

**EXECUTIVE COMMITTEE MEETING
FEBRUARY 21, 2003**

MINUTES APPROVED AT THE MARCH 14, 2003 MEETING

Present: Guy Carbone, BELMONT; John Sullivan, BOSTON; Katherine Haynes Dunphy, MILTON; Lou Taverna, NEWTON; Bernie Cooper, NORWOOD; Walter Woods, WELLESLEY; Al Renzi, WESTWOOD.

Also in attendance: John Carroll and Andrew Pappastergion, MWRA BOARD OF DIRECTORS; Joseph Favaloro, Cornelia Potter, Ryan Ferrara, Nathalie Dailida and Mary Ann McClellan, MWRA ADVISORY BOARD STAFF.

I. Approval of the January 24, 2003 Minutes of the Executive Committee

The meeting, held at the Advisory Board office, was called to order by Chairman Katherine Haynes Dunphy at 8:40 a.m. A Motion was made **TO APPROVE THE JANUARY 24, 2003 MINUTES OF THE EXECUTIVE COMMITTEE**. It was seconded and passed by unanimous vote.

II. Preview: Advisory Board Budget

Joe Favaloro, MWRA Advisory Board Executive Director, provided a preview of the Advisory Board's proposed FY04 budget, which will include an overall reduction of 2 to 3% (equivalent to \$11,000 to \$12,000).

The reduction was accomplished primarily through reduced *Rent* costs. Other elements include a step increase for staff. The approximate 2.5% range decrease will put the budget in the \$450,000 range, approximately the same as the Advisory Board's FY01 budget.

The budget will be presented in March to provide the Authority with a number and approval will be scheduled for the May meeting.

III. Discussion: Straddle Connection to MWRA Waterworks System – Avalon Bay Communities, Inc.

Avalon Bay is a new apartment development on the Danvers/Peabody line. Advisory Board staff noted the project in the Environmental Monitor many months back and triggered the process for approval through the straddle policy. The developers have been before the Operations Committee on two occasions and received general support at the last Operations meeting. A presentation will be made at the next Advisory Board meeting and a vote for entrance under the straddle policy will be scheduled for March.

Ryan Ferrara stated that Avalon Bay intends to provide funds for water conservation measures to Peabody. This proposal allows Danvers to avoid additional stress on the Ipswich River Basin

while Peabody is allowed to reduce their overall water demand. Additionally, MWRA will receive an estimated \$100,000 entrance fee.

John Sullivan noted that the sewer use number is an engineered number times 110%. MWRA should require the proponent to take a hard look at how much water an apartment building should use with water conservation devices. Pressure should be on to take less than the 82,000 gallons allowed, which seems to be artificially high.

Mr. Favaloro noted that Wilmington received a \$3 million settlement from the company that caused the contamination to its wells and has begun the process to join the system and is building an emergency connection.

Reading has started the process to join the MWRA system and Dedham-Westwood Water District has entered active conversations with the Authority and appears to be serious about joining for some component of water to address seasonal issues.

John Carroll asked what the total water demand would be from all of the potential connections. Mr. Ferrara responded that the estimate is in the 8 to 10 million-gallon range per day, including Wilmington, Dedham-Westwood and Reading.

IV. Update: Transfer of the MDC Watershed Division

Mr. Favaloro stated that the Governor's latest press release indicates the Governor's plan to create a Division of Conservation and Recreation, which will include the MDC Division of Watershed Management (DWM). House 1 will include a shuffle of state divisions, keeping control within the state. The Secretary of Environmental Affairs has been in regular contact with MWRA and the Advisory Board to say that for now, DWM will be part of Conservation and Recreation; however, the Administration is willing to discuss other arrangements.

The Advisory Board hosted a meeting with the MWRA, Water Supply Citizens Advisory Committee (WSCAC), Massachusetts Audubon and the Environmental League of Massachusetts (ELM) in attendance. The meeting was positive and allowed MWRA, WSCAC and the Advisory Board to make a strong case for the transfer legislation. For the most part ELM and Audubon were supportive, but expressed concerns about land protection. Their major concern related to the process to sell the land. The legislation would only grant MWRA care and custody of the lands; ownership and future acquisition rights would remain with the Commonwealth.

Advisory Board staff has met with Senate Ways and Means to provide an update on the transfer legislation. Senator Murray, Chairman of Senate Ways and Means, filed legislation in December to dismantle the MDC and included the suggestion that the DWM be moved to the MWRA. Staff is also working to schedule a meeting with House Ways and Means in the coming weeks.

The MWRA Legislative Caucus is considering drafting a letter to request that the Governor and Legislature move DWM to MWRA. Mr. Favaloro also noted that he has asked Kevin Reilly of EPA to relay EPA's concerns on how the state is handling watershed protection and its importance.

Additionally, the MWRA Board of Directors has adopted a strong position in support of the transfer, which has allowed MWRA staff to aggressively pursue that directive. Fred Laskey met with the Secretary of EOEPA to stress the importance of the transfer as relates to watershed protection and the avoidance of filtration. Mr. Favaloro is scheduled to meet with the Secretary next week.

Andrew Pappastergion questioned why the transfer would have to be “sold” to the Administration; this should be a “no-brainer”.

Mr. Favaloro noted that WSCAC being on board helps in western Massachusetts. Additionally, J. R. Greene from the Ware Watershed Advisory Committee has come out in favor of the transfer, with a few minor concerns that can be easily addressed.

Mr. Ferrara stated that it is relevant that the DWM budget has already gone down from \$12 million to \$9 million. DWM is suffering the impacts from that loss because of the state freeze on hiring, leaving areas with considerable need, especially in the area of forestry. If DWM could hire new employees, it could bring up its revenue. It is important to note that DWM has been significantly limited due to the state cuts the past few years. Mr. Favaloro stated that he is convinced that once the Authority has an opportunity to review DWM spending, it will find many mismanaged dollars.

Mr. Carroll asked how the 137 DWM employees feel about the move. Mr. Favaloro stated that the employees would not lose what they have now. More than likely, moving to the Authority would provide more security considering that over the next few years there may be more major layoffs statewide and chances are the Authority pays more than the MDC. The only exception is a small group of employees managed under MOSES. When the Authority was created, the Enabling Act contained language for management rights that is different than the Commonwealth has in its agreements with the unions. MOSES has fought since 1985 to change MWRA’s management rights.

V. Status: FY04-06 Capital Improvement Program Review

Cornelia Potter stated that the Authority’s capital program is changing even as staff is reviewing it. Delaying capital projects will help meet the shortfall resulting from the elimination of debt service assistance.

The Authority started this process in December and initially brought to the Board a number of contracts that it proposed to delay. The Board vote shifted \$63.5 million out of the immediate spending period for the rest of FY03 through FY05. The Authority also impacted FY06 and beyond with this move. In terms of the proposed ten-year capital program, the Authority has reduced spending by \$72 million in FY04, 05 and 06, fully 10% of what it would be spending in the next three years.

Since the Board vote, the Authority has also modified a number of other projects and updated its planned spending schedules, mostly for the CSO program, adding another \$40 million to shift out over the next three years. MWRA can only change contracts that haven’t yet been awarded. Draft comments will be provided at the March Executive Committee and Advisory Board meetings.

John Sullivan noted that the North Dorchester Bay proposal is to build a 600-mgd pump station that will activate once every two years; 600 mgd is one-half the total pumping capacity of Deer Island. With activation only once every two years, one can only hope it will start when the button is pressed.

VI. Update: MWRA Wastewater Metering System Replacement

Mr. Favaloro noted that the Wastewater Metering Committee will meet again on March 11, when the Operations Committee hopes to have a final recommendation for the Executive Committee and full Advisory Board. Staff stressed the importance of community participation with this Committee.

VII. Approval of the Advisory Board Agenda for February 27, 2003

A Motion was made **TO APPROVE THE ADVISORY BOARD AGENDA FOR THE FEBRUARY 27, 2003 MEETING**. It was seconded and passed by unanimous vote.

VIII. Comments

The Authority will make a presentation at the Advisory Board meeting with the concept of streamlining the Consumer Confidence Report (CCR) by eliminating the community insert. Communities may want to express their opinions at the Advisory Board meeting if it is important to keep the insert. The goal is to spend less on the CCR.

Bernie Cooper asked how the CCR would handle local contacts. Mr. Ferrara stated that there would be one table listing the community contact information.

Eliminating the insert portion would save approximately \$5,000. Mr. Cooper stated that for relatively small savings of \$5,000, MWRA should keep the insert.

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