



MASSACHUSETTS WATER RESOURCES AUTHORITY
Charlestown Navy Yard
100 First Avenue - 3rd Floor
Boston, MA 02129
617-242-6000



MWRA ADVISORY BOARD
Charlestown Navy Yard
100 First Avenue - 4th Floor
Boston, MA 02129
617-788-2050

May 7, 2020

The Honorable Ruthanne Fuller
Mayor
Mayor's Office, 1000 Commonwealth Avenue
Newton, MA 02459

Dear Mayor Fuller,

In light of the uncertain economic climate caused by the COVID-19 virus, MWRA and the MWRA Advisory Board have developed a strategy to provide \$100 million in financial relief and flexibility to our member communities for FY2021 and beyond.

Yesterday, the MWRA Board of Directors voted to reduce the FY2021 combined water and sewer increase to 1%, down from 3.6% as proposed in February. This represents a \$25 million savings for communities that can be achieved with cuts to our budget that do not result in any loss of service to communities and ratepayers.

Also, MWRA has received \$891,535 from the Commonwealth from the Department of Revenue's Debt Service Assistance Program. The program is intended to provide relief to communities paying off sewer projects, including the cleanup of Boston Harbor. This year, the funding will be used to reduce your June 2020 assessment downward by \$40,036.

In addition, the Board of Directors approved the Advisory Board's recommendation to allow communities to defer payments on any Local Water Pipeline, Lead Service Removal and Infiltration/Inflow loans with repayments remaining in FY2020 (ending on June 30, 2020) or due in FY2021 or FY2022. Your community would be able to restructure the remaining payments of existing loans in consultation with MWRA Treasury and your own bond counsel to ensure compliance with legal requirements. This deferral program is optional and could be used for some or all loans, and each loan could be restructured to best fit a community's needs. The attachment details the outstanding loans in your community as of April 30, 2020. Please note that the last remaining loan due date for FY2020 has already been administratively delayed from May 15, 2020, to June 30, 2020.

If your community were to choose this deferral option for FY2020, FY2021 or FY2022, you would need to contact Matt Horan, MWRA's Treasurer, by June 1, 2020 at matt.horan@mwra.com.

While these measures will provide immediate, short-term relief, we will be working hard to lessen the impact on our long-term rates management strategy to maintain affordable and predictable rate increases in the future.

We hope that these initiatives are helpful to you in these challenging and uncertain times.

Sincerely,


Frederick A. Laskey
Executive Director, MWRA


Joseph E. Favaloro
Executive Director, MWRA Advisory Board

cc: Lou Taverna, Advisory Board Designee