

**MWRA ADVISORY BOARD MEETING
OCTOBER 21, 1999
BLUE HILLS REGIONAL TECHNICAL SCHOOL
RANDOLPH STREET, CANTON, MA**

MINUTES APPROVED AT THE NOVEMBER 18, 1999 MEETING

Twenty-one members were present: E. A. Maguire, ASHLAND; Ed Sullivan, CANTON; Al Renzi, FRAMINGHAM; J. R. Greene, GUBERNATORIAL APPOINTEE; Gary Genovese, LEXINGTON; Bruce Kenerson, LYNNFIELD; Ed Bates, MAPC; Laird Walsh, MEDFORD; Peter Hersey, MELROSE; Katherine Haynes Dunphy, MILTON; Stanley Stanzin, NEEDHAM; Jay Fink, NEWTON; Ed Nelson, QUINCY; Paul Connors, RANDOLPH; Thom Donahue, SOMERVILLE; Steve Casazza, WAKEFIELD; David Savoy, WALTHAM; Walter Woods, WELLESLEY; Jean Thurston, WESTON; Tim Walsh, WESTWOOD; Steve Olson, WEYMOUTH.

Also present: Andrew Pappastergion, MWRA Board of Directors; George Wilson, Sithe; Brad Hayes and Gary Peters, WEYMOUTH; Steve Estes-Smargiassi, Lorraine Downey and Pam Heidell, MWRA STAFF; Joe Favaloro, Cornelia Potter, Ryan Ferrara and Mary Ann McClellan, MWRA ADVISORY BOARD STAFF.

A. WELCOME

In the absence of Chairman Foti, Acting Chairman Ed Sullivan called the meeting to order at 7:46 p.m. and welcomed everyone to Canton.

B. REPORT OF THE EXECUTIVE DIRECTOR

Joe Favaloro, Executive Director of the MWRA Advisory Board, reported that the FY99 Water & Sewer Survey is nearly complete. The proofs will be sent to each community for review within the next week or two. Upon receipt of the confirmation from each community, the survey should be completed by the end of November.

Mr. Favaloro noted that the Authority is planning site visits of the proposed locations for the North Dorchester Bay Project -- the former MBTA location (chosen by the MWRA) and the Conley Terminal (preferred option of the community). The potential change of location could add \$40 million to the project. The date for the visit has not yet been set.

He noted that the courts have begun to rule on some of the outstanding issues relating to the ozonation/filtration water treatment issue, and invited Steve Estes-Smargiassi to bring members up to date on the status of the court proceedings.

Steve Estes-Smargiassi reported that the Authority is in litigation with EPA over the best method of treatment for the Walnut Hill Water Treatment Plant. In March the court ruled that a trial was

necessary because the MWRA failed one of the eleven criteria which are required to not filter. The judge said that even though the MWRA failed, he had the discretion to make the decision. In July, EPA decided to argue the narrow legal point of whether the judge had the discretion to do anything other than order filtration, since the MWRA failed one of the criteria. EPA appealed the trial order. Appealing before the case is settled is an unusual circumstance, so the Judge sent the case to the Court of Appeals, which, last week, denied the appeal request. EPA must wait until the end of the trial to raise that issue. A trial date has been set for December 6. The Authority anticipates the trial will be completed the first week of January, with a decision from the judge possible prior to the end of March, which is the next milestone for construction on the project.

C. COMMITTEE REPORTS

Executive Committee - Joe Foti

- ◆ **ACTION ITEM:** Application by the Fore River Station for a Water Connection Under the MWRA's Straddle Policy

Mr. Favaloro reported that the Fore River Power Station Project received positive recommendations from both the Operations and Executive Committees.

George Wilson stated that Sithe is requesting approval for a water connection through Quincy via the Straddle Policy for property located in Weymouth. This site also includes a parcel on the northern tip, which is located in Quincy. Sithe is proposing to build a power station, primarily fueled by natural gas, but powered by oil for 30 days per year. Weymouth was approached for the water supply, but could not provide it. Quincy did studies and indicated that they can provide the water. The physical connection of the pipeline can be done through a utility tunnel that exists under the river.

Normal use of water has been optimized to 46,000 gallons per day. In the summer, water use increases for evaporate cooling of the combustion turbine to 139,000 gallons per day. Peak water consumption for the facility takes place in the winter during oil firing, which is generally when the ambient temperature is below 20 degrees. Because water injection is needed to reduce emissions from the turbine, water use jumps to approximately 900,000 gallons per day.

Stanley Stanzin asked, "If for some reason you should lose your gas supply in the summer, can Quincy supply 900,000 gallons per day?" Mr. Wilson replied, "Yes. Sithe's first request to Quincy was for 1.4 million gallons per day. We worked to bring that number down."

Cornelia Potter asked, "How does your construction plan coincide with the Authority's anticipated construction schedule for the Braintree-Weymouth construction project?" Mr. Wilson stated that MWRA is on the northern parcel of the site and has executed a contract with Modern Continental for the deep rock tunnel. The Authority will use 13 acres of the 17-acre site for their projects. Additionally, Massachusetts Highway is building a temporary bridge adjacent to the Fore River Bridge on the southern side. Sithe has laid out the site to accommodate the MWRA's directional drill, which requires almost 1,000 feet of pull back space. MWRA and Sithe have had close coordination on these projects.

Steve Olson asked, "The Motion reads 'exclude the resale of water'. Does that mean that there is no opportunity for Weymouth to utilize water from Sithe?" Mr. Favaloro responded, "Yes. Weymouth would not be getting water through this connection."

A Motion was made **TO APPROVE A NEW WATER CONNECTION TO SERVE THE FORE RIVER POWER STATION, LOCATED PARTIALLY WITHIN THE TOWN OF**

WEYMOUTH. THIS MOTION IS SUBJECT TO THE GUIDELINES SET FORTH IN MWRA POLICY #OP-09, "WATER CONNECTIONS SERVING PROPERTY PARTIALLY LOCATED IN A NON-MWRA COMMUNITY". THIS INCLUDES PROVISIONS TO: 1) EXCLUDE ADDITIONAL CONNECTIONS OR THE RESALE OF WATER; 2) PARTICIPATION IN ALL WATER CONSERVATION AND DEMAND MANAGEMENT PROGRAMS IMPLEMENTED BY THE MWRA; 3) AN ENTRANCE FEE TO ENSURE THAT THE SPONSORING PARTY, SITHE EDGAR DEVELOPMENT, LLC (SITHE), WILL PAY A FAIR SHARE OF THE COST OF THE WATERWORKS SYSTEM IN PLACE AT THE TIME OF ENTRANCE. PAYMENT STRUCTURE AND TIMELINE REQUIRE THE APPROVAL OF THE MWRA ADVISORY BOARD AND MWRA BOARD OF DIRECTORS. A PRELIMINARY ENTRANCE FEE WILL BE CALCULATED UPON APPLICATION, CONSISTENT WITH THE PAYMENT OPTIONS DELINEATED WITHIN MWRA POLICY #OP-09. SITHE SHALL WORK IN GOOD FAITH WITH THE MWRA TO COORDINATE THE RESPECTIVE CONSTRUCTION EFFORTS ASSOCIATED WITH THE REHABILITATION OF THE FORE RIVER POWER STATION AND THE BRAINTREE WEYMOUTH RELIEF FACILITIES PROJECT. SITHE AGREES TO PROVIDE MWRA WITH THE OPTION TO TIE INTO THE PROPOSED WATER CONNECTION FOR UTILIZATION AS A BACK-UP TRANSMISSION LINE TO THE MWRA PUMPING STATION. It was seconded and approved by unanimous vote.

◆ **STATUS:** Potential System Expansion Requests

Mr. Favaloro reported that staff met with the proponents of the new Foxborough Stadium. The Patriots are evaluating, through the EIR process, their options: 1) Providing their own sewerage treatment on site; 2) Tying into the MWRA system. Additionally, another option that the Patriots are investigating is a connection to the Town of Mansfield.

Hingham has hired a consultant to study the potential for expanding the Hingham Sewer District and has contacted the Advisory Board for an outline of the procedure for joining the MWRA. When the System Expansion Policy was created, the phrase "significant portion of the community" was used and will need to be addressed if Hingham does request to join. There is the potential of multi-hundred (400 to 500) additional connections.

Ed Sullivan stated that the Town of Canton has been working on permitting for a well for some time and has not received a permit because of objections to one of the conditions that will not allow expansion to finish sewerage the remainder (30%) of the community. Canton would have an issue if Hingham were allowed to join from outside the district, when members of the Canton community have been paying for the MWRA treatment plant and they can't join.

Mr. Favaloro reported that there is the potential for discussion at the Operations Committee Meetings in the coming months for the Cambridge School in Weston regarding a connection through Waltham, which had never been permitted. The school wanted to legalize their existing connection and expand capacity for a newly proposed theatre.

◆ **UPDATE:** NPDES Permit Appeal

Mr. Favaloro reported that there have been two discussions between EPA, the Advisory Board and the MWRA regarding the NPDES permit. There has been no dialogue for nearly three weeks. The issues center on expansion of the system, water conservation, and language related to Inflow and Infiltration, with the MWRA becoming the regulator for communities on I/I issues. EPA can either ask for more discussion or set a hearing date.

◆ **Legislative Update**

Mr. Favaloro reported that an interim budget would be put in place because discussions have not been completed. Approval is expected in November. One major outstanding issue is funding for the Walnut Hill Water Treatment Plant. The Local Pipeline Improvement Program is not in the budget. It is possible that the MWRA will offer another approach.

Finance Committee - Phil Farrington/Katherine Dunphy

◆ **STATUS:** CIP & CEB Budgets

Katherine Haynes Dunphy asked for an update on the status of the Advisory Board's request that the Authority put a reasonable limit on capital spending.

Joe Favaloro stated that the Advisory Board has stressed one major theme over the last five fiscal years -- more responsible and stringent management of the capital budget, and recommended a cap on capital spending. MWRA staff does not support the cap, while only three members of the Board of Directors (the Advisory Board's appointees) are in agreement. Staff will continue to keep the issue alive. Mr. Favaloro stated, "The MWRA and the Board of Directors can come to the table constructively or they can come kicking and screaming, but they are coming."

On November 3, as part of the MWRA's Board of Directors meeting in Charlestown, a retreat will be held related to managing the capital budget, a CIP cap and overall rate increases. Mr. Favaloro invited the members of the Executive Committee and the Advisory Board to attend the meeting, stressing the need for the Board to hear the voices of the communities.

Cornelia Potter stated that the Advisory Board has continued to recommend using the capital spending plan as an important component for controlling and managing rate increases. The Authority has continued to update, revise and reshape the way they look at long-term predictions of rates. Rate increases for the Current Expense Budget (CEB) are increasing over 7% for each of the next seven years.

Ms. Potter noted that last year staff recommended a series of reductions and repeated the idea of putting some limits on the capital budget. The Advisory Board recommended that the Authority keep spending for the current year at \$475 million, \$400 million for FY01, and \$300 million for FY02, resulting in spending over the three-year period of \$1,175 million. The Authority's response was a final CIP budget for the next two years of \$1,417 million. For many years the Advisory Board has talked about sustainable, predictable patterns of spending, and more recently, has recommended more specific levels of spending for each future year.

Ed Nelson stated, "I agree with what the Advisory Board has been attempting to do, and it may have to be done legislatively. The Authority must feel that 7% would be sustainable by the ratepayers paying their bills." Ms. Potter stated, "The Authority has incorporated more risk in their predictions, which is the reason why the multi-year rate projections have moved from 5+% to 7+%. Because we see those pressures on the capital budget, and you see those increases coming on, it is important to manage the priorities in the capital program." Mr. Nelson asked, "What happens when the economy turns down?" Ms. Potter said, "It only reinforces the point."

Mr. Stanzin suggested that the Advisory Board get the media involved. "We have a good story, particularly if you're talking about 7% being compounded for the next seven years. The population is getting older, people are on fixed incomes, and the Authority is planning to put this burden on people. If we could educate the public, the legislators may listen if they receive

letters.” Mr. Favaloro responded, “The ‘Big Dig’ has moved the MWRA off the page, but we will put the Authority back on the front burner and do whatever it takes to make that happen.”

Mr. Nelson asked, “Will the Legislature listen to the Advisory Board on an increase in their debt limit?” Mr. Favaloro replied, “If you go to the Legislature and have an ongoing dialogue, and suggest a cap on MWRA expenditures at these levels for 2001 to 2003, presenting reasonable arguments, you will have an opportunity to be heard. Will it be accepted, who knows?”

Mr. Nelson stated, “Something has to be done, 7 percent is beyond aggressive.” Mr. Favaloro stated, “Seven percent assumes that all of the projections that the MWRA has made are accurate. For ozonation to work, communities will have to pay for local system improvements. The I/I issue in the NPDES permit requires communities to spend more money locally for I/I.”

Ms. Dunphy suggested that members who are unable to attend should send a letter of support of the Advisory Board’s decision so that we will have a number of communities lending their support to our efforts.

Operations Committee - Andy DeSantis

◆ **UPDATE:** I/I Task Force

Joe Favaloro reported that the I/I Task Force meets on the first Thursday of every month. Many members of the task force insisted that if communities would be affected by their decisions, then the communities should be at the table. Communities were invited to the table two months ago. Since that time, the communities have not been attending. Mr. Favaloro stated, “This is probably the most important thing that is going to affect your community. You can either be part of the solution or lament afterward. Encourage your community to be involved.”

Chairman Fink added, “We are determining goals and what has to be done by each community to address these goals. When we have concluded, it will be time to start dividing what has to be done as a cooperative agreement between the municipalities, the regulatory agencies and the MWRA. If a large percentage of municipalities are not speaking out about the costs going up and the regulators who are sitting on the front line don’t get that message loud and clear, the additional costs will go to the MWRA or directly to the municipalities. Either way, you’re going to pay higher rates. If you have a community representative, I urge you to have that person get involved, there is some strength in numbers. Right now, the numbers aren’t saying much.”

D. QUESTIONS AND COMMENTS

The next Operations Committee meeting is November 9, 1999 at Chelsea City Hall. Members of the TRAC Department will be in attendance to discuss the local limits study and municipal permits. If the MWRA becomes part of the I/I enforcement, the annual municipal permit will have new regulations.

E. ADJOURNMENT

A MOTION WAS MADE TO ADJOURN THE MEETING AT 9:04 P.M. It was seconded and passed by unanimous vote.

Respectfully submitted,

Edward Sullivan, Secretary