

**MWRA ADVISORY BOARD MEETING  
OCTOBER 17, 2002  
BRADLEY ESTATE  
ROUTE 138, CANTON, MA**

**MINUTES APPROVED AT THE NOVEMBER 21, 2002 MEETING**

Twenty-six members were present: Edward Maguire, ASHLAND; John Sullivan, BOSTON; Charles P. Barry, BROOKLINE; Tom Hickey, BURLINGTON; Ed Sullivan, CANTON; Barbara Wyatt, GUBERNATORIAL APPOINTEE; Ralph Pecora, LEXINGTON; Bruce Kenerson, LYNNFIELD; Dana Snow, MARBLEHEAD; Doran Crouse, MARLBOROUGH; Lenny Riley, MEDFORD; Katherine Haynes Dunphy, MILTON; Lou Taverna, NEWTON; Bernie Cooper, NORWOOD; Jay Fink, QUINCY; Ted McIntire, READING; Lawrence Barrett, STOUGHTON; Silvio Baruzzi, SWAMPSCOTT; Richard Stinson, WAKEFIELD; Patrick Fasanello, WALPOLE; Walter Woods, WELLESLEY; Earl Forman, WESTON; Al Renzi, WESTWOOD; Albert Kirk, WILBRAHAM; Robert Antico, WILMINGTON; Ed Grant, WINCHESTER.

Also present: John Carroll, Andrew Pappastergion and Joseph Foti, MWRA BOARD OF DIRECTORS; Ernie Williams and Jim Moran, CANTON; Michael Hornbrook, MWRA STAFF; Joe Favaloro, Ryan Ferrara, Cornelia Potter, Nathalie Dailida and Mary Ann McClellan, MWRA ADVISORY BOARD STAFF.

**A. WELCOME**

Chairman Katherine Haynes Dunphy called the meeting to order at 11:47 a.m. and introduced Ed Sullivan, who welcomed everyone to Canton.

**B. APPROVAL OF THE MINUTES FROM SEPTEMBER 19, 2002**

A Motion was made **TO APPROVE THE MINUTES FROM THE SEPTEMBER 19, 2002 ADVISORY BOARD MEETING**. It was seconded and passed by unanimous vote.

**C. PRESENTATION: STATUS OF COMBINED SEWER OVERFLOW (CSO) PROJECTS**

– Michael Hornbrook, MWRA Chief Operating Officer

Michael Hornbrook, MWRA's Chief Operating Officer, gave an overview on the MWRA's Combined Sewer Overflows (CSO) Program and provided details on the proposed CSO program in South Boston, which is projected to cost between \$100 to \$300 million. The project is currently in a reassessment phase.

There are a total of 25 Federal Court Ordered CSO projects to address CSO control; currently MWRA has completed 14 projects, with 4 additional projects in construction. DEP, EPA and other environmental groups have already seen significant benefits from the CSO program, with drastic reductions of CSO discharges since 1988.

According to a 2002 Environmental Protection Agency Report to Congress, there are 772 CSO communities in the United States. Only 32% have submitted documentation that they are in compliance with monitoring and controls. Of the 772 CSO communities, only 19 have approved

long-term CSO control plans and 17 have initiated monitor and control plans. MWRA has done all of those things and is well on the way to compliance.

Seven CSO projects remain, of which three are currently in design: the Union Park Extension Treatment Facility, which will address CSO control for Fort Point Channel; the Fort Point Channel Storage Conduit, which will be a conduit on A Street; and BOS019 is an outfall in Charlestown that will store flows during wet weather and will pump that flow back into the system for treatment at Deer Island after the wet weather. These projects are on schedule and will be in construction soon.

One project in design, but under review, is the East Boston Branch Sewer Relief. Under court order, a design plan was begun, which discovered that actual conditions and design assumptions were faulty and that the volume of CSOs was greater than assumed and would be much more costly. MWRA is currently reevaluating what is the most appropriate plan for East Boston, but is moving ahead with one contract construction design that will be common with any program developed.

In the court schedule, there are three related projects – the North Dorchester Bay Conduit (South Boston beaches), the Reserved Channel Conduit and the Reserved Channel CSO Facility (hereafter referred to as “the project”). This project was brought to almost 100% design, in accordance with the court schedule, when MWRA ran into siting problems. The project, at a cost of \$200 million, included a 600 million-gallon per day (mgd) pump station for the North Dorchester Bay Conduit. The South Boston neighborhood did not like the selected site and wanted it moved. MWRA balked at moving the project after determining that it would not result in an improvement in water quality and would cost another \$50 million. The Board of Directors and Advisory Board agreed, halting the project.

At the Chelsea Creek in East Boston, a number of projects have been completed, including new relief sewers allowing flow to Deer Island. Sewer separation projects have been done through the Boston Water and Sewer Commission (BWSC) and funded by MWRA on the Constitution Beach side, which has allowed the elimination of a CSO treatment facility.

The recommended plan for South Dorchester was sewer separation, to be completed in two different phases – an extensive project adding new drain lines and operating Fox Point and Commercial Point CSO facilities. BWSC will implement these projects, funded by MWRA.

The Alewife Brook originally had proposed sewer separation at \$17 million. Detailed designs found that sewers were not separated and the project has escalated to \$75 million, with the City of Cambridge paying half. This project is temporarily on hold while a revised plan goes through the Massachusetts Environmental Policy Act process and regulatory agencies.

The South Boston CSO program is the single largest expenditure of the CSO program. The initial plan was approximately \$210 million, or one-third of the entire CSO program. There are seven CSO outfalls along the beach area that discharge an average of 15 times in a typical year (about 9 million gallons annually). The Reserve Channel has four CSO outfalls with a more frequent discharge (43 times per year) and the CSO volume in a typical year is 60 to 65 million gallons. MWRA is currently reassessing the program. The Authority has informed the court and the regulatory agencies that it needs to go back to the public to try to reach a consensus on a

plan that everyone can agree to. There are a lot of different parties (residents, elected officials, regulatory agencies, ratepayers) involved and all have different interests with different outcomes.

MWRA has identified over 161 alternatives for CSO control in this area and has whittled them down to four basic concepts.

Option 1 is the North Dorchester Interceptor Relief with Reserved Channel Sewer Separation, which is to build an interceptor sewer parallel to the existing south branch of the South Boston interceptor system, centering around East First Street, coming down Farragut Road and coming along the beach area, ultimately discharging to the Columbus Park headworks. The second phase of Option I is to do some sewer separation in a tributary area for outfall to help relieve that interceptor of a lot of flow. The third component of Option I is to do additional sewer separation for more tributary areas. This option is estimated at a cost of \$100 million.

The benefits of Option I are that for swimming areas, it results in no CSO discharges in a typical year and no change to current storm water. For the Reserved Channel it lowers CSO discharges down to three in a typical year. An important factor to consider is that water quality standards for the beach are that it must be totally fishable 100% of the time and no facilities would be required for this option, which MWRA thought was important to the neighborhood.

Option II builds from Option I, which is the same sewer separation for the Reserved Channel as Option I. Instead of the interceptor along the beach, a soft-ground or hard rock storage conduit could be built to go along the beach and capture the flow from the outfall before it goes to the beach. The cost would range from \$130 to \$230 million because MWRA has not determined the size of the storage. For the beach areas there would be no CSO discharges in a typical year and there would be no storm water through a five-year storm. For the Reserved Channel it is the same as Option I. This option does have a 10 mgd pump station to empty the conduit, but there are still siting issues.

Option III is the same as Option II but adds additional sewer separation over a time period along the beach area. Costs range from \$190 to \$270 million. With the sewer separation, over a long period of time, that storage conduit could actually be used to capture additional flow, particularly storm water. It can go up to a five-year level of CSO control and a 25-year storm with the sewer separation as well. The Reserved Channel is the same.

Option IV is the previous option that was brought to 100% design, which is a conduit and a soft-ground or hard-rock storage tunnel that would run along the beach area for about two miles along East First Street toward the Convention Center. Costs range from \$220 to \$330 million. Again, the size of the tunnel drives the cost range and more importantly the location of the 600-mgd pump station.

To build a 600-mgd CSO facility and a mining shaft for the tunnel at the same time, ten acres would be required, which are difficult to find in South Boston. If the facility and tunnel could be built one at a time, six acres would be required for construction. A 10-mgd station would be four acres during construction and half an acre permanently. MWRA has tried for a year to find a site in South Boston. Certain sites have been set aside for other projects such as the new Moakley Park. One possible location to fit a 600-mgd pump station is at the Conley Terminal;

however, Massport has sent a letter stating that there is no land available for the facility, so MWRA has deemed the site not viable. For the 10-mgd pump station, there are sites available. Extending the project to the old Subaru pier would cost \$330 million.

December 2002 will complete Phase 1 of the reassessment and a short list will be provided on control and alternatives. In spring of 2003, it is MWRA's intent to come back with a detailed evaluation of those four options with various information about siting and sizing and a recommended plan to be submitted to the public for comment. The goal of this reassessment is to try to identify a project that can be implemented and meets all the concerns of the different parties.

As you move up the chain of dollars, you can see the diminishing impact of the benefits of what you are trying to get. MWRA is trying to show the public the minimum and maximum costs and here are the benefits you will receive. There is a diminishing return. As you spend more and more money, you are not getting a lot of bang for your buck.

South Boston beaches are relatively some of the cleanest beaches in an urban area, in comparison with beach closings at Wollaston Beach and others; 62 to 67% of all the beach closings are not during CSO activations. The closings could be the result of illegal connections, impacts from dogs and seagulls, boaters, etc.; that is one of the quandaries. MWRA wants to ensure that the expenditure of \$300 million will reap the benefit that it should.

In 1994 the court approval of the CSO program was \$370 million; in 1997, it moved to \$440 million; in August 2000 it went to \$618 million, assuming \$210 million for North Dorchester (the estimate for that project at that time).

Community CSO programs, basically Cambridge and BWSC, are moving forward with completion of sewer separation. MWRA does do oversight of those programs, reviewing construction contracts prior to going out for bid and reviewing design contracts, as well as field checks.

John Carroll asked what the overall impact on rates would be between \$100 million and \$300 million. Mr. Hornbrook stated that the impact would be between 2% and 5%.

Ed Sullivan noted that the evening news featured a new method of identifying the sources of pollution through DNA. Mr. Hornbrook stated that EPA has asked MWRA to do some DNA testing for South Boston and the Charles River. MWRA is skeptical about DNA testing because of the technology and a library of results would be needed to compare data to.

Pat Fasanella of Walpole asked how many people use these beaches. Mr. Hornbrook stated that MWRA has no data on that. Mr. Favaloro noted that this is happening on non-beach using times as well. Mr. Hornbrook agreed that overflow could occur in February or March, October or November. Over ½" of rain is required before there is a CSO activation. With rainfall like that, there is no activity on the beach. MWRA has seen the impacts 24 hours after the occurrence. The public concern is if they go the day after, are they at risk? MWRA does sampling everyday, with results the next day. Perhaps 24 hours after a storm, a red flag should go up, rather than spend \$330 million.

Mr. Woods asked if the Authority would get involved in removal of storm drains for storm water going into the oceans and rivers. Mr. Hornbrook stated that there are no plans to address storm water on a regional basis. When MWRA developed the original plan for this particular storage conduit in South Boston, the plan was \$120 million with some separate storm water going to the beaches. For the relatively small cost of \$1 to \$2 million more, storm water could be addressed, therefore no pollutants could go to the beach. The Advisory Board felt that this should be MDC's responsibility. With this reassessment, MWRA is putting on the table storm water capture and no capture, with costs and benefits. These proposals will then go to the public. MWRA does not have a legal commitment to pick up storm water. MWRA is pushing the lower alternative very strongly.

Mr. Favaloro stated that EPA and other regulatory agencies have only one solution in mind and that is the \$330 million option. Mr. Hornbrook stated that the regulatory agencies' argument is that the beaches should be swimmable at any time and that the shellfish area should be sewerage free. The standard right now for water quality is nothing less than elimination.

#### D. COMMITTEE REPORTS

Executive Committee – Katherine Haynes Dunphy

##### ❖ DISCUSSION: POTENTIAL OF ADDITIONAL STATE DEBT SERVICE ASSISTANCE REDUCTIONS IN FY03 AND FY04

Mr. Favaloro noted that there is a potential for additional cuts in the FY03 and FY04 state budgets. In FY03, the state budget is projected to have a \$200 to \$350 million deficit. The Governor, under emergency powers, identified \$200 million and the Authority did not take an additional hit in debt service assistance. There has been discussion to bring the Legislature back to find another \$150 million; however, the Legislature has decided to wait until after November elections.

The real problem comes in FY04. The FY03 budget was balanced by the use of at least \$1 billion from one-time revenues (rainy day funds). These funds will not be available for FY04 to offset these expenditures. FY04 will start anywhere between \$1 to \$2 billion in the hole. If there are further cuts in the budget, the potential exists for further impact on debt service assistance.

##### ❖ LEGISLATIVE PRIORITIES FOR UPCOMING SESSION

The Advisory Board has until December 4 to submit initiatives for the new legislative session and will bring its initiatives before Advisory Board members in November.

The Executive Committee and staff determined that it would be best to be realistic on initiatives to be submitted. The principal goal is to file legislation that does not significantly add to the state's financial woes, other than fully restoring debt service assistance. The remaining pieces of legislation do not have a fiscal impact. All of the Advisory Board's initiatives are important and significant; however, costly ones will likely not find a sponsor this year.

Finance Committee – Phil Farrington

##### ❖ UPDATE: CIP CAP REVIEW COMMITTEE MEETING

The Advisory Board was successful in putting a CIP cap in place. One major concern in last year's CIP comments was a difference of opinion with MWRA on how the cap is being implemented. The CIP Cap Review Committee, which included Board members John Carroll and Vincent Mannering, Advisory Board Chairman Katherine Haynes Dunphy and MWRA and

Advisory Board staffs, reconvened to determine how the cap should be interpreted.

The Committee directed MWRA staff to come back to the Committee with a plan that incorporates the Advisory Board's vision of how the cap should work, without using FY11 and FY12 funds before FY10. The MWRA Board of Directors will make the final decision on the interpretation.

❖ **PREVIEW: MWRA PROPOSED AMENDMENT TO THE FY03 CURRENT EXPENSE BUDGET**

Cornelia Potter stated that staff has received copies of the MWRA's proposed Amendment to fill in for a \$14.3 million shortfall of state debt service assistance receipts that the Authority is experiencing since it finalized the budget for FY03.

The Amendment includes \$4.6 million through direct expense reductions (\$3 million in *Wages and Salaries*) and \$4.1 million in indirect expense reductions, including \$3.6 million in reduced spending for capital financing as a result of refunding. The Authority expects to meet the rest of the shortfall with non-rate revenue and income adjustments, including recognizing the Stoughton entrance fee and the FY02 Clinton payment as income in FY03 and monies from the rate stabilization fund, particularly an FY02 surplus to be applied to FY03.

Staff has outlined the general direction and themes for the Advisory Board's comments. One of the most important features is readdressing how the Authority has structured its debt. As the Authority moves toward the ten-year mark on big borrowings from the early 1990s, it gives the Authority the opportunity to refund, and more importantly restructure, huge payments for debt service. Staff urges the Authority to craft at least three scenarios (aggressive, moderate and conservative) for the amount of debt service that could be restructured or resequenced.

The Authority's reserves should be revisited as water projects are completed, reducing the uncertainties and questions for which these reserves were kept. Further consolidation of staff should also be considered.

The Authority should renegotiate some of the regulatory schedules and expectations that could result in reductions in planned spending. Energy efficiency projects should be taken advantage of, especially as the Authority approaches the timeframe for renegotiating energy contracts.

The Advisory Board urges the MWRA Board of Directors to make a commitment to the transfer of the Division of Watershed Management to MWRA.

**Operations Committee** – Jay Fink

❖ **PREVIEW: OPERATIONS COMMITTEE MEETINGS**

The Operations Committee will meet on October 22 in the Chelsea Maintenance Facility. There are two items on the agenda:

• **SAGER ELECTRONICS/J. M. PERRONE CO., INC. – PROPOSED CONNECTION TO MWRA SEWER SYSTEM**

There will be preliminary presentations from two small business in Hingham that are seeking to connect to the MWRA wastewater system through Weymouth.

- **MWRA WASTEWATER METERING REPLACEMENT COMMITTEE**

It is imperative that wastewater communities participate in the Wastewater Metering Replacement Committee because there are impacts on many levels that communities will need to be involved with.

Mr. Favaloro expressed his disappointment that communities have not contacted the Advisory Board to participate. If there is one issue that communities want to be active with, this is it.

Mr. Hornbrook agreed, stating that this is a critical issue and the Authority would like as much involvement from its customers as possible.

**E. QUESTIONS AND COMMENTS**

**F. ADJOURNMENT**

**A MOTION WAS MADE TO ADJOURN THE MEETING AT 1:10 P.M.** It was seconded and passed by unanimous vote.

Respectfully submitted,

Edward Sullivan, Secretary