete for the same funds. Another member commented that if the CACs vote to allocate funds in a watershed that spans multiple town boundaries and the towns are not equally represented on the CAC, then the minority town will feel powerless, which could result in loss of political support for the process. A participant expressed concern that CACs formation would represent a duplication of effort that had already been undertaken in some towns and hesitancy to allow a state person to appoint local people. Instead, the member would rather the local public appoint local representatives to the CAC. Mr. Niedzwiecki said the ultimate question about the watershed associations and CACs is what they will do and what authority they will have to do it. He noted another possibility is that if a town has multiple watersheds, perhaps the CAC oversees all the watersheds instead of creating a different CAC for each watershed. A member suggested the CAC should have the ability to force towns to work together.

Group members discussed the public hearing process, step four. A participant suggested a clear process is required to inform the public of the issue and overcome the prevailing political divisiveness and knee jerk reaction some community members may have to any proposed solution. Another member suggested an external, neutral organization should develop guidelines for the public hearing process instead of allowing each watershed association to develop their own public hearing process. A participant suggested civic associations should also put the public hearings on their agendas. A member commented that perhaps a continual local watershed process should be adopted instead of an episodic process. He said that nitrogen reduction could be the first project, but the group would remain active and hone its ability to complete public hearings as it undertakes other water quality related projects. Mr. Niedzwiecki commented that an ongoing process is consistent with the Commission's thoughts on the development of a watershed association and especially because the association would need to review monitoring data for adaptive management. Another participant suggested that a guidance/check-list tracking document would be useful for the entire special process so that all possible considerations would be accounted for and all relevant stakeholders involved despite irregularities in the shape of the watersheds.

The group discussed how the process would work on a project-by-project basis. A member asked if after a CWMP is approved and a project becomes part of a CWMP, does that mean they would undergo the DRI process automatically or would some not go through the process. Ms. Senatori said a project, if it were encompassed within the CWMP--the definition of which might be different in this process--would be reviewed pursuant to the plan, thus allowing for an expedited process, an adaptive management plan, and the potential for implementation prior to other parts of the CWMP. A member stated concern that locally funded projects might go unaccounted for if they slip through the approval process. The member suggested adding a mechanism to track locally funded projects in step three. Another member suggested a site plan review process be completed between town organizations to begin building consensus on the approach even before starting this special process with the Commission.

The group briefly discussed honesty and transparency in the process. Some members suggested these characteristics were paramount for the process. Another member noted that even with truly transparent processes, some people will not pay attention until the shovel hits the dirt and the project is underway. A participant suggested modeling the City of Cambridge's public engagement and communications work they have undertaken to complete the MS4 stormwater project.

Group members made the following additional statements or questions. Responses from Ms. Senatori, Mr. Niedzwiecki, or other Commission staff are *italicized*.

- What are the specific projects the watershed associations would complete? *In addition to the TWMPs, CWMPs, the associations could complete Nutrient Remediation Projects such as inlet widening, salt marsh restoration, etc.*
- Who or what compels the initiation of the special review procedure? *There would probably be funds attached to the process to provide incentive for groups to start the*

process. Additionally, towns would probably select this process due to its expedited nature as compared to the old process.

- Will the State Department of Transportation take responsibility for their contribution to the problem caused by runoff from the roadways? *We have a meeting scheduled with MassDOT to discuss stormwater and nutrient issues on the outer Cape. The EPA is also soon to release MS4 guidance, which will require state agencies and municipalities to remove nitrogen from stormwater.*
- Where would state and federal agencies be involved in this process? *It would be a joint review process with the state agencies from the beginning. We hope the federal agencies will indicate in their review of the draft 208 plan where they see themselves engaging in the process, too.*

Ms. Senatori reviewed the requirements of the Clean Water Act (CWA). She noted that the 208 plan requires the State of Massachusetts to designate waste management agencies (WMAs). Existing groups that could meet the criteria to serve as a WMA include the 15 towns on the Cape, water districts, fire districts, recreation authorities, and groundwater protection districts (see slides for complete list.)

The group discussed the ability of a WMA to raise revenues. In response to a question about whether or not the entity would impose taxes or create other mechanisms to raise funds, Ms. Senatori said revenue generation depends on the type of collaborative model that is selected. Mr. Niedzwiecki said an entity must be able to issue bonds, which requires a revenue source to repay the bonds and that if a new type of organization is created and a new revenue source is created with it then it would probably qualify. A member said the important aspect of any new entity is whether or not funds can be raised without requiring approval through the 2.5% override process. A participant noted that raising revenues is the opportunity to give people choice by incentivizing or dissuading particular actions.

Mr. Niedzwiecki presented a bar graph showing how many watershed plans might be required in various towns. He noted that as many as 14 individual watershed management plans could be required in Sandwich since the town boundaries span 14 watersheds. He posited that one way to overcome this issue might be through *de minimis* involvement policies, and highlighted that situations like Sandwich's require a decision about whether or not one CAC would deal with all watersheds, or if there might be a CAC for each watershed, or if a hybrid approach could be used with a core group of town people dealing with town-wide watershed issues and subcommittees focused on each watershed.

Ms. Senatori reviewed the different collaborative models for carrying out the 208 process and led the group through a discussion of how each model could be applied to the Three Bays Watershed (see meeting slides for more information about the models).

Working Group members identified the following challenges and opportunities associated with each collaborative module. Responses from Ms. Senatori and Mr. Niedzwiecki are *italicized*.

Intermunicipal Agreement (IMA)

- Challenges included:
 - Enforcing payments since towns could stop paying if there is no failsafe mechanism.
 - Reaching agreement between IMA members on the allocated loads and build out scenarios will be challenging.
- Opportunities included
 - IMAs could fund the work by applying a tax to an item such as toilet paper or applying a surcharge to hotel stays.
 - Towns are familiar with IMAs, so they would be easily implemented.

Federal/Municipal Public-Public Partnerships

- Challenges included:
 - The complexity of working with the military and various branches of services on Joint Base Cape Cod (JBCC).
 - The public-private partnerships are limited in duration.
- Opportunities included:
 - Streamlined property leasing procedures.
 - Massachusetts Development (MassDevelopment) is heavily involved with the Waste Water Treatment Facility (WWTF)

Independent Water and Sewer Districts

- Challenges included:
 - It would require a vote at three town meetings.
 - The location of the sewerage authority—whether it is in a Board of Selectmen or another organized body—could potentially be an issue.
- Opportunities included:
 - Independent water and sewer districts are similar to IMAs, but limited by town lines.
 - The JBCC has its own water district and a sewer district could be created easily.

Water Pollution and Abatement District

- Challenges included:
 - Same challenges as an IMA with regard to assigning responsibilities.
 - The MassDEP would likely use this approach to impose water pollution abatement districts on the towns if the towns do not decide how to address the nitrogen issue.
 - Informal, volunteer agreements similar to water pollution and abatement districts may be palatable to communities on smaller scales.
- Opportunities included:
 - Revenue could be raised easily.

Independent Authority (not discussed)

Regional Health District

- Challenges included:
 - There may be resistance to empower Boards of Health in some communities.
- Opportunities included:
 - Use powers of local Boards of Health to address water quality issues.
 - Used to maintain lower operation costs

Several people commented on the importance of towns' exercising their capacity to determine how inter-municipal collaboration will occur. In particular, participants noted that public outreach should be completed to raise awareness that the MassDEP could impose water pollution abatement districts if the towns fail to act. Another participant suggested these models be presented to the public in two decision making process categories, options for deciding how to collaborate and options whereby the state mandates how to collaborate.

Ms. Senatori asked the participant to use the keypad polling devices to indicate which model would be most applicable to the Three Bays watershed. Each participant could choose only one model. Both intermunicipal agreements and watershed pollution abatement districts received 27% of the responses each, 20% of the respondents selected independent authority, 13% selected independent water and sewer districts, and 7% selected public-private partnerships and 7% selected regional health districts. A member suggested it would be useful to have a sheet comparing all the different arrangements to help make this type of decision.

Respondents next discussed why they selected a particular model. One participant selected the IMA because two of the towns contribute small amounts of nitrogen to the watershed while Barnstable contributes much more. Another member selected regional health district because he thought a regional approach would be stronger than a local approach. A member selected water pollution abatement district because he thought a town wide entity would best be able to unify the town and address all the watersheds. One participant suggested working within already established bodies such as these, if one exists in the watershed, to get nitrogen management on their agenda instead of creating a new entity.

Mr. Senatori introduced the working group to potential criteria that could be used to allocate nitrogen responsibility across towns. The potential criteria included water usage, a method to evaluate attenuation, year round population and seasonal population, and growth management. In watersheds that do not have MEP data, the criteria could be used to frame the discussion about each towns' contribution of nitrogen to the watershed. In response to a member question about how an adaptive management would factor into these criteria, Mr. Niedzwiecki said to the extent a technology is removing nitrogen from an area, a capture area would be established for a project and then nitrogen removal accredited to the town where the land is located.

The group used keypad polling to respond to the question: “To what extent should the following criteria be considered as a component of a nitrogen allocation formula.” The criteria and percent responses from the respondents were:

Water Usage

- Quite a lot: 31%
- A lot: 19%
- Some: 31%
- A little: 13%
- Not at all: 6%

A methodology that evaluates attenuation

- Quite a lot: 47%
- A lot: 27%
- Some: 0%
- A little: 20%
- Not at all: 7%

Year Round Population

- Quite a lot: 38%
- A lot: 13%
- Some: 13%
- A little: 19%
- Not at all: 19%

Seasonal Population

- Quite a lot: 44%
- A lot: 19%
- Some: 19%
- A little: 13%
- Not at all: 6%

Growth Management Plans

- Quite a lot: 50%
- A lot: 22%
- Some: 6%
- A little: 11%
- Not at all: 11%

Group discussion of specific criteria is summarized below:

Water Usage – A member suggested that water sewage usage should be the criteria instead of water usage. Mr. Niedzwiecki said the challenge is how few sewage meters we have available; water usage can be measured more accurately than sewage usage. A representative of The Nature Conservancy said when they surveyed people and asked how much they would pay for water if it would result in clean water and reduced nitrogen, respondents said approximately 22 dollars per month, which is more than what people pay now.

Year round and seasonal population – A member noted that these criteria provide an opportunity to cross check water usage between winter and summer months and then determine how much water is being used and when. Mr. Niedzwiecki said population is useful as part of the algorithm to check water usage because if traditional approaches are used to remediate the nitrogen issue, then the systems must be built for peak flow conditions, which might only occur during four weeks of a year. In response to a member question about whether it is possible to correlate nitrogen loading with seasonal and year round population, Mr. Niedzwiecki said it is difficult to do due to time of travel and it is inexact, although it isn't impossible. A member commented that these criteria may be more or less useful in any given town depending on the seasonal variation of the inhabitants. Another member suggested the seasonal vs year-round decision is one that should be decided early in the process because not addressing it could create complications later on.

Growth Management Plans – A member commented that development must be considered both to address today's nitrogen situation and the nitrogen situation we may have in 20 years. The life of the nitrogen management installations and the future growth must be considered.

V. IMPLEMENTATION: Financing and Affordability

Mr. Niedzwiecki introduced the working group to the three modules (affordability, revenue, and finance) that comprise the 208 plan finance model.

Affordability Module

The purpose of the affordability module is to establish existing wastewater liability by watershed and by town and the resulting household burden to achieve TMDLs. The module can identify traditional EPA affordability criteria, establish town financial capability to finance wastewater costs, and identify wastewater payments by other communities as a benchmark. The EPA suggests 2% of median household income as the cutoff for affordability of wastewater, though the Commission believes this may not be affordable for Cape Cod. Mr. Niedzwiecki emphasized that many people on the Cape think they spend nothing on wastewater, but the actual yearly cost of septic system maintenance and construction per Cape household is around \$750. He suggested that educating citizens that \$750 is the current affordability baseline—as

opposed to the perceived zero dollar baseline—could help to shift perspectives on the affordability of wastewater programs.

Mr. Niedzwiecki polled the group on “How much would you be willing to pay per year to improve water quality?” The results showed:

- \$100 to \$500: 21% of respondents
- Between \$500 to \$1,000: 7% of respondents
- Between \$1,000 and \$1,500: 29% of respondents
- More than \$1,500 but less than \$2,000: 7% of respondents
- Not willing at all: 14% of respondents
- Don’t know: 21% of respondents

For comparison, Mr. Niedzwiecki showed the results for the Cape residents as a whole:

- \$100 to \$500: 40.6%
- Between \$500 to \$1,000: 10.6%
- Between \$1,000 and \$1,500: 1.7%
- More than \$1,500 but less than \$2,000: 2.2%
- Not willing at all: 31.4%
- Don’t know: 13.5%

Members provided the following feedback and questions about the affordability module.

Responses from Mr. Niedzwiecki or other Commission staff are *italicized*.

- Is the willing to pay data based on year round Cape residents? *Registered voters were surveyed so we could hit the 260,000 year-round population base.*
- Did the question notify them that the question was referring to drinking water or other water? *The preface of the survey outlined specific issues including nitrogen.*
- We aren’t talking about elimination of Title 5, so we are actually talking about marginal cost on top of \$750. Conveying this message to the public early will be important. *If talking about user fees, the model is divisible this way. The user fee could use the \$750 as a base but it would require removing title five systems and replacing them with something else. On the other extreme, if the goal is to spread cost across everyone and allow some people to remain on Title 5 systems, then we’d have to talk about the additional cost on top of \$750. If a system fails and upgrade from Title 5 is required, then the cost would be \$750 plus the approximate replacement and upgrade cost of \$13,000 to \$15,000. Eventually, Title 5 systems will require upgrading, so if Title 5 is the problem, then maybe a septic insurance trust fund could be created.*

Revenue Module

The revenue module is designed to provide macro level revenue sources to finance Cape wide wastewater solutions and revenue sources to finance a watershed, a combination of watersheds, and town wastewater solutions. Initially, the Commission aims to fund 25% of the

costs with federal grants, 25% with multiple state revenue sources, and 50% locally with 0-2% SRF financing and the possibility of principal forgiveness up to 25%.

Mr. Niedzwiecki walked the group through several possible revenue sources for funding nitrogen mitigation programs and collected polling feedback. The results for the percentage of the Cape as a whole who thought a source was a good or great way to fund wastewater projects was also shown when available.

- A 5 cents/gallon motor fuels tax
 - A great way: 13%
 - A good way: 31%
 - Not a very good way: 31%
 - A terrible way: 25%
 - I don't know: 0%
 - Cape wide: 13.7% of Cape wide respondents thought that the fuel tax was good or great way to fund wastewater projects
- Earmarking a portion of expected gaming proceeds
 - A great way: 43%
 - A good way: 21%
 - Not a very good way: 29%
 - A terrible way: 7%
 - I don't know: 0%
 - Cape wide: 71.1% of Cape wide respondents thought earmarking gaming proceeds was a good or great way to fund wastewater projects.
- Earmarking a portion of internet sales
 - A great way: 40%
 - A good way: 30%
 - Not a very good way: 0%
 - A terrible way: 30%
 - I don't know: 0%
 - Cape wide: 32% of Cape wide respondents thought earmarking a portion of internet sales was a good or great way to fund wastewater projects.
- Rededicating local option meal and room occupancy tax
 - A great way: 57%
 - A good way: 14%
 - Not a very good way: 29%
 - A terrible way: 0%
 - I don't know: 0%
 - Cape wide: 42% of Cape wide respondents thought rededicating local option meal and room occupancy tax would be a good or great way to pay for wastewater projects.
- Septic system installation tax (\$200), pump-out tax (\$20)

- A great way: 69%
- A good way: 15%
- Not a very good way: 8%
- A terrible way: 8%
- I don't know: 0%
- Embarkation excise tax for ferry service
 - A great way: 53%
 - A good way: 7%
 - Not a very good way: 27%
 - A terrible way: 13%
 - I don't know: 0%
- Embarkation excise tax for flights
 - A great way: 69%
 - A good way: 8%
 - Not a very good way: 15%
 - A terrible way: 8%
 - I don't know: 0%
- MA Excise Tax: Millage on water consumption of 1-3mills/gallon
 - A great way: 85%
 - A good way: 8%
 - Not a very good way: 8%
 - A terrible way: 0%
 - I don't know: 0%

Mr. Niedzwiecki noted that some of the revenue sources, such as gaming proceeds and the Internet tax, were politically unviable in the foreseeable future, but the Commission is trying to explore every possible source of revenue and would appreciate feedback from the working group. Mr. Niedzwiecki also reviewed other possible funding sources. The Environmental Bond Bill is under consideration of which \$25 million was requested as an earmark to fund non traditional wastewater technologies. The challenge with the bond bill is that the governor must authorize allocation of the funds. Another possible funding source is the Southeast New England Coastal Watershed Restoration Program (SNECWRP), sponsored by the EPA, which will provide \$2 million in federal funds in 2014 with \$500,000 earmarked for nitrogen remediation on the Cape. Next year's SNECWRP budget should expand to \$5 million. This is the first allocation of federal funds for dealing with nitrogen on the Cape and mirrors funds that go to other areas like the Chesapeake Bay. Finally, the Water Infrastructure Bill in the state house could be approved this year. If it is approved, it may allow for principal forgiveness on loans. Information about the progress of this bill will be made available on the Commission's website.

A member asked how a financing plan can be built given the uncertainty of earmarking and the potential that the funds could disappear. Mr. Niedzwiecki said the financial model will allow the user to come up with a range of potential financing options to accommodate for uncertainty. He also said that once the earmarks are passed, applications are submitted to receive a portion

of the funds. Bonding the funds is another way to ensure the money is there for the duration of the program.

Finance Module

Mr. Niedzwiecki presented the finance module. The module identifies costs to a town, watershed, or region by engineering solution and compiles a financial plan that can be adapted to meet EPA affordability criteria, accounting for existing and new wastewater and capital replacement costs.

Mr. Niedzwiecki and Jennifer Clinton, special projects coordinator at the Cape Cod Commission, presented the user interface of the financial module. He reminded the group that the allocation of nitrogen is the allocation of responsibility to solve the problem, which is ultimately attached to financial responsibility. In the module, users set quantified levels of technologies to determine construction, monitoring, and upkeep costs. After establishing the costs, the user then determines how to allocate the costs via user fees, watershed fees, or on a town basis. Credit can be input to account for off-Cape contributions from state and federal sources. Mr. Niedzwiecki also commented that the county might be the best entity to conduct monitoring to maximize economies of scale and reduce over all costs. The user can also look at the affordability of the plan using an index with a bar set at 2% of median household income or set to a customizable affordability level. Working Group members will have the chance to use the model and scenario planning during the tabletop exercise in July.

Group members had the following comments and questions about the financial model and related issues. Responses from Mr. Niedzwiecki or other Commission staff are *italicized*.

- Are these real numbers that you showed? *The scenario is based on the Three Bays scenario presented during meeting one; but these are not exact figures yet.*
- The WatershedMVP is an extremely powerful tool to identify the potential output from each parcel. But here you're analyzing output by household, so you're not looking at future buildout. *That is correct; but as part of the tabletop activity you'll have access to the MVP.*
- Who would pay for county monitoring? *All of the towns pay the county for assessments. The county could structure the monitoring program so they do not increase the assessment costs.*

VI. PUBLIC COMMENTS

No comments³

³ Although no comments were shared at the meeting, Jan Hively, an observer and a former member of the Lewis Bay to Bass River watershed group, commented on the meeting by email a few days later. Her comments are included below in Appendix Two.

Ms. Hulet closed the meeting by outlining the next steps. The table top simulation will be completed in July. During that simulation, participants will be given a scenario and be asked to use the Triple Bottom Line, the WatershedMVP, the financial model, and other tools to simulate the decision making process towns will undertake. The dates and locations of the meeting were not yet determined.

She also noted that the draft 208 Plan documents are online and available to the group members. The plan includes an outline of the process to date, information on water quality and resources on the Cape, existing regulatory initiatives at the Federal, State, and county levels, information from the technical matrix, the parameters in which local scenarios could be generated, as well as other information. The plan does not promote an optimal plan.

Mr. Niedzwiecki thanked the members for their participation.

APPENDIX ONE: MEETING PARTICIPANTS

Name	Affiliation
Philip Boudreau	Barnstable Citizens Advisory Committee
Steve Brown	Red Lily Pond Project
Lindsey Counsell	Three Bays Preservation
Deb Dagwan	Barnstable Town Council
Steven Didsbury	Resident, Centerville
Brian Dudley	MA Department of Environmental Protection
Beth Ferranti	Marstons Mills Resident
MaryJo Feuerbach	US EPA
Ed Gardella	Sandwich
Conrad Geysler	Cotuit Solar
D.J. (Dave Johnston)	MassDEP
Jon Kachmar	The Nature Conservancy
Tom Klein	Cotuit
Spyro Mitrokostas	Dennis Chamber of Commerce
Ed Nash	Golf Course Superintendents Association
Jessica Rapp Grasseti	Barnstable Town Council
Dale Saad	Project Engineer, Town of Barnstable
Charles Spooner	Resident, Yarmouth
Staff	
Patty Daley	Cape Cod Commission

Tom Cambareri	Cape Cod Commission
Paul Niedzwiecki	Cape Cod Commission
Kristy Senatori	Cape Cod Commission
Erin Perry	Cape Cod Commission
Carri Hulet	Consensus Building Institute
Eric Roberts	Consensus Building Institute
Observers	
Jan Hively	Yarmouth
Tom Kirk	Craigville/RLPPAI
Dan Milz	University of Illinois at Chicago
Thomas Parece	AECOM

APPENDIX TWO: ADDITIONAL PUBLIC COMMENT

On May 18, Jan Hively sent the following comment by email:

Because I was an observer, I held back from commenting about the options for the Waste Management Agency(ies). Afterward, I regretted not speaking up in favor of the "independent authority" option. In a similar situation, with 41 watersheds in the 7-county Twin Cities (Minneapolis/St. Paul) MN metro area, we realized that too much time, energy, and money would be wasted if we didn't create a metro planning agency overseeing functional metro commissions for water quality, transit, airports, and parks/rec. In 1967, the State Legislature created the Metropolitan Council system that included the Metropolitan Water Pollution Control Commission and has worked very well over the years. I believe that the Cape Cod Commission should have planning oversight for a Cape Cod Water Quality Agency created by the Legislature. As reported from last week's economic summit, water quality is essential to every element of CC planning. Allowing 15 towns crossing 50+ watersheds to take it from here in wastewater management is hugely wasteful. It opens the door to politicizing, and unfairly uneven results. Just look at the proportion of Barnstable reps at the Friday meeting! My companion at the meeting was a visitor from St. Paul, Minnesota. I asked her for her opinions as an observer when we left the meeting. "I can't figure out why the smart guy who was the leader (Paul) doesn't involve the people from each watershed region and come up with a scenario that fits the values and assumptions for people to discuss, revise and approve. Why create so much process for a bunch of people who don't have the expertise to do the job?"