

EXECUTIVE COMMITTEE MEETING  
NOVEMBER 13, 1998

MINUTES APPROVED AT THE FEBRUARY 19, 1999 MEETING

Present: Guy Carbone, BELMONT; John Sullivan, BOSTON; Ed Sullivan, CANTON; Katherine Haynes Dunphy, MILTON; Stanley Stanzin, NEEDHAM; Bernie Cooper, NORWOOD; Joseph Foti, SOMERVILLE; Frank Lagrotteria, WEYMOUTH; Bob Simonds, WOBURN.

Also in attendance: Andrew Pappastergion, John Carroll and Norman Jacques, MWRA BOARD OF DIRECTORS; Joseph Favaloro, Ryan Ferrara, Cornelia Potter, Ann Chamberlin-LaBelle and Mary Ann McClellan, MWRA ADVISORY BOARD.

**I. APPROVAL OF THE MINUTES**

The meeting, held at the Advisory Board office, was called to order by Chairman Joe Foti at 8:37 a.m. **A MOTION WAS MADE TO APPROVE THE MINUTES OF THE OCTOBER 9, 1998 MEETING OF THE EXECUTIVE COMMITTEE.** It was seconded and passed by unanimous vote.

**II. ACTION ITEM: LEGISLATIVE AGENDA FOR FY99 LEGISLATIVE SESSION**

Joe Favaloro reported that the Advisory Board and MWRA have begun meeting to discuss the FY99 Legislative Agenda. Next week, Advisory Board staff will meet with the Chairmen of the Caucus. The official bill signing for legislation for the coming year will be November 30th.

Item A - Debt Service Assistance (Expand to include water treatment - ozonation): The Advisory Board will try to insert approximately \$50 million into the budget as the MWRA portion for Debt Service Assistance. In order to get the \$50 million, an overall request of approximately \$60 to \$64 million will be made.

Staff will try to insert language in the budget that would allow water treatment plants throughout the Commonwealth with construction costs in excess of \$75 million to be eligible for Debt Service Assistance.

Item B - Programs to Fund: In the past, under Chairman De Leo, legislation has been filed for I/I pipe replacement and local pipeline assistance. These initiatives will continue to move forward.

Item C - State Revolving Loan Fund: The Authority reports that the state will not commit to more than \$50 million a year for the MWRA on the wastewater side. Staff may begin to work with the new Democratic State Treasurer to see if that number can be increased.

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The state's participation in the SRF like program for the water infrastructure program will be small for the first few years. Like debt service assistance, SRF funding will be addressed during the budget process.

Item E - Division of Watershed Management: The Advisory Board will once again file legislation to seek an oversight role in the MDC Watershed Division. This initiative passed the House and the Senate during FY98, but was vetoed by Acting Governor Paul Cellucci.

In addition, in the original language between the MWRA and the MDC, the Commonwealth of Massachusetts provided 50% of the Authority's watershed budget. The Advisory Board will request that the Commonwealth provide a minimum of 25% of the watershed division budget which was subsequently reduced to 25%, then to zero.

Item F - Limiting Tort Liability: This legislation would limit MWRA liability and is a program that the Advisory Board has been supportive of and worked for over the years. It is carried by Senator Jacques and many others.

Item G - Rate Relief for Low-Income Homeowners: This bill has been filed in the past by Senator Warren Tolman, which will likely now be carried by Senator Steven Tolman, and will provide to the Commonwealth of Massachusetts assistance for low-income residents for water and sewer bills. The Advisory Board will pursue legislation to expand the program to include all homeowners eligible for energy assistance. This would make residents in all communities eligible as long as they meet the income guidelines.

Item H - Clinton Wastewater Treatment Plant: The Advisory Board will continue to pursue a minimum of \$500,000 from the Commonwealth of Massachusetts and try to recoup the additional \$700,000 that MWRA currently pays for the operation of the Clinton Wastewater Treatment Plant. Clinton now has a moratorium on connections because of violations with their NPDES permit, which they are trying to have lifted. Currently, staff is working on language to ensure that any new connection in Clinton would not be subsidized by the MWRA.

Item I - MWRA Bond Cap: Mr. Favaloro stated that the number for the MWRA Bond Cap will likely be in the \$4.6 to \$4.7 billion range, which he suggests the Advisory Board support.

Item J - MWRA Lease/Leaseback Program: During FY98, this initiative was approved by the House and reached third reading in the Senate where it died. The Inspector General has raised concerns regarding this program. If the Authority were able to utilize the Lease/Leaseback Program, it could result in \$5 to \$10 million of savings, therefore this initiative will remain on the agenda.

Item L - Surplus Property: The Authority has control and maintenance, but not ownership, of many buildings within the district. There is language in the Enabling Act that states if a building is of no use to the MWRA, it can be declared surplus and transferred to DCPO, now DCAM. DCAM's interpretation of the Enabling Act is that they have the right to pick and choose which properties they will accept. The MWRA believes the language is ambiguous. Mr. Favaloro has asked Trudy Reilly of the Authority legal staff, who came from DCAM, to help re-write the language to eliminate the ambiguity.

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Item M - Advertising Rights on MWRA Property: This initiative would give the Authority, with consent from the community, the ability to allow advertisements on MWRA property, much the same way that the MBTA advertises on their buses, and would create a new revenue source for the Authority.

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Mr. Favaloro reported that on the federal side, the issue is: Will there be another special appropriation for the Boston Harbor Project? The Authority, working with the Massachusetts Congressional Delegation, has done a phenomenal job in acquiring \$50 million this year, bringing total appropriations to nearly \$900 million. There may not be additional funding available for this project considering that the Deer Island Project is nearly complete.

Guy Carbone asked, "How much is in the budget in Washington for lobbying and do we need it?" Cornelia Potter answered \$100,000 to \$200,000; Mr. Favaloro answered, "Until it is known if there will be additional Boston Harbor funding, we cannot determine how much, if any, more federal lobbyist money is needed." If MWRA begins to move on a strategy about CSO funding, infrastructure improvements or interceptor projects, assistance will be needed in Washington.

Frank Lagrotteria made a **MOTION TO ACCEPT THE LEGISLATIVE AGENDA FOR FY99**. It was seconded and passed by unanimous vote.

**III. ACTION ITEM: SYSTEM EXPANSION - DENTAL OFFICE BUILDING - 450 N. MAIN STREET, SHARON**

Dr. Heinberg has put before us a proposal for a sewer connection for a small dental office building located at 450 N. Main Street, Sharon, on the Sharon/Canton line. Flows are a little more than 100 gallons a day. This proposal has been before the Operations Committee at three meetings, and was approved with conditions. All of the prerequisites of the policy that were put in place have been met. Both Sharon and Canton have approval, and they have already received legislative approval. A motion was made by the Operations Committee to allow a connection and bring it to the Executive Committee for a vote and place it on the full Advisory Board's agenda. After the approval of the Operations Committee, however, Ed Sullivan reported that the Town of Canton now has a problem in approving Dr. Heinberg's request. Because of restrictions placed on an unrelated well permit, they are unable to have new additions to the sewer system at this time. Mr. Sullivan stated that the Town Council and the Legal Department are researching the law regarding the connection limit.

Norman Jacques asked, "A few months ago, the Toxic Reduction and Control (TRAC) Program was criticizing the dental offices and medical offices for the stuff going into the sewer. Did anybody get involved in any of that?" Joe Favaloro reported that the TRAC Program was working with the entire dental industry to ensure that materials placed into sewer systems by dentists are in compliance with the MWRA's permits and said that staff would contact TRAC relative to this connection.

**A MOTION WAS MADE BY BERNIE COOPER TO LEAVE THE SYSTEM EXPANSION REQUEST FOR 450 N. MAIN STREET, SHARON ON THE ADVISORY BOARD AGENDA PENDING CLARIFICATION OF ISSUES WITH THE TOWN OF CANTON.** It was seconded and approved unanimously.

**IV. DISCUSSION: ADVISORY BOARD ROLE IN DEVELOPMENT OF THE LOCAL PIPELINE ASSISTANCE PROGRAM**

The last Operations meeting centered on bringing the right people together to come up with a recommendation for the Local Pipeline Assistance Program. This group would determine what the program should look like, how the money should be utilized and establish criteria. Staff suggested that a special ad hoc group, together under the leadership of the Executive Committee and the Advisory Board, be formed consisting of finance, DPW and Engineering representatives from the communities, staff of the Advisory Board and MWRA, and someone from A & F. Involving all of these participants from the beginning will provide a consensus opinion that the full Advisory Board and the MWRA Board of Directors can support allowing the program to be put in place relatively quick by the Commonwealth of Massachusetts. Mr. Favaloro would like to have the committee in place and meet for the first time in early December.

John Sullivan expressed the need for the criteria to be fair across the board so that no community is locked out.

Guy Carbone asked, "If you have the ad hoc committee deliberate and they come of one mind with a recommendation, to whom will that recommendation be made and how does this thing become operational?" Mr. Favaloro answered that the MWRA Board of Directors will approve the program.

**A MOTION WAS MADE TO FORM AN AD HOC GROUP FOR THE CREATION OF THE "LOCAL PIPELINE ASSISTANCE PROGRAM".** It was seconded and passed by unanimous vote.

**V. DISCUSSION OF STAKEHOLDER MEETING ON SOUTH SYSTEM I/I**

Mr. Favaloro reported that a Stakeholders' Meeting is scheduled for December 2, 1998. The Authority requested that the Advisory Board co-sponsor this meeting; the request was approved by the Executive Committee. As it relates to the regulators and restricting flow in the system, the following items are on the agenda for discussion: 1) What is the role of the Advisory Board at the stakeholder meeting? and 2) What should be the overall position and philosophy of the MWRA as it relates to dealing with DEP or EPA or others on what could be the beginning of another consent decree? A consent decree could impact communities dramatically. DEP and EPA could accumulate all the ideas contributed by the communities at this meeting and the end result could be 20 things all communities must do to manage I/I under the new consent decree.

John Carroll stated: "The Advisory Board has to tell EPA that can't happen. You can do all the infiltration work and as soon as you fix the leaks in the pipes, the water finds its way in somewhere else. We have to let them (EPA/DEP) know in no uncertain terms that if we all did every single thing you wanted us to do, we would be overwhelmed by those storms no matter what we do."

John Sullivan stated, "The problem is if no one in the community is saying 'I'm doing something to take my water out,' the regulators will say, 'I guess we do have to give teeth to the MWRA, and

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beat communities that are doing nothing.' That's why I see it as an advantage for us to get up and say we're spending \$3 million taking out sources here and there."

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In addition, Mr. Sullivan suggested that when it rains hard, there must be relief all the way down the system. He suggested shutting the gate and let it overflow in a controlled situation into waterways that should be chosen or in meadows or other places where it can be dumped, and avoid sending it to the low point of the sewer.

**VI. CIP/CEB UPDATE**

Cornelia Potter reported that through October, Current Expense Budget spending is \$3 million over budget for an over-budget variance. The main reason relates to greater than budgeted spending associated with residuals processing. Also contributing to the overage is debt service for the most recent SRF borrowing: the Authority is paying at a 20-year repayment period as compared to the budgeted time frame of 30 years, which would have spread the payments out for more years. The gap between budgeted and actual spending has been increasing each month. The Authority staff will be preparing re-projections of full FY99 spending for the Board of Directors' consideration, and may consider use of the Deer Island Reserve to cover higher than expected budgeted expenditures.

**VII. APPROVAL OF THE ADVISORY BOARD AGENDA FOR NOVEMBER 19, 1998**

**A MOTION WAS MADE TO APPROVE THE ADVISORY BOARD AGENDA FOR NOVEMBER 19, 1998.** It was seconded and passed by unanimous vote.

**VIII. ADJOURNMENT**

**A MOTION WAS MADE TO ADJOURN THE MEETING AT 9:57 A.M.** It was seconded and passed by unanimous vote.

Respectfully submitted,

Edward Sullivan, Secretary