

**MWRA ADVISORY BOARD MEETING  
OCTOBER 19, 2000  
WILMINGTON TOWN HALL  
121 GLEN ROAD, WILMINGTON, MA**

**MINUTES APPROVED AT THE NOVEMBER 16, 2000 MEETING**

Thirteen members were present: E. A. Maguire, ASHLAND; Ed Sullivan, CANTON; J. R. Greene, GUBERNATORIAL APPOINTEE; Bruce Kenerson, LYNNFIELD; Ed Bates, MAPC; Laird Walsh, MEDFORD; Peter Hersey, MELROSE; Ted McIntire, READING; Rod Granese, REVERE; Stephen Casazza, WAKEFIELD; Jean Thurston, WESTON; Brad Hayes, WEYMOUTH; Rob Antico, WILMINGTON.

Also present: Andrew Pappastergion, MWRA BOARD OF DIRECTORS; Gary Peters, WEYMOUTH; Paul Eckler and Stephen Estes Smargiassi, MWRA STAFF; Joe Favaloro, Cornelia Potter, Ryan Ferrara, Nathalie Grady and Mary Ann McClellan, MWRA ADVISORY BOARD STAFF.

**A. WELCOME**

The meeting was called to order at 7:34 p.m. by Acting Chairman Ed Sullivan who welcomed everyone to Wilmington.

**B. REPORT OF THE EXECUTIVE DIRECTOR**

Joe Favaloro reminded members that the November 16<sup>th</sup> daytime meeting at the State House in Boston marks the 150<sup>th</sup> Advisory Board meeting. Judge A. David Mazzone and Lt. Governor Jane Swift are expected to be present.

Mr. Favaloro reported that the 2000 Water and Sewer Retail Rate Survey is anticipated for distribution by late November or early December. Previous legislation that helped low-income families based on community water and sewer rates was changed to reflect the individual person's eligibility, therefore, the state no longer needs to determine water and sewer rates for other Massachusetts cities and towns. Consequently, the extended 300 communities will not be part of the Survey this year.

On November 14<sup>th</sup>, in Newton City Hall, the Operations Committee agenda will include a discussion on the I/I Grant Loan Program.

Mr. Favaloro noted that Wilmington has applied for an emergency water connection to the MWRA because of a potential risk to their wells from an ammonia plume from a chemical plant.

The MWRA Board of Directors awarded the Authority's Competitiveness Study to Black and Veatch on October 18<sup>th</sup>. The study will begin by November 1, 2000.

**C. PRESENTATION – MWRA TUNNEL PROJECTS, PAST AND PRESENT – Paul Eckler, Assistant Director, Capital Engineering and Construction**

Paul Eckler, Assistant Director of Capital Engineering and Construction, made a presentation that covered the history of MWRA tunnel projects, including the Effluent Outfall Tunnel, the MetroWest Tunnel, Hultman Aqueduct and the Braintree-Weymouth Project.

**D. COMMITTEE REPORTS**

**Operations Committee** - Andy DeSantis

❖ **UPDATE: LOCAL WATER INFRASTRUCTURE LOAN PROGRAM – Stephen Estes Smargiassi, Director of Waterworks Planning**

Stephen Estes Smargiassi, Director of Waterworks Planning, stated that the Local Water Infrastructure Loan Program was established as part of the Authority's integrated water supply program. The Advisory Board formed the Local Pipeline Task Force (LPTF) that developed the current program, which is a \$25 million a year, zero-interest loan program targeted to those portions of the overall MWRA community system with the most unlined pipe. The program has baseline conditions that each community must meet to be eligible for the loans.

In support of meeting the minimum requirements, the LPTF requested that the MWRA establish a program to procure contractors on a task order basis where communities can call the MWRA to request the contractor's service in achieving the baseline requirements. The MWRA will issue a task order to the contractor and front the money. The community will reimburse the MWRA as part of their assessment on the following year's water bill.

❖ **STATUS: FEDERAL APPEAL TO COURT DECISION ON WATER TREATMENT TECHNOLOGY – Stephen Estes Smargiassi, Director of Waterworks Planning**

Mr. Estes Smargiassi stated that last winter, the Authority argued with EPA in Federal District Court over what the appropriate treatment is for the MWRA system. Judge Stearns ruled that the Authority's program of watershed protection, high quality source water, adding ozone to reduce disinfection byproduct and increase the ability to disinfect for *cryptosporidium*, distribution system improvements and the pipeline program in the community systems was the appropriate program.

The Department of Justice (DOJ), representing EPA, intends to appeal the decision and must submit their papers by November 13<sup>th</sup>. The MWRA must submit a rebuttal by December 13<sup>th</sup>. Oral arguments are anticipated to begin in March.

**Finance Committee** - Phil Farrington/Katherine Dunphy

❖ **STATUS: CIP AND CEB**

Cornelia Potter stated that the MWRA estimates that their FY01 Current Expense Budget (CEB) will be sent to the printer at the end of this week for distribution early next month. Authority staff is already in the process of preparing a preliminary FY02 Current Expense Budget, which is expected in several months.

Authority staff are in the process of drafting the FY02-04 Capital Improvement Program (CIP). The Authority expects to have a draft of the overall spending plan in about one month.

For this fiscal year, the Authority's capital budget variance is nearly 30% for the first quarter. Contributing to this below budgeted spending pattern are delays with the Braintree-Weymouth Project, which account for \$11.5 million of the \$34 million under-budget spending. On the Waterworks side, lower than budgeted spending related to delays on two contracts for the MetroWest Tunnel and incentives from the Owner Controlled Insurance Program.

Spending for the first quarter of the CEB is more than \$3 million below budgeted amounts. Contributing to the under spending is slower than planned maintenance and an increase in job vacancies.

Mr. Favaloro noted that the Authority received a rating upgrade from Moody's and Standard & Poor's in anticipation of their most recent bond issue, which was placed October 12<sup>th</sup> for \$150 million.

**Executive Committee** - Joe Foti

❖ **LEGISLATIVE STRATEGY FOR FY01**

Mr. Favaloro stated that staff is developing ideas and consensus around legislation for a discussion and vote at the November Advisory Board meeting. Legislation must be filed by the second week in December for the session beginning in January.

A principal concept behind much of the legislation is finding additional funding for the MWRA. Advisory Board initiatives will include:

- The expansion of debt service assistance to include water treatment related components.
- The increase of eligible percentage of debt service assistance from 20% to 25%.
- Proposed state funding of the I/I Assistance Program.
- Support for the Local Pipeline Improvement Program.
- Support of Massachusetts Clean Water Council initiative to return SRF to 0% interest from 2%.
- Propose the incorporation of the MDC Watershed Division into the MWRA.
- The return to a 50/50 split between MWRA and the Commonwealth for the MDC Division of Watershed Management budget.
- Propose that the Commonwealth assume the debt service for land acquisition costs and pilot payment costs.
- Propose further review of MDC budget by the MWRA Advisory Board.
- Propose exemption of MWRA from "fringe benefit rate" assessment.
- Propose privatization of MDC Watershed Division.
- Propose maximum MWRA liability amount of \$100,000.
- Propose that the Commonwealth fund 100% of local share of Clinton Wastewater Treatment Plant costs.
- Propose privatization of the Clinton Wastewater Treatment Plant.

- Language authorizing MWRA to enter into Lease/Leaseback financial transactions per the Federal Income Tax Regulations.
- Language to allow the Authority to contract for advertising at MWRA facilities' properties.

**F. QUESTIONS AND COMMENTS**

**G. ADJOURNMENT**

**A MOTION WAS MADE TO ADJOURN THE MEETING AT 9:00 P.M.** It was seconded and passed by unanimous vote.

Respectfully submitted,

Edward Sullivan, Secretary