



Advisory Board Meeting

Thursday, September 19, 2013
11:30 AM

Wellesley Free Library
530 Washington Street
Wellesley, MA

Attendees (Voting Members)

David Manugian	Ashland	Bill Hadley	Lexington	Mike Coffey	Quincy
Roy Sorenson	Bedford	Amy McHugh	Marblehead	Jeff Zager	Reading
Peter Castanino	Belmont	Katherine Dunphy	Milton	Nick Rystrom	Revere
John Sullivan	Boston	Thom Donahue	Nahant	John DeAmicis	Stoneham
Jay Hersey	Brookline	Craig Leiner	Natick	Patrick Fasanello	Walpole
John Sanchez	Burlington	John Cosgrove	Needham	Walter Woods	Wellesley
Tim MacDonald	Cambridge	Lou Taverna	Newton	Zig Peret	Wilbraham
J.R. Greene	Gub. Appointee	Bernie Cooper	Norwood	Joe Lobao	Wilmington
Barbara Wyatt	Gub. Appointee				

Other Attendees

John Carroll	MWRA Board	Rob May	Collins Center	Sue Costa	WSCAC
Andrew Pappastergion	MWRA Board	Nancy Bryant	SuAsCo	Michael Hornbrook	MWRA
Wayne Chouinard	Arlington	Phil Jasset	UCANE	Rachel Madden	MWRA
Michael Bishop	Belmont	Andreae Downs	WAC	Kathy Soni	MWRA
Sam Corda	Cambridge	Stephen Greene	WAC	Dave Whelan	MWRA
Fabiola DeCarvalho	Framingham	Mary Adelstein	WAC	Tom Durkin	MWRA
George Burnell	Lexington	Craig Allen	WAC	Kevin McCluskey	MWRA
Tabor Keally	Milton	Karen Lachmayer	WAC	Wendy Leo	MWRA
Joe Welch	Norwood	Lexi Dewey	WSCAC	Joe Favaloro	AB Staff
Scott Gustafson	Walpole	Jerry Eves	WSCAC	Matthew Romero	AB Staff
Bill Shaughnessy	Wellesley	Dona Motts	WSCAC	Cornelia Potter	AB Staff
Monica Lamboy	Collins Center	Paul Lauenstein	WSCAC	Mary Ann McClellan	AB Staff
Shelley Ayervais	Collins Center				

MINUTES APPROVED AT THE NOVEMBER 21, 2013 MEETING.

Sixty-two people were in attendance, including twenty-five voting members:

A. APPROVAL OF THE MAY 16, 2013 AND JUNE 20, 2013 MINUTES OF THE ADVISORY BOARD

Chairman Katherine Haynes Dunphy called the MWRA Advisory Board meeting to order at 11:43 a.m. A motion was made **TO APPROVE THE MAY 16, 2013 and JUNE 20, 2013 MINUTES OF THE ADVISORY BOARD.** It was seconded and passed by unanimous vote.

B. PRESENTATIONS:

- **WATER AND WASTEWATER INFRASTRUCTURE INVESTMENT AND ITS IMPACT ON LOCAL, REGIONAL AND COMMONWEALTH ECONOMIC DEVELOPMENT** – Edward J. Collins Center for Public Management at the UMass Boston

MWRA Advisory Board Executive Director Joseph Favaloro stated that over the past five months or so one of the major endeavors of the Advisory Board has been the development of a study that links water and wastewater investment to economic growth. The Advisory Board was pleased to bring on the Collins Center of UMass to do the investigative work to come up with the report. The report is still being tweaked, but staff felt it would be good to bring the Collins Center here to discuss their findings.

Monica Lamboy of the Edward J. Collins Center for Public Management at UMass Boston stated that the Center was created by the Office of Administration and Finance to offer technical assistance to government agencies in Massachusetts and throughout New England. They focus on organizational studies, research issues, job classifications, executive recruitment and reports such as this.

The audience for this report includes policy makers at the local and state level and community members who may not understand some of the challenges that communities grapple with on a day-to-day basis. One of our

successes as a country has been the water and wastewater infrastructure; the down side of that is that the general public thinks it is easy – they turn on a spigot and the water is there. They don't necessarily know the back story of the many things that had to be done to get to where we are and the challenges that communities face in keeping the systems intact.

The Collins Center did quite a bit of research looking at academic studies to see if people have looked at this issue elsewhere in the country and what they found. Some Massachusetts case studies were created to emphasize what is going on locally in addition to writing about the potable water and the wastewater systems in the state.

The purpose of the project was to define the relationship between investing in water and sewer infrastructure and economic growth. There are limited public resources and policy makers want to deploy those resources in a way that is beneficial for the general public. Water and wastewater infrastructure are absolutely instrumental to public health.

What do these infrastructures mean to the business community or corporations that are trying to make decisions on their location? The Collins Center's methodology used a lot of great work that had been done long before in terms of academic papers, the in-depth analysis done by the Water Infrastructure Finance Commission, work that the Executive Office of Environment and Energy has done, and input from numerous communities. Another important resource was the Metropolitan Area Planning Council's (MAPC's) metro-future study, which has projections for employment and population growth; in this case in the Boston-metro area. The report was broken down into four pieces: academic, research, case studies and infrastructure.

Much of the state was included in this research; however, it does not include the Cape, Islands or the Berkshires for water. For wastewater analysis, the center focused in on the MAPC boundaries and in terms of projections forward it also used the metro-Boston boundaries.

There has been quite a bit of research for academic studies beginning in the 1980s in the area of infrastructure and the economy and employment growth. Studies done by the University of Michigan, the University of Oklahoma, the Federal Reserve Bank of Boston, the Department of Agriculture and many other studies have been summarized in the report.

There were three important findings. Number one, there is a positive correlation between investment in infrastructure and an increase in the gross domestic product; particularly, the studies point to the 1950s in the post-World War II era when there was a lot of investment in this country's infrastructure. The gross domestic product and work productivity went up. It is hard to show a causal relationship but there is absolutely a correlation.

They subsequently found that the opposite was true. In the 1970s and 1980s, when investment was declining, there was a reduction in gross domestic product and a reduction in private investment, so these are really important trends that are happening at the same time.

The studies also found that government investment in infrastructure has a great impact. Further, water and sewer infrastructure, particularly, can stimulate private investment, which then generates a return for the municipalities and state government when those businesses open and those buildings come up.

Water and wastewater investment has a greater return than an investment in transportation. Some of that may be due to the fact that the US has a pretty large transportation network in terms of roads and streets but they did find that water and wastewater investment had a greater return than transportation.

Five case studies in Massachusetts were created. These are important cases that provide information that can be applied elsewhere. The five locations looked at were the Boston Seaport, Taunton, Stoughton, Weymouth and Somerville.

The first two, Boston and Taunton, are examples where there was an investment in water and wastewater infrastructure – in the Boston Seaport District and in the Myles Standish Industrial Park – and it has shown benefit. Businesses have opened providing thousands of jobs, and, in the case of Boston, faster than anyone had expected.

Stoughton had a different situation where they overcame a water challenge and when they were able to get rid of the water moratorium that had been in place, they saw rapid commercial development.

Weymouth and Somerville are similar in that they still have challenges that they are trying to overcome and it can affect the pace at which the growth is going to happen or if it is at all.

A huge investment was made in the Boston Harbor Cleanup and it has resulted in hundreds of thousands, or even millions of dollars, of revenue back to the city and to the state. The harbor cleanup clearly was the foundation. Why would anyone want to go to the seaport in the state that it had been in before? That opened the door for other kinds of investments in transportation in the Silver Line and the Artery Tunnel, optimizing the space that was used by the Marine Terminal and the Convention Center. This was really quick development to the point where they are now having traffic issues.

To date, there are 10,000 employees that are either working at the seaport or will be moving there in the next two to three years. There are 1,000 housing units that are occupied and another 2,500 that are permitted or under construction. There has been \$2.2 billion in private investment and substantial tax revenue. It looks as though it will be heading toward 20,000 employees in the Seaport District, doubling what is there in the next two years. Boston has to be looking at transportation infrastructure because they are concerned.

Rob May of the Collins Center stated that another area that has seen some forward thinking is Taunton, with the Myles Standish Industrial Park. The City of Taunton used about \$1.5 million in state funding to bring water and sewer infrastructure to the site, which made them “pad ready,” which is a level beyond “shovel ready.” To date, they have seen about 7,400 new jobs growing in the area and about \$6 million in new tax revenues.

Taunton is just starting the final phase, which is about 220 acres that is going to be split between continued commercial/industrial space and about 500,000 square feet of bio-tech lab development. In total, they are expecting an additional \$1.8 million in new tax revenue from this project. To make that happen, they need about \$25 million to demolish the existing properties and about \$10 million in new infrastructure, which far exceeds the \$17.2 million they expect to receive from the sale of the lands. Taunton has been able to work with the Commonwealth and the US Economic Development Administration, attracting two grants. The Commonwealth’s grant is \$3.1 million from Mass Works and \$1.5 million from the Economic Development Administration and they will use “DIF,” District Improvement Financing to make up the shortfall so that they can bring new water and sewer lines to these sites and have them available and ready for developers to make them marketable.

In Stoughton, there was a 20-year moratorium on new connections to its water system. For a long period of time, there was no growth in this community. In 2000, DEP said that Stoughton needed to find a new source of water. Stoughton chose the MWRA and constructed a \$1.8 million water line that connects to the main MWRA system. As a result, there has been dramatic growth in Stoughton, such as Ikea and a two-story Target and other new commercial development. Stoughton is now looking at revitalizing an older industrial area on the south side of the city and will be looking at bringing in new sewer resources to make that area available for development.

The next two communities have long-range visions but are stymied by the limited resources they have and water/sewer infrastructure. First is Southfield, which is the redevelopment of the old Weymouth Naval Air Station; the current plan calls for a massive scale of development but they only have enough water to do Phase I of their project. There are about 500 housing units and about 150,000 square feet of commercial space. They are banking on the amount of water that the navy had used, which is about 150,000 gallons per day but the total build out is well over 1.8 million square feet, and 2,500 housing units, which would be about

1.4 million gallons of water per day. There is the potential of 2,500 jobs at this site and millions of dollars in tax revenue, but they have to get water to the site.

The opposite is true in Somerville. There is an incredible investment opportunity at a site that has potable water and sewer services from the MWRA; however, it has a storm-water issue. The Union Square/Boynton Yards community has approximately 20 acres of urban redevelopment with the "T" coming in. The city took a long time and worked with the community to increase the zoning for the area and created a new urban renewal district; so the city has really "teed up" this development but has a problem with storm-water.

It is difficult to talk to businesses and developers to try to get them to relocate to an area, which is near the new green line extension, because they don't have any interest in investing millions of dollars for a private office building or research and development facility when there will be severe flooding and the first floor will be completely wiped out. Somerville needs to find a way to move that storm-water to either store it on site or move it farther down the pipe, but it is a \$40 to \$50 million investment, which the community cannot afford nor can the private development sector.

How can we get the Commonwealth or other funding sources to step up and make these investments in water and wastewater utilities so that we can see the kind of job growth that other communities such as the Boston Seaport, Taunton and Stoughton areas have seen?

The property tax realized at the Boston Seaport District is currently at \$75 million, with Stoughton at \$4.5 million. MAPC is projecting 21,000 new residents and up to 26,000 new jobs within these five districts. Additionally, new tax revenues will go to the state generated from the new employment taxes.

Mr. Favaloro stated when staff started this endeavor it sent out a survey to communities and asked them to share with us any stories or incidents where water or wastewater investment helped grow their economy or in the converse if they had impacts because they weren't able to grow their economy. Mr. Favaloro wanted to share two others that were worthy of introduction to take this point home.

One was the former Sheraton Colonial in Lynnfield, which was a hotel and golf course that was ready to close. Lynnfield is not a wastewater community of the MWRA. There was no way to provide wastewater services to a much larger development. Working with the MWRA, the Town of Wakefield and the City of Melrose, the developer was able to make \$4 million of improvements to both the Melrose and Wakefield wastewater systems to be able to connect the development into the Wakefield system. Today there is over 400,000 square feet of new business, hundreds of thousands of square feet of new commercial and retail space and more than 250 housing units are being built there because of that short connection through Wakefield. That will produce in the vicinity of \$1.75 million in property tax and the same level of dollars in sales tax and all of the related components.

The second one occurred in Framingham. Genzyme had begun to build its headquarters and was looking to expand. The Framingham wastewater system was not able to accommodate that. Working cooperatively with Mass Life Sciences, Framingham received \$14 million to upgrade its wastewater system. With that investment, Genzyme was able to save the 2,500 jobs already in its existing structure and in a phased approach has been able to spur more than \$300 million in private investment in that area and created 1,500 jobs, which all stemmed from an investment in the wastewater system.

Ms. Lamboy noted that there is an estimated 21,000 miles of pipe in Massachusetts in need of repair today. The suggestion is to replace 1% of the water distribution system each year, which means in 100 years the system is refreshed. Currently, the 1% per year is not even being met. It would be a \$168 million investment per year to keep up with the 1% guideline. All told, there is a \$10.2 billion funding gap as identified by the WIFC.

Currently, there are two basins that have allowable withdrawal that is exceeding the safe yield; that is the Ipswich River Basin and the Ten-Mile River Basin. Thirteen communities today draw from the Ipswich River

Basin; this was set up in the 1800s by the legislature, which allowed multiple communities to draw from this area. Absent the state, there was a real potential for a tragedy of the commons to happen here where every community was drawing whatever water they needed and it could really have been devastating for the area. The Town of Reading has moved onto the MWRA water system from the Ipswich but even with that one community out, there is still a challenge today.

The Ten-Mile Basin serves Attleboro, Foxborough, Mansfield and Seekonk, communities which do have ambitions for growth.

The Collins Center looked at the new Sustainable Water Management Initiative (SWMI). It is not yet known how it will be implemented, and it seems that DEP has been thoughtful in its approach, but there is a potential issue over the horizon that is heading in our direction. A couple of communities have a limited safe yield. Lincoln, Southbridge and Winchester meet the threshold of having a safe yield but it is a small number. If they do grow, what does it mean? Others were identified as not having a safe yield. These are communities that may have their permitted water levels impacted in the future.

In total, there are nearly 46,000 jobs projected in communities that need to perhaps look at their water supply now because they have ambitions to have more users in the future.

MWRA has a lot of water and is in a category by itself. Some adjacent communities could relatively easily access this through infrastructure. Cambridge, in particular, already has an emergency connection to the MWRA.

Shelley Ayervais from the Collins Center said effective wastewater management is essential for public health, safety and the environment and, of course, economic development. It wasn't until 1972 that the Clean Water Act, with the primary and secondary treatments, became mandated and forced the advancement of wastewater. The Act required the MWRA to come into compliance at a cost of about \$3.8 billion with the construction or renovation of Deer Island, the outfall tunnel, and the inter-tunnel from Nut Island to Deer Island.

There are 43 wastewater communities served by Deer Island and Clinton and Lancaster are served by the Clinton Wastewater Treatment Plant. MWRA serves about two million people.

Wastewater infrastructure pipes are old. Some construction began in the late 1800s; there was another boon in the 1920s, then in the 1970s and 1980s. These pipes are not being repaired at the rate that is necessary. That can lead to cracks and loosened joints and can lead to overflows and increase inflow and infiltration (I/I), which is a big challenge. About 50% of what Deer Island processes is from I/I.

Another major infrastructure issue is the age of the treatment plants, many of which were built in the 1970s and 1980s; funds are no longer available. If things are left to operate when they are at half of their service life, that is when you can run into emergency issues that can become safety or health issues and can become expensive and inconvenient for communities to deal with.

The next challenge is regulatory changes that are driven by environmentalists. More advanced treatment is being sought just as secondary treatment became enforced; now phosphorus and nitrogen removal is going to be enforced though the levels are being lowered. Communities are seeing that when their permits are up for renewal, they have to deal with renovating their plants to comply with the new permit requirements, which is costly. Marlborough had to renovate two plants at a cost of \$80 million. Another challenge is inflow and infiltration as communities are being mandated to reduce I/I.

Another issue on the horizon is storm-water regulations, estimated at \$18 billion over the next 20 years just in Massachusetts. Communities are grappling with all of these new requirements and how to fund them. Municipalities have to be sensitive to what their communities can bear in terms of the rates.

In terms of wastewater capacity and future growth, the communities that are currently at risk of exceeding their capacity are Concord, Lynn, Marlborough and Rockland. Saugus, Nahant Northborough, Abington, Whitman, Medway, Franklin, Brockton, Swampscott, Bellingham, and Millis will be at risk if the projections come to fruition. Hamilton is just one community that is highlighted that does not have centralized wastewater. The lack of a wastewater system has been a huge stumbling block for growth in their downtown area. In summary, for wastewater there are significant challenges, from what seems to be a lack of funding.

Ms. Lamboy said there is a clear connection between investment in water and sewer infrastructure and local economic opportunity; as well as the opposite, the lack of investment and lack of maintenance and repair can impede economic growth. If we have an adequate system ready for growth, there is opportunity for billions of dollars of private investment, thousands of jobs, tax revenue to the state and municipalities. In the framework of the new regulatory changes, there is an opportunity to enhance our environment and to make great places even greater places to live and work. Rapidly aging infrastructure and diminishing funding resources and the changing regulatory environment are all intertwined and are a real challenge today.

In conclusion, resources are needed in these areas to keep the Massachusetts economy growing. Thoughtful allotment can unlock very real potential that in turn will realize revenues. There is a \$21 billion 20-year funding gap identified; \$11.2 billion in wastewater and \$10.8 billion in water infrastructure just to meet today's needs.

Andreae Downs asked if the full report is online. Ms. Lamboy said it will be; it is not available as yet. Mr. Favaloro said it was his hope to have it online in a week to ten days.

Tim MacDonald of Cambridge questioned the systems that might be constrained by SWMI on whether it applied to permits rather than registrations. Mr. Favaloro said he would send the information contained in the report for Cambridge to review.

An audience member noted that a better term might be "economic prosperity" rather than "economic growth." Western Massachusetts is left out. Ms. Lamboy stated in terms of growth, the study only looked at the Boston metro area because of resource constraints but the same methodology can be used.

Mr. Favaloro thanked the Collins Center staff for their significant work.

- **MWRA PRIORITIES FOR FY14** – Michael Hornbrook, MWRA Chief Operating Officer and Rachel Madden, MWRA Director of Administration and Finance

MWRA Chief Operating Officer Michael Hornbrook showed an award that the MWRA received issued by the New England Water Works Association for "Best Drinking Water in New England." The MWRA has been lucky enough to win it for a second time in the last four years. It is a result of hard work at the MWRA and also the hard work of local water superintendents and staff that operate and maintain many more miles of pipe and tanks than the MWRA does. He thanked members for their contributions.

Issues the Authority will be looking at for FY14 that can impact MWRA communities include, on the water side, Ultraviolet (UV) construction at the Carroll Water Treatment Plant (CWTP). Mr. Hornbrook noted that 100% of the water you are drinking is getting UV treatment, which is in reliability testing. In addition, the water has been treated with ozone. Testing will continue for the next two to three months and completion will be ahead of the February 14, 2014 contract completion date. The project will be well ahead of the regulatory compliance date in April 2014. UV treatment is under construction for the CVA communities and is on schedule as well.

One tank for the Spot Pond Project is now complete and the other is about 40% complete. Work is just starting on the pump station, which will give the MWRA back up for the Gillis Pump Station. The project is on schedule.

The MWRA has been waiting for the Centers for Disease Control (CDC) to come out with a new reduced fluoride dosage recommendation. The MWRA expects to save about \$300,000.

The MWRA has done three trainings for communities on the revised total coliform rule changes that will go into effect in the next twelve months. More training will be available in the spring as well.

On the wastewater side, the draft Clinton National Pollutant Discharge Elimination System permit was issued by EPA. Co-permittees were included in the Clinton permit and are expected to be included in the Deer Island permit as well. Local collection systems will be required to do submittals on plans for Operations and Maintenance and Inflow and Infiltration Reduction Plans, as well as Sanitary Sewer Overflow reporting. MWRA staff is currently reviewing the permit and will ask for an extension and provide comments in order to keep its right to appeal the permit.

Yesterday, at the Board of Directors meeting, discussion came up about importance of the I/I Program. Last year, MWRA distributed \$37 million through the I/I program. Funding has been depleted for some communities. The Board wants staff to come back with further recommendations on funding. MWRA staff will work with the Advisory Board's Operations Committee to discuss an increase to this program.

Mr. Hornbrook stated that garbage disposals and co-digestion have been coming up as frequent topics. The state is implementing a "one-ton per week" initiative that will greatly affect restaurants. The MWRA's sewer-use regulations allow for use of household garbage disposals.

In regard to co-digestion, the MWRA has received some proposals for a pilot plan. Staff has provided the Board with a detailed report on co-digestion and it was noted as a bullet point that the plan must be a "money maker" for the MWRA.

Director of Administration and Finance Rachel Madden stated that one of the biggest challenges for FY14 is not FY14, it is FY17. With current rate projections over the next ten years, staff is looking at an average combined rate increase of 3.4%, which sounds manageable. However, in FY17, the projected rate increase is 8.5%, which is \$60 million; staff needs to address that. Within that \$60 million increase, \$50+ million is coming from debt service. The strategy for FY14 is to try to come up with creative ways, hopefully through a defeasance strategy, to start addressing FY17. Defeasances have been part of the Authority's tool chest over the last several years.

The other year that is troublesome is 2020, which is showing a 7% increase. The Finance Department is constantly looking forward to try to develop strategies to address the problem years that are coming.

The MWRA has invested \$7.8 billion in water/sewer infrastructure and is projecting over the next ten years an additional \$1.8 billion, which is a heavy price tag. Going forward staff will work to balance spending on the capital side and to manage rate increases in the future.

With the Authority's workforce aging, staff is working on succession planning. MWRA is being more aggressive about posting critical positions sooner and getting some additional standard operating procedures developed, as well as long-range mentoring programs to make sure that the "brain trust" doesn't walk out the door all at once. The MWRA is a phenomenal organization and staff wants to ensure that the knowledge base and skill set is transitioned.

- **MWRA ADVISORY BOARD PRIORITIES FOR FY14** – Joseph Favaloro, MWRA Advisory Board Executive Director

Mr. Favaloro said FY14 will be a critical year for the Advisory Board on many fronts. On the Finance side, managing rates is always the priority for the Advisory Board. Advisory Board staff has also put a "bullseye" around FY17. On every front, be it economic development, system expansion or managing rates for all of the communities, the significant increase in FY17 needs to be tackled. Members should not expect a "chop" in the FY15 or FY16 recommendations from the Advisory Board, but rather a "tweak." One of the tools that can be used to bring the FY17 rate increase down is the released reserves, which could help to keep the rate increases between 3% and 4%.

The strategy behind the Economic Development Report is to get water and wastewater infrastructure back on the map. Staff wants the argument for economic development to be the foundation for an infrastructure package. The analysis will show that there is a real relationship between infrastructure improvements and growth in the local and regional economies. This will provide revenue for the state but, in turn, the state has to give something back by investing in water and wastewater projects.

Yesterday Advisory Board staff joined UCANE, MMA, the Water Alliance and others, to offer comments on the Environmental Bond Bill. These entities have joined together with one common goal and that is to have a long-term dedicated funding source for water and wastewater projects. That is the goal of some 30 organizations, including the MWRA and the Advisory Board, that have already signed off and are working collectively to meet that goal.

Next week, an infrastructure bill, co-sponsored by Rep. Dykema and Sen. Eldridge, for a dedicated funding source of \$200 million a year for water and wastewater, with a \$2 billion outlay, comes forward. Out of the Senate, President Murray will be offering a bill for water and wastewater investment as well. Staff's goal is to be active and involved to try to help mold whatever comes out to benefit the communities and the MWRA, including Debt Service Assistance and an economic stimulus piece, which are "code words" to get connection costs.

If the case can be made that if you spend \$1.5 million to get a connection line into a community and it generates millions of dollars on the other end, then it is a wise investment in the first place.

System expansion discussions are continuing. If the "bullseye" on FY17 can be removed, it will open up long-range opportunities for the system. Any community considering joining the waterworks system would be hesitant looking at the rate projections. If that increase line is flat or small, there would be a greater chance that communities would want to join. Talks are continuing with Tri-Town. Hudson is taking water now and staff will speak to them as well.

Over the last few months, staff and the Executive Committee have talked about how the Advisory Board can be a better advocate. Staff will be reaching out to communities to see if there are ways that Advisory Board staff can assist communities or if there are services that staff could provide.

- **WAC/WSCAC PRIORITIES AND ACCOMPLISHMENTS** – Andreae Downs, Executive Director, Wastewater Advisory Committee and Lexi Dewey, Executive Director, Water Supply Citizens Advisory Committee

Wastewater Advisory Committee (WAC) Executive Director Andreae Downs stated that WAC was created in 1990 to serve as an independent citizens' forum for discussion on wastewater issues. The ten-person volunteer board has representatives from the academic, environmental, planning, real estate, manufacturing, engineering and other communities that have an interest or stake in wastewater.

FY13 accomplishments included seven public meetings with presentations on everything from whether a direct hit from Super Storm Sandy would overwhelm the MWRA's wastewater facilities all the way through to co-digestion and the survivability of bacteria that enter the Deer Island process. Members toured the Fore River Pellet Plant in anticipation of the 2016 plant contract renewal discussions.

WAC wrote letters on the Mystic River article that appeared in the Globe, as well as comment letters on DEP draft sewer and storm-water regulations and on state debt service relief. Ms. Downs called or visited a number of organizations that have a stake in the sewer system, including municipal solid waste divisions, university and hospital operations offices, manufacturers and Boston and Arlington water and sewer departments.

For FY14, WAC priorities are likely to include the pellet plant contract, co-digestion, maintenance for the wastewater system, cyber security, redundancy and survivability of the Authority's assets on the wastewater side and the draft master plan. WAC will also review and comment on the draft Clinton NPDES permit, with an eye to Deer Island; and will also examine the possible unintended consequences of the organics waste ban, including industrial food grinders, wipes, etc. The next meeting is October 4th in the MAPC offices on Tremont Street. Details are on WAC's website.

Water Supply Citizens' Advisory Committee (WSCAC) Executive Director Lexi Dewey stated that WSCAC's volunteers are from around the state and they provide public feedback to the Authority on water-related systems, programs and policies, such as redundancy in the distribution systems, system expansion, demand management and watershed issues, including source water protection, forestry and public access. WSCAC also provides feedback on state water policy issues and keep its "fingers on the pulse" of what is happening with water on the national stage.

WSCAC was formed in 1978 to review a proposed Connecticut River diversion to the Quabbin. The committee played an active role in the creation of the long-range water supply study and EIR Report 2020. With the conclusion of that study in 1990, MWRA chose demand management and water source protection as the primary strategies to avoid the projected need for additional water for Boston. MWRA formally adopted WSCAC at that time. The MWRA's implementation of the strategies recommended by WSCAC resulted in water use that is significantly below the system's safe yield.

In the past year, WSCAC has focused on Sustainable Water Management Initiatives (SWMI), forestry operations in the watershed with DCR and a Scientific Technical Advisory Committee (STAC) Report. WSCAC's SWMI comments to the MWRA Board and to the Advisory Board noted that MWRA is in a position to provide environmental benefit by selling supplemental water in stressed basins to communities that meet the necessary requirements.

As the largest wholesale water supplier in the state, the MWRA occupies a significant seat at the state water-policy table due to its reservoir storage capacity, its infrastructure system, its loan programs to rate-paying communities, and the successful watershed partnership it has with DCR at the Division of Water Supply Protection.

The foundation of WSCAC's interest in the watershed forestry program is based on the belief that the unfiltered public water supply system requires the highest standards of forest management, whose primary purpose is to sustainably manage a resilient watershed forest. WSCAC's comments on the STAC Report and DCR's response centered on the need for re-certification for watershed lands, the importance of a pilot study off watershed to study the strategies of invasive plants and a strong commitment to ongoing public education and transparency of DCR's forestry program.

Over the past year, there have been presentations at WSCAC's monthly meetings on land acquisitions, aquatic and terrestrial invasive species of the watershed and tours of watershed forestry sites, along with a tour of the Carroll Water Treatment Plant and part of the newly opened MWRA aqueduct in Framingham. WSCAC reviewed and commented on the Water Infrastructure Finance Commission's report and is participating in the Water Infrastructure Alliance public education campaign called "Water is Worth It." WSCAC has a strong water conservation plan, demand management, including outdoor water restrictions and the implementation of full-cost pricing.

At upcoming meetings, there will be discussion on the MWRA's Master Plan, the progress of UV at the Carroll Water Treatment Plant and the Ware disinfection facility. WSCAC will review DCR's Watershed Protection Plan and the restart of the watershed forestry program. WSCAC will also be at the table at the Operations Committee with the Advisory Board to talk about water rates methodology.

WSCAC is located at the Quabbin Reservoir in Belchertown, which gives staff the opportunity to respond to public inquiry outside of the metro-Boston area. WSCAC collaborates with DCR staff and monitors how policy decisions made in Boston are carried out on the ground in the donor watershed. Active citizen participation is a good investment and it ensures publicly supportable, cost-effective and environmentally sound solutions and practices. Monthly meetings are open to the public.

C. COMMITTEE REPORTS

Executive Committee – Katherine Haynes Dunphy

❖ ACTION ITEM: NOMINATION AND ELECTION OF THE FY14 EXECUTIVE COMMITTEE

Chairman Dunphy stated that the Executive Committee, acting as the Nominating Committee, has offered the following proposed slate for the FY14 Executive Committee:

Chair: Katherine Dunphy, Milton; Vice Chair of Finance: Bernie Cooper, Norwood; Vice Chair of Operations: Lou Taverna, Newton; Secretary: William P. Hadley, Lexington; Treasurer: John P. Sullivan, Boston; At-Large: Carol Antonelli, Wakefield; Michael Coffey, Quincy; John DeAmicis, Stoneham; Andrew DeSantis, Chelsea; Robert King, Somerville; Craig Leiner, Natick; Timothy MacDonald, Cambridge; Zigmund Peret, Wilbraham; Nick Rystrom, Revere; John Sanchez, Burlington; Walter Woods, Wellesley; (1) Vacant.

Hearing no nominations from the floor, a motion was made **TO ADOPT THE PROPOSED SLATE AS THE FY14 EXECUTIVE COMMITTEE TO THE FULL MWRA ADVISORY BOARD.** It was seconded and passed by unanimous vote.

Operations Committee – Lou Taverna

❖ UPDATE

Mr. Favaloro stated it will be a busy year for the Operations Committee. Discussion will resume on the Water Rate Methodology at the next Operations Committee Meeting.

Mr. Favaloro stated that yesterday at the Board of Directors meetings he emphasized two points regarding co-digestion: 1) If the Authority is going to do co-digestion, it has to bring in "boat-loads" of money for the MWRA. The pilot study will build the foundation to make the case to move forward or it will provide the "hand grenade" to blow it up. 2) Before the Authority moves forward with a contract, the MWRA must receive, in writing, a "get out of jail free card" from EPA and DEP in the event there is some kind of upset at the plant caused by the pilot study.

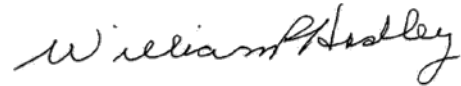
NPDES permits will include co-permittees. Everything that is in the Clinton permit will be in the Deer Island permit, which will significantly impact the communities. EPA will finally have a hold on the communities to do a lot of extra reporting, monitoring and expenditures.

There will be discussion on rags and wipes, which are becoming a bigger problem in the wastewater system and the flow going into pump stations. Members will also be talking about expansion and a relook at the I/I Grant/Loan Program. It will be a busy year in the Operations Committee.

D. ADJOURNMENT

A MOTION WAS MADE TO ADJOURN THE MEETING AT 1:28 P.M. It was seconded and passed by unanimous vote.

Respectfully submitted,

A handwritten signature in cursive script that reads "William Hadley". The signature is written in black ink and is positioned below the phrase "Respectfully submitted,".

William Hadley, Secretary