



Advisory Board Meeting

SAMUEL HADLEY PUBLIC SERVICES BUILDING
201 BEDFORD STREET
LEXINGTON, MA

THURSDAY, SEPTEMBER 20,
2018 11:30 AM

Attendees (Voting Members)

Michael Rademacher	Arlington	Lou Taverna	Newton
Irene McSweeney	Boston	Bernie Cooper	Norwood
John Sanchez	Burlington	Jeff Zager	Reading
Jay Hersey	Brookline	Brendan O'Regan	Saugus
Greg St. Louis	Everett	John DeAmicis	Stoneham
Ralph Pecora	Lexington	JR Greene	Gubernatorial representative
James Finegan	Lynn Water District	(Quabbin)	
Moe Handel	MAPC	Barbara Wyatt	Gubernatorial representative
Amy McHugh	Marblehead	(Wachusett)	
Elena Proakis Ellis	Melrose	William Shaughnessy	Wellesley
Jeremy Marsette	Natick	Joe Lobao	Wilmington
John Cosgrove, Jr.	Needham		

Other Attendees

Bill Copithorne	Arlington	Andreae Downs	WAC
Bill Kiley	BWSC	Martin Pillsbury	WAC
Adriana Cillo	BWSC	Belinda Stansbury	WAC
John Carroll	MWRA Board of Directors	Wayne Chouinard	WAC
Andy Pappastergion	MWRA Board of Directors	Dan Winograd	WAC
Fred Laskey	MWRA	Kannan Vembu	WAC
Ria Convery	MWRA	Eric Sherman	Wakefield
Tom Durkin	MWRA	Lexi Dewey	WSCAC
Kathy Soni	MWRA	Paul Lauenstein	WSCAC
Matt Horan	MWRA	Jerry Eves	WSCAC
Sean Navin	MWRA	Jean McClosley	WSCAC
Beth Card	MWRA	Joe Favaloro	MWRA Advisory Board
Wendy Leo	MWRA	Travis Ahern	MWRA Advisory Board
Betsy Reilley	MWRA	James Guiod	MWRA Advisory Board
Fred Brandon	MWRA	Lenna Ostrodka	MWRA Advisory Board
Kathy Murtagh	MWRA	Cornelia Potter	MWRA Advisory Board
Sally Carroll	MWRA		

54 people were in attendance, including 21 voting members.

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Draft Minutes

WELCOME

The Chairman called the meeting to order at 11:33 AM and welcomed Advisory Board members and other attendees to the meeting. The meeting was a joint meeting of WSCAC, WAC, and the Advisory Board.

A. APPROVAL OF ADVISORY MEETING MINUTES FOR JUNE 15, 2018

A motion was made and seconded to approve the minutes of the Advisory Board meeting of June 15, 2018, including the vote for an Advisory Board member of the MWRA Board of Directors for a three-year term. The minutes also included a record of the Climate Change Conference held at Boston College. The motion carried.

B. NOMINATION AND ELECTION OF FY 2019 EXECUTIVE COMMITTEE

A slate of Advisory Board members nominated for the 2019 Executive Committee was put forward. It was noted that the list includes the names of the members from the current list of members, with the following changes: Carol Antonelli from Wakefield has recently retired; and Yem Lip of Malden has been nominated. A motion to approve the new list of Committee members for FY 2019 was made and seconded. The motion carried.

PROPOSED FY19 EXECUTIVE COMMITTEE

Chair:	Lou Taverna, Newton
Vice Chair of Finance:	Bernie Cooper, Norwood
Vice Chair of Operations:	John G. Sanchez, Burlington
Secretary:	Michael Rademacher, Arlington
Treasurer:	John P. Sullivan, Boston
At-Large:	John DeAmicis, Stoneham Elena Proakis Ellis, Melrose Moe Handel, MAPC Robert King, Somerville Yem Lip, Malden Tim MacDonald, Cambridge Lou Mammolette, Chelsea David Manugian, Bedford Jeremy Marsette, Natick Brendan O'Regan, Saugus Ralph Pecora, Lexington Nicholas Rystrom, Revere

C. REPORT OF THE EXECUTIVE DIRECTOR

The Chairman announced that Advisory Board member Jeff Zager from Reading would be retiring soon. Congratulations on his retirement and congratulations from the Advisory Board Chairman were offered. The Executive Director recognized

Travis Ahern, a previous member of the Advisory Board’s staff, who has recently returned as a staff member following the announcement that Matt Romero would be accepting the offer of a position at Massport CAC.

D. PRESENTATIONS: CHALLENGES FOR THE YEAR AHEAD

The Advisory Board Executive Director opened the remarks noting that each year the first meeting of the fiscal year includes presentations from the MWRA, WSCAC, WAC, and the Advisory Board. As such, members of WSCAC and WAC are invited to attend the joint meeting. Each June, as the fiscal year nears the close, there is a recap of the issues that had been raised in the fall and where the issues stand at that point.

MWRA Perspective – Fred Laskey, MWRA Executive Director

Mr. Laskey opened his remarks with an expression of thanks to the staff and the members of the Water Supply Citizens Advisory Committee and the Wastewater Advisory Committee, saying they do yeomen’s work. He complimented the staff and volunteers of the two advisory committees who participate in their roles on those committees.

He opened his remarks with a review of recent staff retirements and commented on the years and years of experience each of the many retiring staff have represented. He also noted that, thankfully, the agency has been able to recruit a lot of dedicated and smart people both internally and externally. He stated that “we remain a strong team, and that “whenever you have turnover, it’s both good and bad; the good is that people come in with good energy new ideas, and a surge of energy. The downside is you lose some of the institutional knowledge that is an important perspective.” He talked also about the changes in our local governments and the need to keep up with new faces. He also referred to the importance of working to promote staff to positions from within. He pointed out that the process of filling vacant positions involves promotion from within the organization and, in turn, creates new vacancies.

Another change that must be addressed is the new OSHA law that requires MWRA and others to have a safety program that meets or exceeds the new OSHA standards. Mr. Laskey also highlighted testing for water quality and staff recently hired to ensure these requirements are met. He observed that temperatures are getting warmer and summers are getting longer (into the fall). Is this going to be a trend that the agency is going to have to deal with? While water is getting warmer, turnover of water in the system is going down (as demand drops down). Is this unforeseen climate change issue going to be a new norm?

Mr. Laskey also referred to other issues, many of them connected to the larger water redundancy program. Among them are the first phase of the project in Stoneham, part of the redundancy projects for the Northern Intermediate High service area; Reading; the Alewife Brook Pump Station (involving massive bypass pumping); the Chelsea Headworks project (where the first of the channels will come on line this fiscal year and the odor control work will move forward in the spring); and the Southern Extra High Redundancy project. The Deer Island cross harbor cable appears to be under way with some issues relating to financing during construction of the new cable. Mr. Laskey also referenced the Wachusett Reservoir Railroad. The Authority is addressing climate change in a measured way, implementing flooding and sea level rise assumptions into their projects. Mr. Laskey also highlighted the issue of phosphorus in the wastewater fertilizer pellets.

Mr. Laskey addressed the Authority’s progress in paying down outstanding debt using, among other approaches, defeasance of debt service payments and a multi-year rates management strategy that uses a rates smoothing method to manage the multi-year payments of the agency’s largest category of expense to ensure modest rate increases.

He also spoke to the issue of system expansion and highlighted a recent photograph of a whale in Boston Harbor, a symbol of the improving condition of Boston Harbor.

MWRA Advisory Board Perspective -- Joseph Favaloro, Executive Director

Mr. Favaloro opened his remarks with some key points from the budget review process this spring. Regarding the review of the proposed current expense budget for FY 2019, the Authority had proposed a 3.91% increase. The Advisory Board countered with a recommendation of 3.07%. Both staffs coalesced with a 3.07% rate increase that, while not 100% of what each group had wanted, illustrates the fact that the two agencies “can work together and get things done.” There was also a compromise around the setting of the five-year cap for the capital spending program at around \$985 million as compared to the \$1.2 billion proposed by the Authority and the Advisory Board’s recommendation of under \$950 million. He observed that this may be the last capital spending cap that will be under \$1 billion as the water redundancy program progresses.

He then turned to the challenges: legislative, budget, watershed, system expansion, environmental policy. Regarding the budget, during FY 2015, the Advisory Board had recommended the “4%, no more” as a policy guideline for future rate increases. Then, as progress was made, subsequent review called for “4% no more, no more” and more recently discussion has been around the fact that the results “could even be better” as can be seen by the proposed 3.7% rate increase for FY 2019. There are a lot of tools that can be used, including the strategic use of rate stabilization funds, the conduct of defeasance transaction to modify the impacts on future rate revenue projections through changes (reconfigurations) in projected debt service requirements. The goal now is “2.4% by 2024.”

Regarding environmental policy, “the wolves are at the door.” Regulatory requirements such as the NPDES permit, stormwater regulations, the use of “co-permittees” in permit language (including the inclusion of the MWRA in the parties responsible for the cross-harbor cable replacement). Such language was made part of certain previous agreements when the federal and state governments were expected to provide a combined 90% of the cost of the Boston Harbor Project. More recent discussion regarding the Harbor (and the MWRA’s annual monitoring and research programs) has included proposals to have the MWRA expand the scope of their existing outfall monitoring program.

Another issue relating to environmental policy is the ability of the MWRA to use fertilizer pellets made from treated solids from the wastewater treatment process within Massachusetts (as is allowed in most other states). At issue is the presence of molybdenum in the pellets which is limited in the state by stringent regulations for Massachusetts. While these regulations have been recently modified, other barriers remain, due to concerns from the Department of Agricultural Resources (DAR) about the levels of phosphorus in the pellet product. This has become an issue despite the fact that the Authority’s pellets do not leach into nearby water bodies. More research and a document describing best industry practices is required per the most recent DAR regulations on biosolids.

Also on the list of environmental policy issues is the update of fees charged by the Authority’s Toxic Reduction and Control (TRAC) program. The fees were last changed in FY 2012. This program needs to be updated by the MWRA.

Regarding legislative issues, the MWRA needs a financial partner in funding the Metropolitan Water Redundancy Program. This will require efforts to reintroduce the MWRA to a new generation of legislators. This is also true at the municipal level with changes in the mayors and membership of city councils. Also needed is a renewed engagement with the citizens in the service area.

Regarding watershed issues, and particularly Ware River public access, this issue needs continued attention. While the mountain biking concern has calmed down, the regular, periodic preparation and review of a public access plan is under way. A related issue is ensuring watershed management staffing levels are supported.

The Advisory Board has pushed hard on the issue of system expansion, particularly the issue of selling more water. Peabody, Ashland, the Dedham-Westwood area, and Union Point are all areas that have been in discussion with MWRA,

although resolution and entrance into the system have not made enough progress to result in entry into the MWRA service area. While there is an opportunity to add these potential customers to the system, there has not been much progress.

An ongoing issue for the Authority is the number of retirements as members of the staff reach eligibility for retirement.

Wastewater Advisory Committee – Andreae Downs, Executive Director

The committee's Executive Director, Andreae Downs, discussed challenges for the Committee. She described the appointment of two new members, one from the water innovation network. She highlighted an annual report of the committee and a schedule for committee meetings. She noted changes in leadership in the committee and the plan for rotating the chairmanship for the group.

Water Supply Citizens Advisory Committee – Lexi Dewey, Executive Director

Lexi Dewey, the Executive Director, highlighted the work of the Committee, including an annual report. There has been focus on the lead program, which is a model for the state and serves as an information source for communities outside the MWRA service area, which do not have the same access to the lead program information materials. She described presentations from the Authority staff and tours to key Authority facilities and projects. The Committee also looked into opportunities for communities to come into the MWRA water system. She described a number of other activities to monitor activity, such as logging, through the use of satellite imaging and drones over large swaths of land. The Committee also reviewed the updating of the water conservation standards. The Committee also has membership in the Drought Management Task Force (which is being updated). The Committee will also be monitoring the Authority's metropolitan water redundancy program, as well as the lead program. There will be a joint presentation on the Master Plan, and some reservoir operations information. Monitoring the DCR forestry program (which must be carried out to the highest standards) will also be a focus for the Committee. A gypsy moth infestation and the considerable defoliation that has occurred will also be a part of this monitoring effort, as well as monitoring of other insects.

[Kathy Murtagh, MWRA Director of Tunnel Redundancy](#)

Ms. Murtagh opened her remarks by introducing herself and Fred Brandon, the newly appointed Director of Design and Construction. She started by noting that there is redundant water service all the way from Quabbin through the Hultman to the end of the MetroWest Tunnel through sections 1, 2, 3 and 4 of the system. Once one is into the City (inside Route 128) there is not a redundant water supply system. The existing system is the City Tunnel, the City Tunnel Extension, and the Dorchester Tunnel. These are 1950s, 1960s and 1970s-era rock tunnels. There is no reason to think these tunnels are in bad shape, but they all have to surface and connect to the existing systems.

The existing tunnel system connects to the MetroWest Tunnel and they connect to the Hultman system. They provide redundancy right up from the Carroll to Shaft 5. Then it comes east through the Metropolitan Tunnel System. They are rock tunnels and they are concrete lined and they all have shafts up to the surface. They carry about 60% of the total system daily demand of water that goes through the tunnel system. The tunnels themselves need very little maintenance and have a long life span. It is pipes, the valves, and other surface connections that are of concern.

In particular, the main concern is valve reliability. These valves have not been exercised for fear of breaking them in a closed position. Many valves themselves have reached the end of their useful life but can't be replaced because shutdown of the City Tunnel would be required. The water main break at Shaft 5 in May 2010 put a "sharp point" on the need for redundancy and the need to operate these valves. The Metropolitan Redundancy Tunnel Program will provide much needed redundancy inside the Route 128 area, from the Shaft 5 area extending to the north and to the south.

Ms. Murtagh described the basics of the tunnel project and provided an update of activities to date. These include setting up work space in Chelsea for staff (including new office space and workstations); progress in building a staff for the program; and numerous internal meetings and meetings with several consultant teams to provide updates and to hear their ideas. Visits to Hartford and to DC Water have been made and plans for a fall presentation to the Board of Director are being made. She also displayed a summary chart of the staffing structure and areas of responsibility.

Regarding other upcoming matters, Mr. Laskey also reported on a planned tour of Malden and Stoneham on Friday, September 21, 2018, and noted that an announcement had been sent out to communities.

Mr. Favaloro also reported that for the next meeting of the Advisory Board, staff is working with the regional office of EPA to invite the Region I Administrator to speak with the Advisory Board. The meeting will be held at the offices of the Boston Water and Sewer Commission on November 15, 2018.

Also under consideration is a meeting for October for the Executive Committee (and other interested Advisory Board members) on a wide range of financial and financing issues. Advisory Board staff will be establishing a date after consulting with members, with a notice to be sent out separately. In December, in the place of the usually monthly meetings of the Executive Committee, will be a discussion session on strategies for the Advisory Board going forward.

E. ADJOURNMENT

A motion was made to adjourn the meeting at 1:08 pm. It was seconded and passed by unanimous vote.

Respectfully submitted,

Michael W.Rademacher, Secretary