



News & Notes

A publication of the MWRA Advisory Board
April 2015

Federal Government Needs to Help, Not Hurt, Communities

At the April Advisory Board meeting, Geoff Beckwith, Director of the Massachusetts Municipal Association, updated members on the potential impacts of the loss of the tax exemption for interest on municipal bonds, an exemption, he added, that has been in place since the creation of the federal income tax in 1913.

Impacts, in a word, would be "devastating." From roads and bridges, schools and municipal building - all would see a dramatic increase in interest costs. Higher costs means less work; less work means less jobs. In fact, the potential increase in cost could add upwards of \$200 to \$525 million in additional costs to local taxpayers over the life of the bonds.

The Advisory Board wanted to look at the potential impact to water and sewer ratepayers. MWRA staff has calculated the impacts of the loss of tax exempt bonds to be approximately \$15 million in additional cost per \$100 million in today's favorable interest market. The MWRA expects to spend/borrow over \$2 billion over the next ten years to fund critical water and sewer infrastructure projects.

Applying the additional cost to the MWRA's proposed borrowing, the additional cost to ratepayers over the life of the bonds would be \$300 million in additional debt service to be paid by our cities and towns and, ultimately, through the water and sewer bills of our ratepayers over the life of the bonds. Moreover, these estimates do not include the additional costs when interest rates inevitably increase. In reality, the total cost could be far greater.

This cursory review does not even take into consideration the potential that there will be a retroactive component, which would impact some or all of the existing \$3.5 billion in outstanding senior debt issued by the Authority.

At a time when the federal government should be looking at every and all ways to assist communities, states and authorities to repair and replace our crumbling infrastructure, it instead is putting up more obstacles.

Staff is in the process of drafting a letter for members to

Upcoming Events

May 13th -
Board of Directors -
Charlestown
at 10:00 a.m.

May 15th -
Executive
Committee Meeting -
Charlestown at 8:30
a.m.

May 21st -
Advisory Board
Meeting - Canton at
11:30 a.m.

Join Our E-Mail List

In addition, if you are interested in receiving the monthly News & Notes, along with any other important updates regarding the Advisory Board, please subscribe to our mailing list.
Thank you!



Website & Twitter

If you are interested in finding out more about the Advisory Board, [click here](#) to visit our website. You can also follow us on Twitter by clicking on the link below.



approve at our next regular meeting.

If you would like to see a full package of materials that Geoff Beckwith distributed, please click [here](#).

Flouride - Dosage Reduction

Earlier this week, the Centers for Disease Control (CDC) released its long-awaited final recommendation that fluoride is to be added to drinking water at a dosage of 0.7 milligrams per liter (mg/L). Previously, the recommended dosage was a range between 0.7 mg/L and 1.2 mg/L.

MWRA's dosage has been in the middle at 1.0 mg/L and will now be reduced to the recommended 0.7 mg/L.

MWRA is changing the dosage added at the Carroll Water Treatment Plant and has notified the 45 water customer communities served by the plant of the change. Fluoride is not added at the Brutsch facility that serves the CVA communities.

Like most other water suppliers, MWRA follows the guidance of the CDC, as well as the World Health Organization and the American Dental Association, and has been adding fluoride to the water for more than 30 years to reduce tooth decay and to promote community public health.

According to the CDC, the dose is being lowered because Americans now receive fluoride from a variety of sources, other than just water, and the dental benefits can be achieved with a lower water dose.

The CDC published a report, Ten Great Public Health Achievements - United States 1900-1999, that listed fluoridation of public water supplies to reduce dental cavities as one of the leading public health achievements of the last century.

Please click [here](#) to see the [MWRA's press release](#), which includes links to a statement from the CDC and an article from the Department of Health and Human Services.

Election of an Advisory Board Representative to the MWRA Board of Directors

The current term of Andrew Pappastergion as an Advisory Board representative on the MWRA Board of Directors expires on June 30, 2015. He has informed the Advisory Board that he will seek re-election.

The Executive Committee has instructed staff to initiate the process for the election of an Advisory Board representative

to the MWRA Board of Directors. The term of the seat will be from July 1, 2015 to June 30, 2018.

- The Executive Committee will serve as the Nominating Committee, as it has in the past.
- **May 11, 2015 is the deadline** for candidates to submit a letter of intent to seek election to the MWRA Board of Directors.
- On **May 15, 2015**, the Executive Committee will interview all candidates and nominate a candidate to the full Advisory Board.
- On **May 21, 2015**, at the Advisory Board meeting at the Bradley Estate in Canton, nominations will be accepted and an election will be held. All candidates will be allowed an opportunity to address the full Advisory Board. An election will follow. **Please note that election for the Board of Directors is one vote for each community. It is not a weighted vote. A quorum of 33 voting members is necessary to validate the election.**

All interested candidates are requested to send a letter of intent by May 11, 2015, as well as a resume, to the MWRA Advisory Board, 100 First Avenue, Building 39-4, Boston, MA 02129.

House Version of FY16 State Budget Includes \$1.1 Million for Debt Service Assistance

The Advisory Board thanks Speaker Robert DeLeo, House Majority Leader/MWRA Caucus Chairman Ron Mariano, House Ways and Means Chairman Brian Dempsey and the entire MWRA Legislative Caucus for their efforts on behalf of MWRA ratepayers for once again including Debt Service Assistance as part of their version of the budget.



MWRA Advisory Board Executive Director Joe Favaloro presents the 2014 Advisory Board Legislator of the Year Award to House Majority

