

1986 to 1990

A New Era

The MWRA Begins to Borrow for Court-Mandated Projects and the Advisory Board Fights to Cut Costs

The early years of the MWRA followed a consistent theme: state and federal court mandates and legal decisions went against the Authority costing ratepayers billions of dollars. By January 1986, Judge Mazzone found that the MWRA was liable for the acts of the MDC, meaning that the Authority not only had to comply with new mandates, but also address previous failings of the old agency. The cost of these mandates required that the Authority have the ability to borrow, which the MDC had not been able to do. The costs associated with this borrowing have become the main driver of rate assessment increases ever since with \$7.9 billion in capital spending being borrowed from 1986 through 2014.

In addition to fighting back against the more stringent mandates handed down, the Advisory Board also helped craft MWRA policy to allow for compliance with existing mandates. In 1987, the Advisory Board developed a rate assessment policy to encourage water conservation and recommended that the MWRA begin metering wastewater. Because of these policies, by 1989 water demand had dropped and the safe yield of Quabbin and Wachusett reservoirs was achieved for the first time in 20 years.

During this period the Advisory Board also took aim at the state for forcing control of the Clinton Wastewater Treatment Plant on the Authority, for which the MWRA assumed operational responsibility in 1987. The cost of operating the facility was the main concern of the Advisory Board, which fought to ensure the state or the Town of Clinton pay for its fair share (*see 1991-1995 for more information on Clinton*).

This initial period set the tone regarding the role that the Advisory Board has had to play in keeping MWRA costs under control for the sake of the ratepayer. In 1990 the Advisory Board forced the Authority to lower its proposed combined rate assessment increases down from 46% to 20%. Controlling rate assessment increases has always been one of the driving forces for Advisory Board members because they represent their communities and ratepayers.

