

EXECUTIVE COMMITTEE MEETING
NOVEMBER 9, 2000
MINUTES APPROVED AT THE JANUARY 12, 2001 MEETING

Present: John Sullivan, BOSTON; Edward Sullivan, CANTON; Dana Snow, MARBLEHEAD; Stanley Stanzin, NEEDHAM; Jay Fink, NEWTON.

Also in attendance: Norman Jacques and Andrew Pappastergion, MWRA BOARD OF DIRECTORS; Joseph Favaloro, Cornelia Potter, Ryan Ferrara, Nathalie Grady and Mary Ann McClellan, MWRA ADVISORY BOARD.

I. APPROVAL OF THE OCTOBER 13, 2000 MINUTES OF THE EXECUTIVE COMMITTEE

The meeting, held at the Advisory Board office, was called to order by Acting Chairman Edward Sullivan at 8:35 a.m. A Motion was made **TO APPROVE THE OCTOBER 13, 2000 MINUTES OF THE EXECUTIVE COMMITTEE**. It was seconded and passed by unanimous vote.

II. ACTION ITEM: LEGISLATIVE AGENDA

Joe Favaloro provided the Executive Committee with the language that staff proposes to file on December 3rd relative to the Advisory Board's Legislative Agenda for the year.

The legislative caucus will meet at the end of November to sponsor the initiatives. A calendar will be issued in January or February listing the schedule for hearings. If staff is unsuccessful in getting the initiatives into the House, Senate or Governor's budgets, staff will work to have the sponsors of our legislation file them as amendments. Mr. Favaloro noted that the vote on Question 4 granting a tax cut might make the next few years challenging to get items into the budget.

Jay Fink expressed concern about supporting the SRF initiative, stating that there is other legislation that ought to take higher priority. Mr. Favaloro agreed, noting that the Advisory Board is taking a secondary role in being supportive of the legislation that will be filed by the Massachusetts Clean Water Council (Council). In the last budget, both the Governor and the Legislature made the decision to go from 0% interest to a 2% interest program to provide more funds for communities. Additionally, they didn't add funds for this year that would have increased the leveraging. The language that the Council supports returns the Program to 0% interest loans, as well as adds more funds to maximize the three to one leveraging of revolving loan funds to get further down the growing list of projects of communities and other agencies.

Norman Jacques noted that the state tax cut could be used to the Advisory Board's advantage by pointing out to legislators the initiatives that will help the MWRA, yet do not increase the state budget. (i.e. advertising rights on MWRA property.) Mr. Favaloro stated that part of the rationale in coming up with a large list of options is that it provides a menu for legislators and the Governor to choose those that cost them the least. Without a quorum present, no formal vote was taken but the sense of the Executive Committee meeting was to move the Legislative Agenda forward to the full Advisory Board.

III. ADVISORY BOARD LEASE DISCUSSION

Mr. Favaloro stated that he had further lease discussions with the Advisory Board landlord, Nathan Miller, is wavering on his previous offer of \$35.75 per square foot after receiving calls from other tenants wanting to negotiate new leases. The current price per square foot through December 2001 is \$23.75, as negotiated in the previous lease. The offer of \$35.75 per square foot would include the forfeit of the \$23.75 rate for the final year of the current lease and would begin December 1, 2000. This would add \$24,000+ to the Advisory

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Board's costs. Effective December 1, 2000, the going rate will be \$38.75 per square foot. In the past year, the square footage cost has grown by better than 20%. Mr. Favaloro requested that the Executive Committee allow him to continue discussions with Mr. Miller and, if possible, lock in \$35.75 a square foot for a three-year lease.

Stanley Stanzin stated that Joe's track record over the years has shown that he has negotiated good leases and that he felt Joe should be given the authority to negotiate an agreement in the \$35.75 per square foot range.

The sense of the Executive Committee meeting was to grant Mr. Favaloro the authority to negotiate a lease with Nathan Miller.

IV. PREVIEW: I/I SURVEYS AND DRAFT I/I TASK FORCE REPORT

Mr. Favaloro stated that the I/I Task Force has completed a draft report. The Authority has an RFP for consultant work related to developing manuals, which could fit in with some of the goals and objectives of the I/I Task Force. Advisory Board staff sent an I/I Grant/Loan Program Survey to the 43-wastewater communities to determine whether communities wanted to establish a Phase IV of the Program. Twenty communities have responded to date.

Ryan Ferrara noted that all of the communities that responded want to continue with the program. He also noted that most communities are pleased with 45% Grant/55% Loan and the five-year pay back method. The survey was meant to be an affirmation for Operations Committee to see where we are.

Dana Snow stated that it is a decent deal and a good way to get infrastructure repairs done within your community. It is good for communities that haven't been able to do anything.

John Sullivan asked, "If the communities were to suggest an addition of \$50 million to this fund, does that get factored into the cap?" Mr. Favaloro replied that as it stands now, the Authority would have to fit it in within the existing cap.

V. APPROVAL OF THE ADVISORY BOARD AGENDA FOR NOVEMBER 16, 2000

A Motion was made **TO APPROVE THE ADVISORY BOARD AGENDA FOR THE NOVEMBER 16, 2000 MEETING**. It was seconded and passed by unanimous vote.

VI. QUESTIONS/COMMENTS

VII. ADJOURNMENT

A Motion was made **TO ADJOURN THE MEETING AT 9:22 A.M.** It was seconded and passed by unanimous vote.

Respectfully submitted,

Edward Sullivan, Secretary