

EXECUTIVE COMMITTEE MEETING  
OCTOBER 15, 1999

MINUTES APPROVED AT THE NOVEMBER 12, 1999 MEETING

Present: John Sullivan, BOSTON; Tim MacDonald, CAMBRIDGE; Peter Hersey, MELROSE; Stanley Stanzin, NEEDHAM; Jay Fink, NEWTON; Joe Foti, SOMERVILLE; Phil Farrington, STOUGHTON.

Also in attendance: John Carroll, Norman Jacques and Andrew Pappastergion, MWRA BOARD OF DIRECTORS; Sam Mygatt, EPSILON; George Wilson, SITHE NEW ENGLAND; Joseph Favaloro, Ryan Ferrara, Cornelia Potter 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 8:34 a.m. A Motion was made **TO APPROVE THE SEPTEMBER 10, 1999 MINUTES OF THE EXECUTIVE COMMITTEE**. It was seconded and passed by unanimous vote.

**II. ACTION ITEM: APPLICATION BY THE FORE RIVER STATION FOR A WATER CONNECTION UNDER THE MWRA STRADDLE POLICY**

Samuel Mygatt of Epsilon Associates stated that the Fore River Station Project is located on the Weymouth side of the Fore River, but a portion of the parcel is within Quincy; hence, the straddle policy applies. A utility tunnel under the Weymouth Fore River links the project site; therefore, a pipeline can be extended to the Quincy system readily. This water would be limited strictly to use by the project. A great deal of water conservation has been done to make the project environmentally sound. The northern side of the site is being extensively used by the MWRA in the next couple of years for the construction of the Braintree-Weymouth interceptor pump station and tunnel.

Andrew Pappastergion asked, "Will it be a direct connection to the City of Quincy for which you will pay retail rates?" Mr. Mygatt stated that is correct. Mr. Pappastergion asked, "Will you be making substantial improvements to the Weymouth water system?" Mr. Mygatt answered, "Yes, we are helping Weymouth in a number of ways, including a \$2 million water storage tank."

Jay Fink asked, "What is the capacity of the new pipeline that is going in the tunnel under the Fore River?" Mr. Mygatt replied, "It will be sized to carry 800-900 mgd, tentatively sized as 12-inch pipeline (while continuing to study whether it should be a ten-inch). It is not being designed with the capacity to serve Weymouth."

Mr. Fink asked, "What period of time during the year would you expect to use .89 mgd?"

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Mr. Mygatt replied, "It is anticipated that .89 mgd would be used in the winter. The project can't rely solely on gas lines because in the winter, if gas supplies are short, residential customers receive it first. Burning oil requires heavy water usage for injection purposes in boilers." Mr. Fink asked, "During June through September, when water communities reach their peak demands for water use, how much water do you expect to use?" Mr. Mygatt replied, "We would use .13 or .129 mgd. In hot weather inlet air has to be cooled and water use goes up."

Peter Hersey stated, "I noticed the lack of any statement relative to protections to the water supply systems, it would be nice to have it in black and white." Mr. Mygatt replied, "A DEP cross connection permit is required and we will have full tactical prevention."

John Sullivan asked, "Did the MWRA run a hydraulic model through Quincy?" Mr. Mygatt responded, "Yes, Jim powers did an analysis and Dave Colton is fully satisfied that within the city there is no problem."

Cornelia Potter asked, "When do you expect construction to begin?" Mr. Mygatt replied, "Construction is expected to begin early next year, for a duration of two years. It is our goal to move as quickly as possible to be out of the way of the MWRA project."

Mr. Hersey asked, "Will this be an isolated line that no one else can tap into?" Mr. Mygatt stated, "Correct, it will go strictly to our facility, which is a condition of your approval."

Mr. Fink asked, "When would the entrance fee be paid?" Mr. Favaloro answered, "The Authority created three options for payment of entrance fees: 1) Pay up front; 2) Wait until the actual connection and pay a recalculated rate at that time; 3) Pay over time with interest. The motion states that Sithe would have to declare its intentions by the Board of Directors meeting."

Mr. Favaloro stated, "As an additional condition of our approval, we should add that Sithe and MWRA closely coordinate construction activity in the Fore River area." Mr. Mygatt stated, "That is a requirement by final EIR."

John Sullivan recommended, "The Authority should have an option to access this water as an emergency back up for their pump station."

**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.

### **III. STATUS: CIP BUDGET**

Mr. Favaloro reported that there is an ongoing discussion between the Advisory Board, the MWRA, and the Board of Directors on levels of spending and management of the capital budget. The Board created a task force consisting of MWRA and Advisory Board staff, members of the Board of Directors, and EOEA to address CIP issues. Task force discussions led to the scheduling of a mini-retreat for the Board of Directors to talk about budget issues on November 3.

The Advisory Board believes that the window of opportunity to control spending is right now. It is not about cancelling projects. It is about making sure the projects are undertaken at the right price and appropriate schedule. Projects such as the Cambridge CSOs, and North Dorchester Bay require a different view of the CIP, and a willingness to make some tough decisions. It may mean going to the courts and asking for extensions for projects.

John Carroll stated, "I really think that 5% compounded year after year is really becoming a strain. I'm feeling that kind of pressure now. We have to develop a simple strategy to say these are the rate increases we can afford; we have to warp our spending structure to fit that strategy."

Jay Fink stated, "We have other issues on the table, such as I/I and the NPDES permit and other things with unknown costs. We have to say to the courts, EPA and DEP, you're breaking us. Sooner or later the court has to recognize that the ratepayers do not have bottomless pockets. We have to pick an increase per year that is realistic, and 7% to 9% is not realistic. The courts have to adjust that schedule so we can live with it."

Mr. Favaloro stated, "We must determine a reasonable level of rate increase, then go back to the capital budget and revise the schedule for these projects that allows us to keep rates at certain levels, but move forward on the very important environmental agenda." Mr. Fink agreed, "Then you set your priority on those capital projects, which will give you the biggest bang for your buck." Mr. Favaloro stated, "That's where the cap comes in."

Mr. Pappastergion stated, "The Advisory Board needs to make presentations to the Board of Directors, or even get a consensus on the Board of Directors, so that we can change the direction that the Authority is going in."

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John Carroll stated, "If the Advisory Board makes a presentation, keep it simple and clear. The message should be that ratepayers cannot afford more than 2.5% *[for example]* for the next five years, period. Here are the things we know you have to consider, don't get too complicated."

Mr. Pappastergion noted, "A policy vote is needed from the Advisory Board that gives the MWRA direction stating that the Advisory Board feels very strongly that rate increases should be capped at 2.5%."

Mr. Jacques suggested that staff listen at the November 3 meeting and come up with a strategy. Mr. Favaloro suggested that the Executive Committee has to let the Authority know that we are not alone.

### **IV. NPDES APPEAL**

Mr. Favaloro noted that EPA and the appealing parties have met twice, and obstacles remain. It is likely that an evidentiary hearing will be required to raise issues discussed during the notice and comment period.

### **V. MWRA FIVE-YEAR PROGRESS REPORT**

The Enabling Act requires the Authority to prepare a progress report of all their accomplishments for the past five years. The report must also include future projects and priorities. Authority staff will speak at the next Advisory Board regarding the report. In addition, Advisory Board staff will put together a list of recommendations on what we want the Authority to work on and what challenges are ahead for the next five years.

### **VI. OTHER BUSINESS**

#### **Site Walk Throughs**

Mr. Favaloro stated that Doug MacDonald extended an invitation to members of the Executive Committee to attend a walk through of the Fells Reservoir Covered Storage Project on Tuesday, October 19.

Additionally, Mr. MacDonald is planning a walk through of the North Dorchester Bay Project site in South Boston for members who may be interested. A date has not yet been set. Members of the community, the House and Senate, and leaders within the South Boston community have identified a site for the pump station that they prefer over the Authority's choice of an MBTA site. Moving to that location could add an additional \$40 million to the project cost. The Authority cannot get Article 97 legislation through if members of the House and Senate are opposed to this project.

#### **Annual Evaluation of the Advisory Board Executive Director**

A Motion was made **TO INCREASE THE SALARY OF JOSEPH E. FAVALORO, EXECUTIVE DIRECTOR OF THE MWRA ADVISORY BOARD BY 4% FOR FISCAL YEARS 2000, 2001 AND 2002 (RETROACTIVE TO JULY 1999); A CAR ALLOWANCE**

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**OF \$275 PER MONTH; AND THREE ADDITIONAL PERSONAL DAYS PER YEAR, EXCLUSIVE OF 15 SICK DAYS.** It was seconded and passed by unanimous vote.

**VII. APPROVAL OF THE ADVISORY BOARD AGENDA FOR OCTOBER 21, 1999**

A Motion was made **TO APPROVE THE ADVISORY BOARD AGENDA FOR THE OCTOBER 21, 1999 MEETING.** It was seconded and passed by unanimous vote.

**VIII. QUESTIONS AND COMMENTS**

**No questions or comments.**

**IX. ADJOURNMENT**

**A MOTION WAS MADE TO ADJOURN THE MEETING AT 10:07 A.M.** It was seconded and passed by unanimous vote.

Respectfully submitted,

Edward Sullivan, Secretary