



Comments & Recommendations on MWRA's Proposed FY25 CEB & CIP

Proposed FY25 Current Expense Budget

Where we started...

Expenses





Proposed Fiscal Year 2025 CEB

Authority Level - Expenses

Expenses

	Final FY24	Proposed FY25	Change (\$)	Change (%)
TOTAL DIRECT EXPENSES	\$ 316,003,024	\$ 320,657,176	\$ 4,654,152	1.5%
PERSONNEL	161,523,613	171,152,082	9,628,469	6.0%
CHEMICALS	28,269,124	20,054,280	(8,214,844)	-29.1%
ENERGY AND UTILITIES	31,064,893	29,660,076	(1,404,818)	-4.5%
MAINTENANCE	38,574,255	43,578,318	5,004,063	13.0%
TRAINING AND MEETINGS	498,597	547,346	48,749	9.8%
PROFESSIONAL SERVICES	10,410,484	11,000,628	590,144	5.7%
OTHER MATERIALS	7,167,398	7,255,219	87,821	1.2%
OTHER SERVICES	38,494,660	37,409,229	(1,085,432)	-2.8%
TOTAL INDIRECT EXPENSES	\$ 70,386,507	\$ 74,128,494	\$ 3,741,986	5.3%
CAPITAL FINANCING	\$ 487,759,367	\$ 505,112,526	\$ 25,749,297	3.6%
TOTAL EXPENSES	\$ 874,148,898	\$ 899,898,196	\$ 25,749,297	2.9%

▲ from FFY24

PFY25 ↑ \$ 900 M



PFY25 Proposed Budget Highlights

Chemicals	↓29.1% = favorable pricing, especially for Sodium Hypo & Ferric Chloride
Energy & Utilities	↓4.5% = favorable Electricity and Diesel pricing & ↓ anticipated volume @DI
Other Services	↓2.8% = lower Sludge Pelletization contract & grit and screenings contract
Maintenance	↑ 13% = CTG control system replacement & PICS HMI system upgrade
Indirect Expenses	Insurance ↑10%, Pension ↑48.5%, Additional \$5.8M toward 2030 full funding
Personnel	Wages ↑6.1%, Health Insurance ↑6%
Capital Financing	Debt prepayment \$7M, Defeasance \$15M, Var Interest =4.75%

PFY25 ▲ in relation to FFY24



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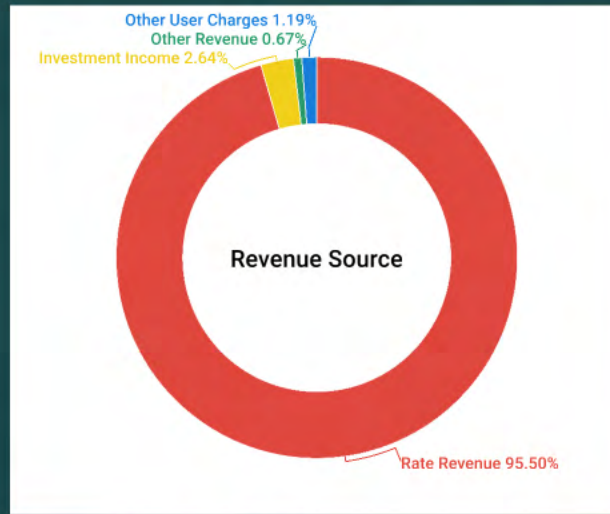
PFY25 ↑ \$ 900 M

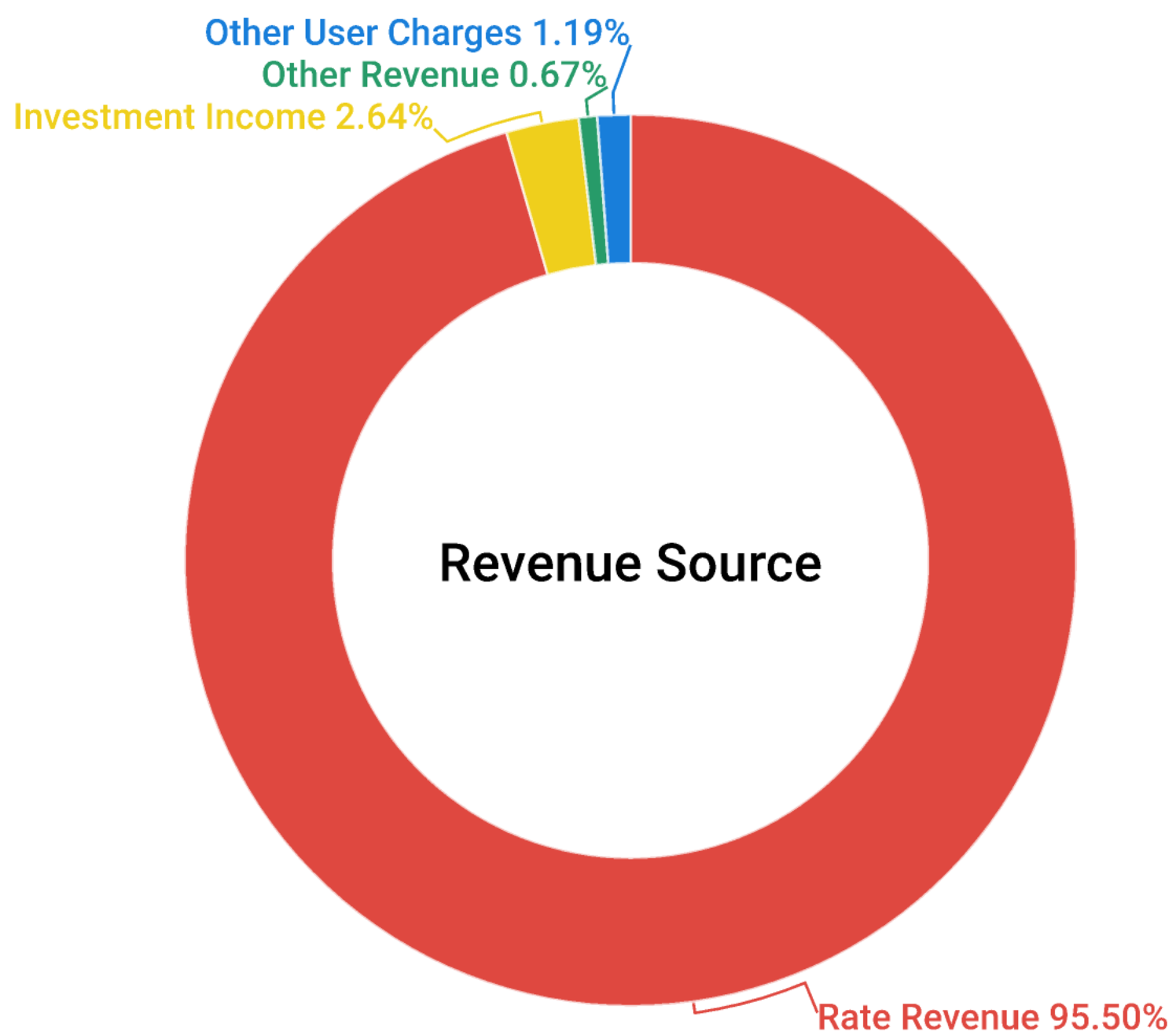


PFY25 Proposed Budget Highlights

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"It's the ~~economy~~ rates, stupid..."





Budget

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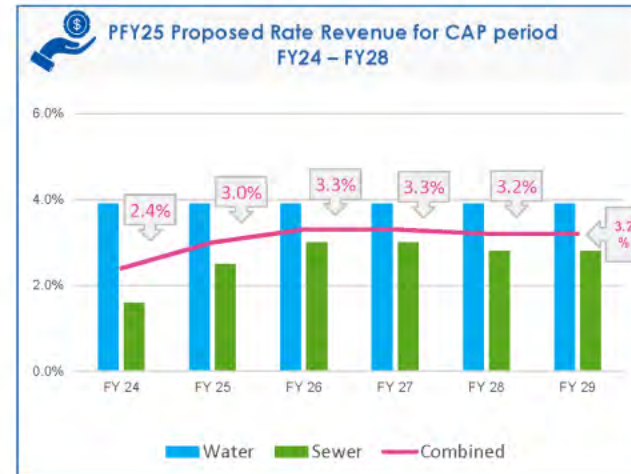
Revenue



Proposed Fiscal Year 2025 CEB

Authority Level - Revenues

Combined	FFY24 (\$M)	PFY25 (\$M)	PFY26 (\$M)	PFY27 (\$M)	PFY28 (\$M)
TOTAL EXPENSES	874.148	899.898	924.843	956.200	988.060
TOTAL NON-RATE REVENUE	39.880	40.460	36.788	38.408	40.565
OTHER USER CHARGES	10.39	10.719	11.03	11.35	11.75
<i>Non-member Sewer</i>	0.877	0.799	0.823	0.848	0.872
<i>Non-member Water</i>	9.512	9.920	10.207	10.504	10.884
OTHER REVENUE	5.838	5.985	6.116	6.253	6.396
<i>Other Revenue-Sewer</i>	4.586	4.804	4.935	5.072	5.214
<i>Other Revenue-Water</i>	1.252	1.181	1.181	1.181	1.181
INVESTMENT INCOME	23.346	23.755	18.833	20.023	21.631
<i>Investment Income-Sewer</i>	13.875	13.728	11.017	11.851	12.819
<i>Investment Income-Water</i>	9.470	10.027	7.816	8.172	8.812
RATE STABILIZATION	0.305	-	0.809	0.780	0.782
RATE REVENUE REQUIRED	834.263	859.438	888.056	917.792	947.495
RATE CHANGE	2.4%	3.0%	3.3%	3.3%	3.2%



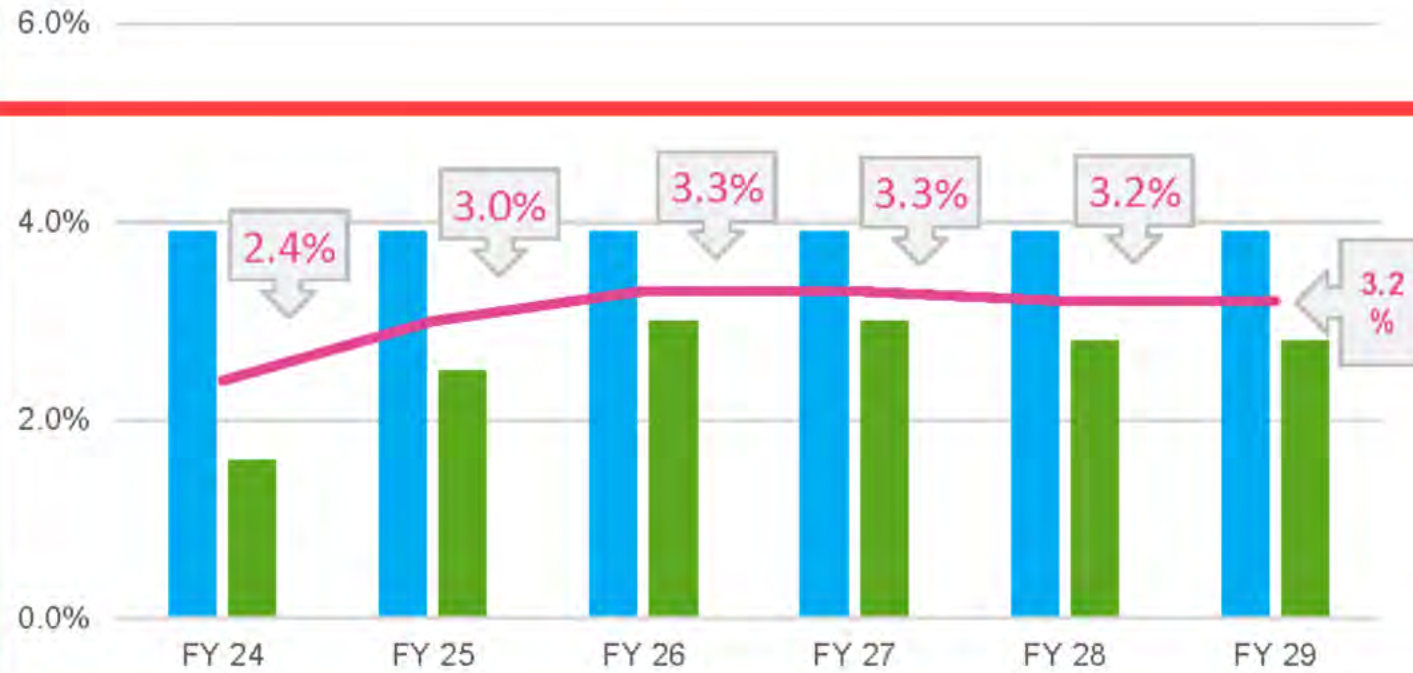
FY25 Proposed Revenue Considerations

- Rate Revenue**: Increased by 3.0% - slightly lower than the Planning Estimate Model of 3.4% (\$900k = 0.10% on the rate)
- Rate Stabilization**: \$0 being used in FY 25
- Investment Income**: Increase of \$409k or 1.8% over FY24. Short-term interest projected at 4.25% (no change from FY 24)

RATE CHANGE	2.4%	3.0%	3.3%	3.3%	3.2%
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PFY25 Proposed Rate Revenue for CAP period FY24 – FY28



Water Sewer Combined

FY25 Proposed Revenue Considerations

Rate Revenue



Increased by 3.0% - slightly lower than the Planning Estimate Model of 3.4%
\$900k = 0.10% on the rate

Rate Stabilization



\$0 being used in FY 25

Investment Income



Increase of \$409k or 1.8% over FY24. Short-term interest projected at 4.25% (no change from FY 24)

Recommendations (\$)

Sewer Utility

IMPACTS ON RATE REVENUE REQUIREMENT	Amount
Final FY2024 RRR	\$ 534,592,131
Proposed FY2025 RRR	\$ 547,928,221
MWRA Proposed FY25 RRR Increase	2.49%
AB Recommendations	\$ (1,794,260)
FY2025 RRR, less changes	\$ 546,133,961
Advisory Board Recommended FY25 RRR Increase	2.16%



Executive Committee APPROVED:
Advisory Board Vote for:

IMPACTS ON EXPENDITURES	Amount	Description
MWRA ADVISORY BOARD RECOMMENDATIONS FOR FY25 CEB		
Staffing (vacancy rate assumptions)	\$ (2,610,000)	@\$113K/PTE (salary only)
Fringe benefits	\$ (1,044,000)	MWRA doesn't include fringe benefits reduction as part of vacancy rate.
Advisory Board budget reduction	\$ (18,784)	
Subtotal AB Recommendations	\$ (3,672,784)	
ANTICIPATED ADJUSTMENTS TO PROPOSED FY25 CEB		
Direct & Indirect Cost Changes		
Wages & Salaries	\$ (305,714)	
Fringe Benefits	\$ 358,706	
Chemicals	\$ (69,527)	
Energy & Utilities	\$ 3,861,193	
Maintenance	\$ 2,527,127	
Training and Meetings	\$ 12,144	
Professional Services	\$ 82,062	
Other Materials	\$ (4,406)	
Other Services	\$ (3,304,153)	
Watershed		
HEEC	\$ 1,082,338	
Pension	\$ (1,562,260)	
OPEB	\$ 1,562,265	
Additions to Reserves	\$ 130,888	
Defeasance Impact		
Subtotal of Changes to Operating Costs	\$ 2,490,655	
Revenue & Income		
Investment Income		
Subtotal of Rate & Revenue	\$ -	
OPERATING RESERVE REQUIREMENT ADJUSTMENT		
Operating Reserve Requirement	\$ (612,131)	Updated based on applicable adjustments; applies only to direct and indirect costs (revenue not included)
NET CHANGES TO PROPOSED FY25 CEB	\$ (1,794,260)	

Water Utility

IMPACTS ON RATE REVENUE REQUIREMENT	Amount
Final FY2024 RRR	\$ 299,675,873
Proposed FY2025 RRR	\$ 311,510,006
MWRA Proposed FY25 RRR Increase	3.95%
AB Recommendations	\$ (2,304,174)
FY2025 RRR, less changes	\$ 309,205,826
Advisory Board Recommended FY25 RRR Increase	3.18%

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IMPACTS ON EXPENDITURES	Amount	Description
MWRA ADVISORY BOARD RECOMMENDATIONS FOR FY25 CEB		
Staffing (vacancy rate assumptions)	\$ (1,320,000)	@\$113K/PTE (salary only) - double vacancy to 70 (still 35 under)
Fringe benefits	\$ (528,000)	
Rate stabilization funds	\$ (1,500,000)	
Advisory Board budget reduction	\$ (9,392)	
Subtotal AB Recommendations	\$ (3,357,392)	
ANTICIPATED ADJUSTMENTS TO PROPOSED FY25 CEB		
Direct & Indirect Cost Changes		
Wages & Salaries	\$ 283,261	
Fringe Benefits	\$ 209,653	
Chemicals	\$ (261,071)	
Energy & Utilities	\$ 412,849	
Maintenance	\$ 457,754	
Training and Meetings	\$ 8,859	
Professional Services	\$ (21,601)	
Other Materials	\$ 20,064	
Other Services	\$ (1,196,098)	
Watershed/Pilot	\$ 998,250	
Pension	\$ (893,692)	
OPEB	\$ 893,692	
Additions to Reserves	\$ 11,859	
Defeasance Impact		
Subtotal of Changes to Operating Costs	\$ 1,362,784	
Revenue & Income		
Investment Income		
Subtotal of Rate & Revenue	\$ -	
OPERATING RESERVE REQUIREMENT ADJUSTMENT		
Operating Reserve Requirement	\$ (309,565)	Updated based on applicable adjustments; applies only to direct and indirect costs (revenue not included)
NET CHANGES TO PROPOSED FY25 CEB	\$ (2,304,174)	

Combined Water & Sewer Utility

IMPACTS ON RATE REVENUE REQUIREMENT	Amount
Final FY2024 RRR	\$ 834,268,004
Proposed FY2025 RRR	\$ 859,438,001
MWRA Proposed FY25 RRR Increase	3.02%
AB Recommendations	\$ (4,098,434)
FY2025 RRR, less changes	\$ 855,339,567
Advisory Board Recommended FY25 RRR Increase	2.53%

Executive Committee: _____
Advisory Board Vote for: _____

IMPACTS ON EXPENDITURES	Amount	Description
MWRA ADVISORY BOARD RECOMMENDATIONS FOR FY25 CEB		
water	\$ (3,357,392)	
sewer	\$ (3,672,784)	
Debt Service Assistance		
Subtotal AB Recommendations	\$ (7,030,177)	
ANTICIPATED ADJUSTMENTS TO PROPOSED FY25 CEB		
Direct & Indirect Cost Changes		
Water Spring Reverts	\$ 1,362,784	
Sewer Spring Reverts	\$ 2,490,655	
Subtotal of Changes to Operating Costs	\$ 3,853,439	
Revenue & Income		
Water Spring Reverts	\$ -	
Sewer Spring Reverts	\$ -	
Subtotal of Rate & Revenue	\$ -	
OPERATING RESERVE REQUIREMENT ADJUSTMENT		
Operating Reserve Requirement	\$ (921,696)	Updated based on applicable adjustments; applies only to direct and indirect costs (revenue not included)
NET CHANGES TO PROPOSED FY25 CEB	\$ (4,098,434)	

Sewer Utility

IMPACTS ON RATE REVENUE REQUIREMENT	Amount
Final FY2024 RRR	\$ 534,592,131
Proposed FY2025 RRR	\$ 547,928,221
MWRA Proposed FY25 RRR Increase	2.49%
AB Recommendations	\$ (1,794,260)
FY2025 RRR, less changes	\$ 546,133,961
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Fringe benefits	\$ (1,044,000)	MWRA doesn't include fringe benefits reduction as part of vacancy rate.
Advisory Board budget reduction	\$ (18,784)	
Subtotal AB Recommendations	\$ (3,672,784)	
ANTICIPATED ADJUSTMENTS TO PROPOSED FY25 CEB		
Direct & Indirect Cost Changes		
Wages & Salaries	\$ (305,714)	
Fringe Benefits	\$ 358,706	
Chemicals	\$ (69,527)	
Energy & Utilities	\$ 1,981,193	
Maintenance	\$ 2,527,127	
Training and Meetings	\$ 12,141	
Professional Services	\$ 82,062	
Other Materials	\$ (4,406)	
Other Services	\$ (3,304,153)	
Watershed		
HEEC	\$ 1,082,338	
Pension	\$ (1,562,265)	
OPEB	\$ 1,562,265	
Additions to Reserves	\$ 130,888	
Defeasance Impact		
Subtotal of Changes to Operating Costs	\$ 2,490,655	
Revenue & Income		
Investment Income		
Subtotal of Rate & Revenue	\$ -	
OPERATING RESERVE REQUIREMENT ADJUSTMENT		
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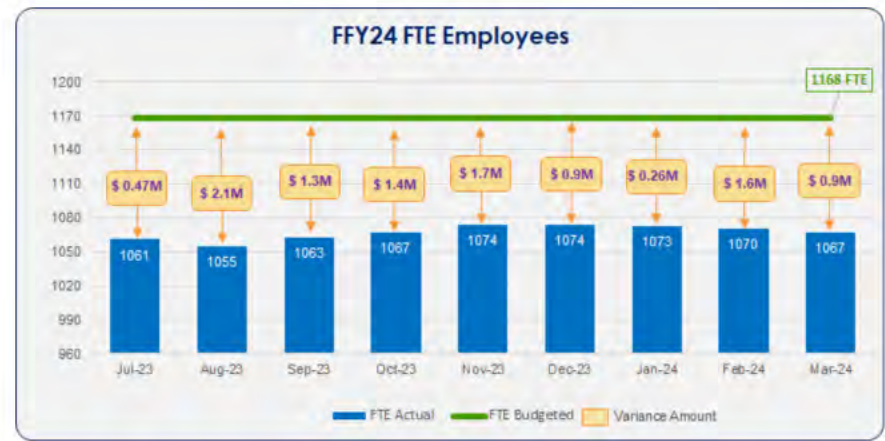
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MWRA Proposed FY25 RRR Increase
AB Recommendations
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Rate stabilization	
Advisory Board budget reduction	
Subtotal AB Recommendations	
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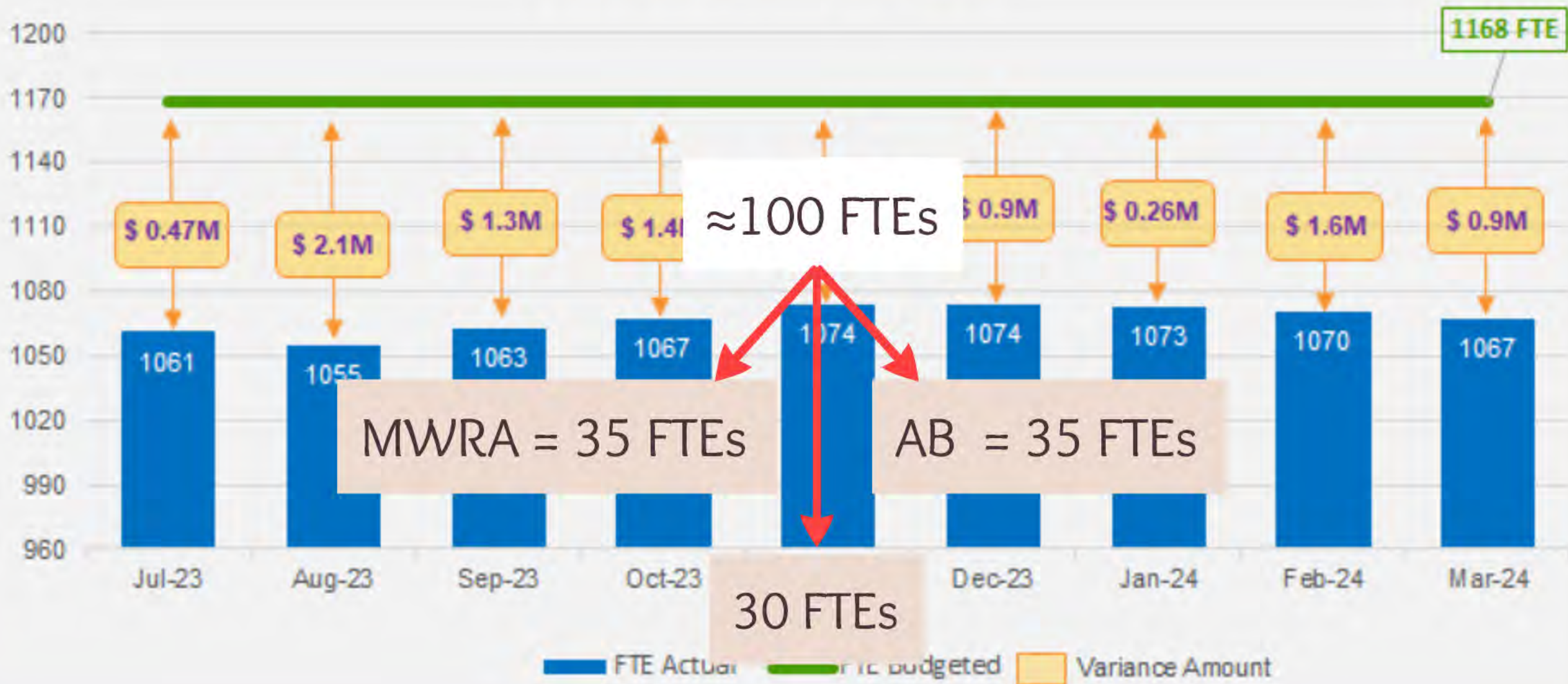
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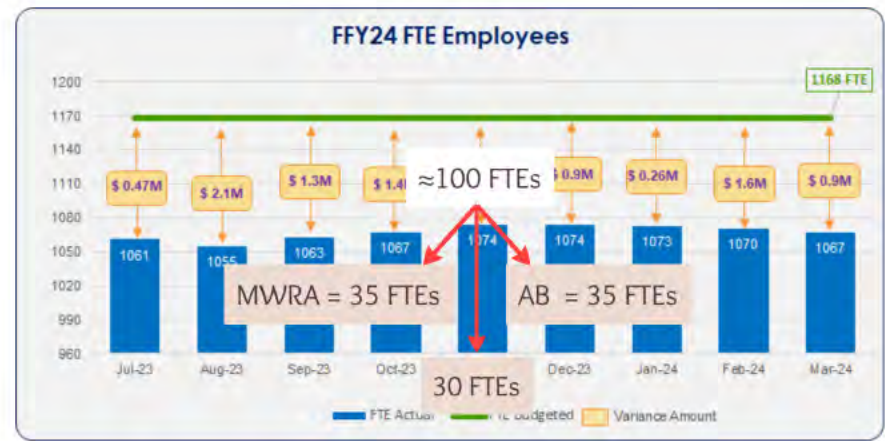
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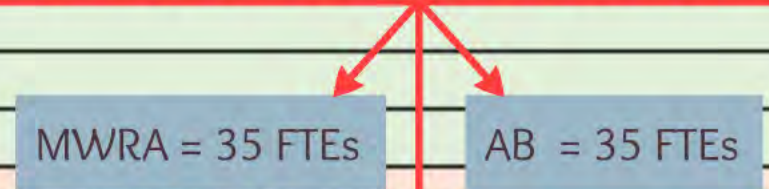
FFY24 FTE Employees



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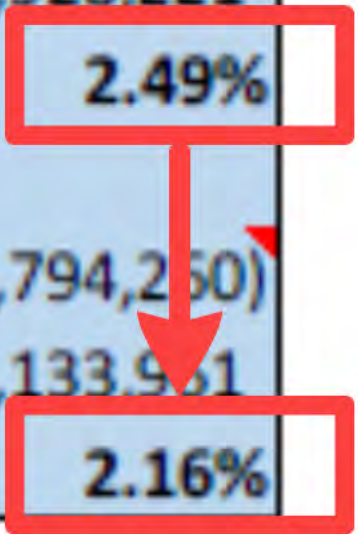


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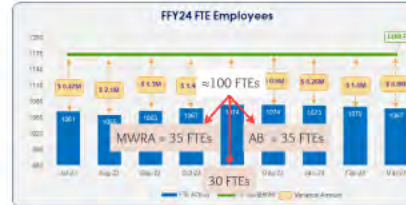


IMPACTS ON EXPENDITURES	Amount
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Sewer Utility

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Advisory Board Vote for:



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Revenue & Income		
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IMPACTS ON RATE REVENUE REQUIREMENT
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Water Utility

Executive Committee APPROVED:
Advisory Board Vote for:



IMPACTS ON RATE REVENUE REQUIREMENT	Amount
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Water Utility

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Advisory Board budget reduction	\$ (9,392)	
Subtotal AB Recommendations	\$ (3,357,392)	
ANTICIPATED ADJUSTMENTS TO PROPOSED FY25 CEB		
Direct & Indirect Cost Changes		
Wages & Salaries	\$ 283,261	
Fringe Benefits	\$ 209,653	
Chemicals	\$ (281,071)	
Energy & Utilities	\$ 411,849	
Maintenance	\$ 457,754	
Training and Meetings	\$ 8,859	
Professional Services	\$ (21,601)	
Other Materials	\$ 20,066	
Other Services	\$ (136,096)	
Watershed/Pilot	\$ 398,250	
Pension	\$ (893,692)	
OPEB	\$ 893,692	
Additions to Reserves	\$ 11,859	
Defeasance Impact		
Subtotal of Changes to Operating Costs	\$ 1,362,784	
Revenue & Income		
Investment Income		
Subtotal of Rate & Revenue	\$ -	
OPERATING RESERVE REQUIREMENT ADJUSTMENT		
Operating Reserve Requirement	\$ (309,565)	Updated based on applicable adjustments; applies only to direct and indirect costs (revenue not included)
NET CHANGES TO PROPOSED FY25 CEB	\$ (2,304,174)	

IMPACTS ON RATE REVENUE REQ
P
MWRA Proposed
A
FY20
Advisory Board Recommende

IMPACTS ON EXPEND
Del
Subtotal A
Subtotal of Change
Subtotal
Operating R
NET CHANGES TO

Combined Water & Sewer Utility

PROVED:
Vote for:

IMPACTS ON RATE REVENUE REQUIREMENT	Amount
Final FY2024 RRR	\$ 834,268,004
Proposed FY2025 RRR	\$ 859,438,001
MWRA Proposed FY25 RRR Increase	3.02%
AB Recommendations	\$ (4,098,434)
FY2025 RRR, less changes	\$ 855,339,567
Advisory Board Recommended FY25 RRR Increase	2.53%

Executive Committee: _____
Advisory Board Vote for: _____

IMPACTS ON EXPENDITURES	Amount	Description
MWRA ADVISORY BOARD RECOMMENDATIONS FOR FY25 CEB		
water	\$ (3,357,392)	
sewer	\$ (3,672,784)	
Debt Service Assistance		
Subtotal AB Recommendations	\$ (7,030,177)	
ANTICIPATED ADJUSTMENTS TO PROPOSED FY25 CEB		
Direct & Indirect Cost Changes		
Water Spring Revisits	\$ 1,362,784	
Sewer Spring Revisits	\$ 2,490,655	
Subtotal of Changes to Operating Costs	\$ 3,853,439	
Revenue & Income		
Water Spring Revisits	\$ -	
Sewer Spring Revisits	\$ -	
Subtotal of Rate & Revenue	\$ -	
OPERATING RESERVE REQUIREMENT ADJUSTMENT		
Operating Reserve Requirement	\$ (921,696)	<i>Updated based on applicable adjustments; applies only to direct and indirect costs (revenue not included)</i>
NET CHANGES TO PROPOSED FY25 CEB	\$ (4,098,434)	

Combined Water

IMPACTS ON RATE REVENUE REQUIREMENT		Amount
Final FY2024 RRR	\$	834,268,004
Proposed FY2025 RRR	\$	859,438,001
MWRA Proposed FY25 RRR Increase		3.02%
AB Recommendations	\$	(4,098,434)
FY2025 RRR, less changes	\$	855,339,567
Advisory Board Recommended FY25 RRR Increase		2.53%

IMPACTS ON EXPENDITURES	Amount	
-------------------------	--------	--

Combined Water & Sewer Utility

PROVED:
Vote for:

IMPACTS ON RATE REVENUE REQUIREMENT	Amount
Final FY2024 RRR	\$ 834,268,004
Proposed FY2025 RRR	\$ 859,438,001
MWRA Proposed FY25 RRR Increase	3.02%
AB Recommendations	\$ (4,098,334)
FY2025 RRR, less changes	\$ 855,339,667
Advisory Board Recommended FY25 RRR Increase	2.53%

Executive Committee: _____
Advisory Board Vote for: _____

IMPACTS ON EXPENDITURES	Amount	Description
MWRA ADVISORY BOARD RECOMMENDATIONS FOR FY25 CEB		
water	\$ (3,357,392)	
sewer	\$ (3,672,784)	
Debt Service Assistance		
Subtotal AB Recommendations	\$ (7,030,177)	
ANTICIPATED ADJUSTMENTS TO PROPOSED FY25 CEB		
Direct & Indirect Cost Changes		
Water Spring Revisits	\$ 1,362,784	
Sewer Spring Revisits	\$ 2,490,655	
Subtotal of Changes to Operating Costs	\$ 3,853,439	
Revenue & Income		
Water Spring Revisits	\$ -	
Sewer Spring Revisits	\$ -	
Subtotal of Rate & Revenue	\$ -	
OPERATING RESERVE REQUIREMENT ADJUSTMENT		
Operating Reserve Requirement	\$ (921,696)	<i>Updated based on applicable adjustments; applies only to direct and indirect costs (revenue not included)</i>
NET CHANGES TO PROPOSED FY25 CEB	\$ (4,098,434)	


Recommendations (\$)

Sewer Utility

IMPAIRMENTS ON RATE REVENUE REQUIREMENT	Amount
Final FY2024 RRR	\$ 334,392,311
Proposed FY2025 RRR	\$ 547,828,243
MWRA Proposed FY25 RRR Increase	2.49%
AB Recommendations	\$ (1,794,240)
FY2025 RRR, less changes	\$ 546,034,003
Advisory Board Recommended FY25 RRR Increase	2.34%

Executive Committee APPROVED: _____

Advisory Board Vote for: _____



IMPAIRMENTS ON EXPENDITURES	Amount	Description
MWRA ADVISORY BOARD RECOMMENDATIONS FOR FY25 CEB		
Staffing (vacancy rate assumptions)	\$ (2,430,000)	0.51136/FTE (salary only)
Fringe benefits	\$ (1,264,000)	vacancy doesn't include fringe benefits reduction as part of vacancy rate
Advisory Board budget reduction	\$ (18,784)	
Subtotal AB Recommendations	\$ (3,672,784)	
ANTICIPATED ADJUSTMENTS TO PROPOSED FY25 RRR		
Direct & Indirect Cost Changes		
Wages & Salaries	\$ (305,734)	
Fringe Benefits	\$ 378,709	
Chemicals	\$ (69,579)	
Energy & Utilities	\$ (981,189)	
Maintenance	\$ 2,527,227	
Training and Meetings	\$ (12,741)	
Professional Services	\$ (2,062)	
Other Materials	\$ (4,436)	
Water Shed	\$ (3,304,153)	
HEEC	\$ 1,082,138	
Pension	\$ (1,342,265)	
OP&B	\$ 2,962,265	
Additions to Reserves	\$ 130,888	
Defeasance Impact	\$ -	
Subtotal of Changes to Operating Costs	\$ 2,496,652	
Revenue & Income		
Investment Income	\$ -	
Subtotal of Rate & Revenue	\$ -	
OPERATING RESERVE REQUIREMENT ADJUSTMENT		
Operating Reserve Requirement	\$ (612,131)	Updated based on applicable adjustments; applies only to direct and indirect costs (revenue not included)
NET CHANGES TO PROPOSED FY25 CEB	\$ (1,794,240)	

Water Utility

IMPAIRMENTS ON RATE REVENUE REQUIREMENT	Amount
Final FY2024 RRR	\$ 299,475,873
Proposed FY2025 RRR	\$ 311,538,008
MWRA Proposed FY25 RRR Increase	3.99%
AB Recommendations	\$ (2,304,576)
FY2025 RRR, less changes	\$ 309,233,432
Advisory Board Recommended FY25 RRR Increase	3.18%

Executive Committee APPROVED: _____

Advisory Board Vote for: _____

IMPAIRMENTS ON EXPENDITURES	Amount	Description
MWRA ADVISORY BOARD RECOMMENDATIONS FOR FY25 CEB		
Staffing (vacancy rate assumptions)	\$ (1,220,000)	0.51136/FTE (salary only) - double vacancy to 70 (with 25 under)
Fringe benefits	\$ (528,000)	
Rate substitution funds	\$ (1,000,000)	
Advisory Board budget reduction	\$ (19,952)	
Subtotal AB Recommendations	\$ (2,857,952)	
ANTICIPATED ADJUSTMENTS TO PROPOSED FY25 CEB		
Direct & Indirect Cost Changes		
Wages & Salaries	\$ 253,251	
Fringe Benefits	\$ 209,833	
Chemicals	\$ (283,073)	
Energy & Utilities	\$ (411,849)	
Maintenance	\$ 457,754	
Training and Meetings	\$ 8,859	
Professional Services	\$ (21,402)	
Other Materials	\$ 20,666	
Other Services	\$ (1,136,596)	
Watershed/Plant	\$ 398,250	
Pension	\$ (893,452)	
OP&B	\$ 893,452	
Additions to Reserves	\$ 11,859	
Defeasance Impact	\$ -	
Subtotal of Changes to Operating Costs	\$ 1,502,784	
Revenue & Income		
Investment Income	\$ -	
Subtotal of Rate & Revenue	\$ -	
OPERATING RESERVE REQUIREMENT ADJUSTMENT		
Operating Reserve Requirement	\$ (309,565)	Updated based on applicable adjustments; applies only to direct and indirect costs (revenue not included)
NET CHANGES TO PROPOSED FY25 CEB	\$ (2,304,576)	

Combined Water & Sewer Utility

IMPAIRMENTS ON RATE REVENUE REQUIREMENT	Amount
Final FY2024 RRR	\$ 834,268,004
Proposed FY2025 RRR	\$ 855,438,001
MWRA Proposed FY25 RRR Increase	3.02%
AB Recommendations	\$ (4,098,134)
FY2025 RRR, less changes	\$ 851,339,867
Advisory Board Recommended FY25 RRR Increase	2.53%

Executive Committee: _____

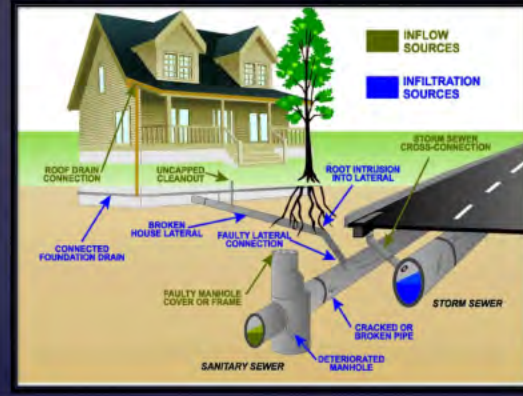
Advisory Board Vote for: _____

IMPAIRMENTS ON EXPENDITURES	Amount	Description
MWRA ADVISORY BOARD RECOMMENDATIONS FOR FY25 CEB		
water	\$ (3,357,392)	
sewer	\$ (3,672,784)	
Debt Service Assistance	\$ -	
Subtotal AB Recommendations	\$ (7,030,177)	
ANTICIPATED ADJUSTMENTS TO PROPOSED FY25 CEB		
Direct & Indirect Cost Changes		
Water Spring Revisits	\$ 1,362,784	
Sewer Spring Revisits	\$ 2,496,655	
Subtotal of Changes to Operating Costs	\$ 3,859,439	
Revenue & Income		
Water Spring Revisits	\$ -	
Sewer Spring Revisits	\$ -	
Subtotal of Rate & Revenue	\$ -	
OPERATING RESERVE REQUIREMENT ADJUSTMENT		
Operating Reserve Requirement	\$ (192,609)	Updated based on applicable adjustments; applies only to direct and indirect costs (revenue not included)
NET CHANGES TO PROPOSED FY25 CEB	\$ (4,098,134)	

I/I Community Assistance Program

1. Phase 15: \$100 million interest-free loan phase (similar to Phase 13) available in FY25.
2. Phase 16: \$125 million grant-loan phase (75% grant, 25% loan) available in FY26 with 10-year loan repayments.

Infiltration/Inflow (I/I)



Local Water Supply Assistance Program

Authorize Phase 4 of the Local Water Supply Assistance Program with the current terms and conditions with a total amount of \$300 million



Lead Loan Program

Modify the existing community assistance Lead Loan Program to make it a 25% grant/75% interest-free loan program subject to conditions to be finalized between Advisory Board and MWRA staff?

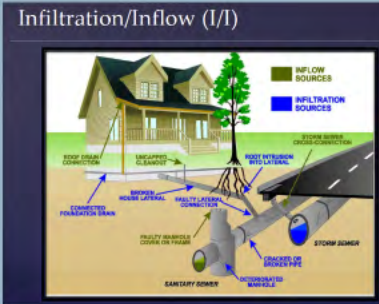


Capital Improvement Program

I/I Community Assistance Program

1. Phase 15: \$100 million interest-free loan phase (similar to Phase 13) available in FY25.

2. Phase 16: \$125 million grant-loan phase (75% grant, 25% loan) available in FY26 with 10-year loan repayments.



Local Water Supply Assistance Program

Authorize Phase 4 of the Local Water Supply Assistance Program with the current terms and conditions with a total amount of \$300 million

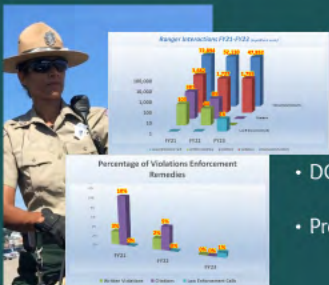


Lead Loan Program

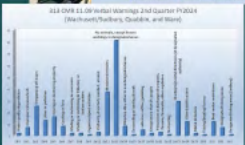
Modify the existing community assistance Lead Loan Program to make it a 25% grant/75% interest-free loan program subject to conditions to be finalized between Advisory Board and MWRA staff?



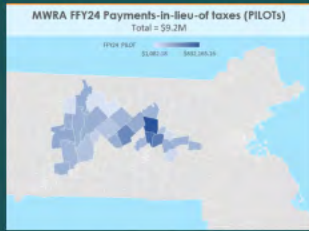
Policy Watershed Advocacy



- DCR Ranger Enforcement
- Protect source waters

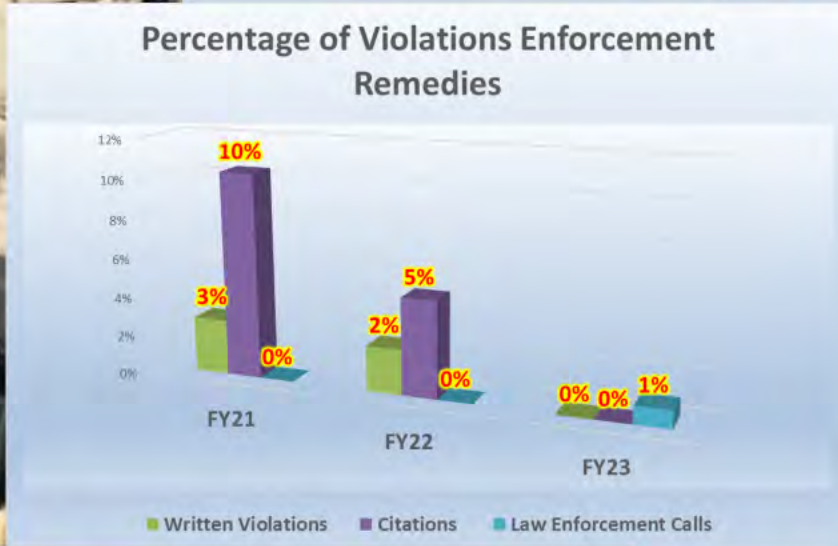
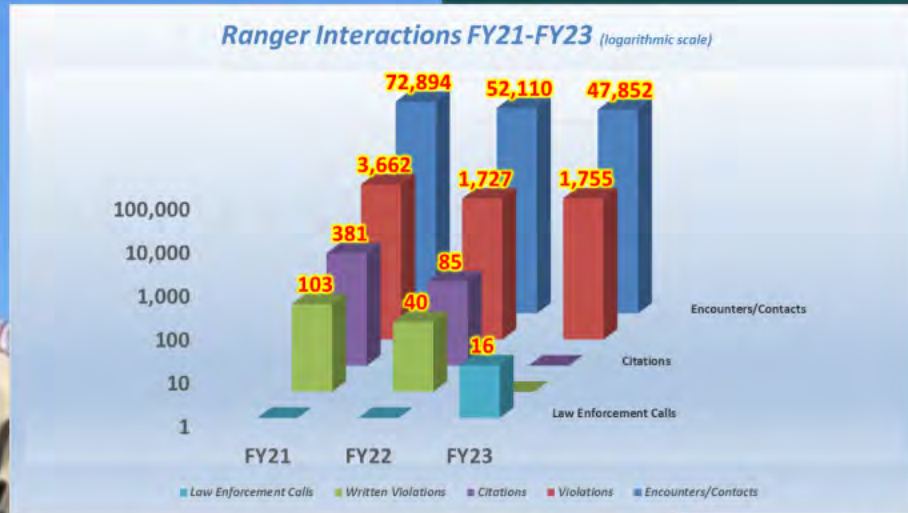
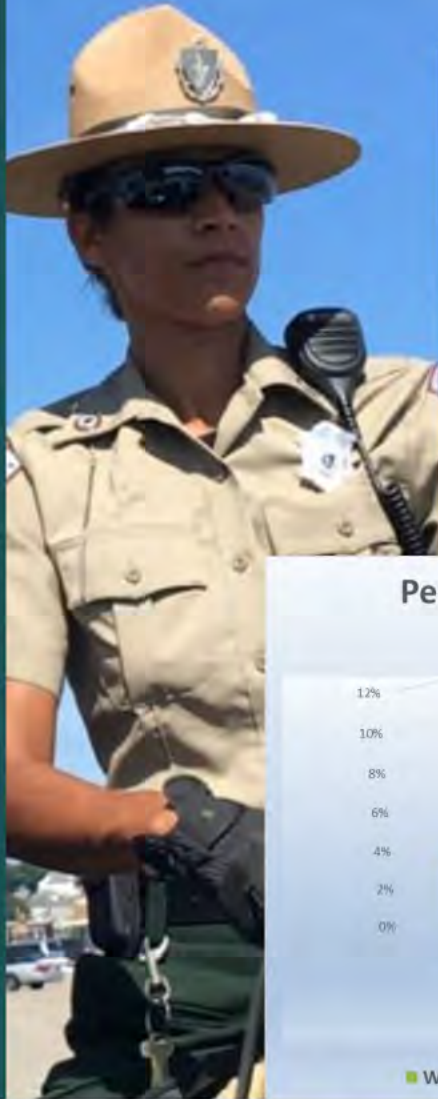


Quabbin Equity Bill



Watershed Forestry



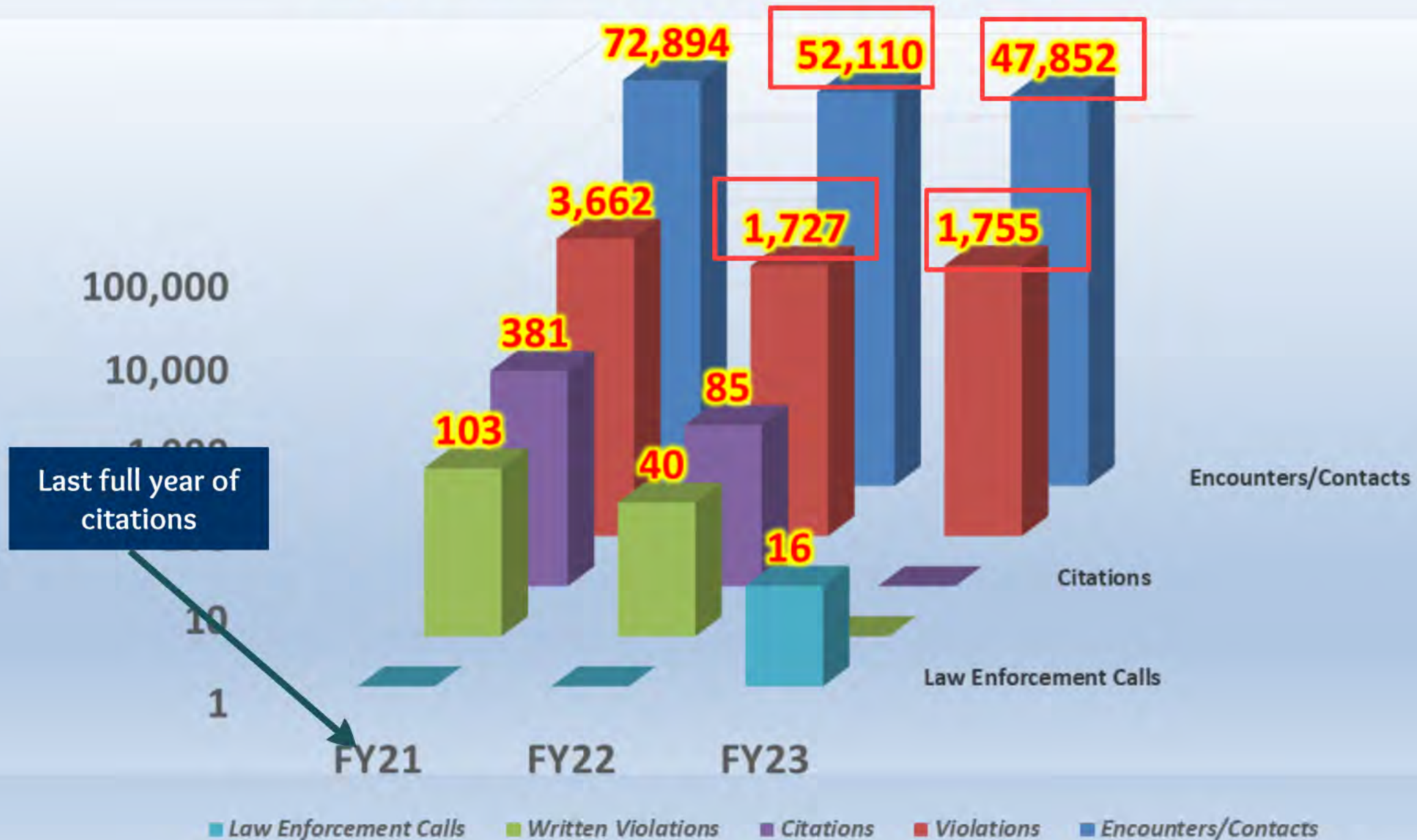


- DCR Ranger Enforcement
- Protect source waters

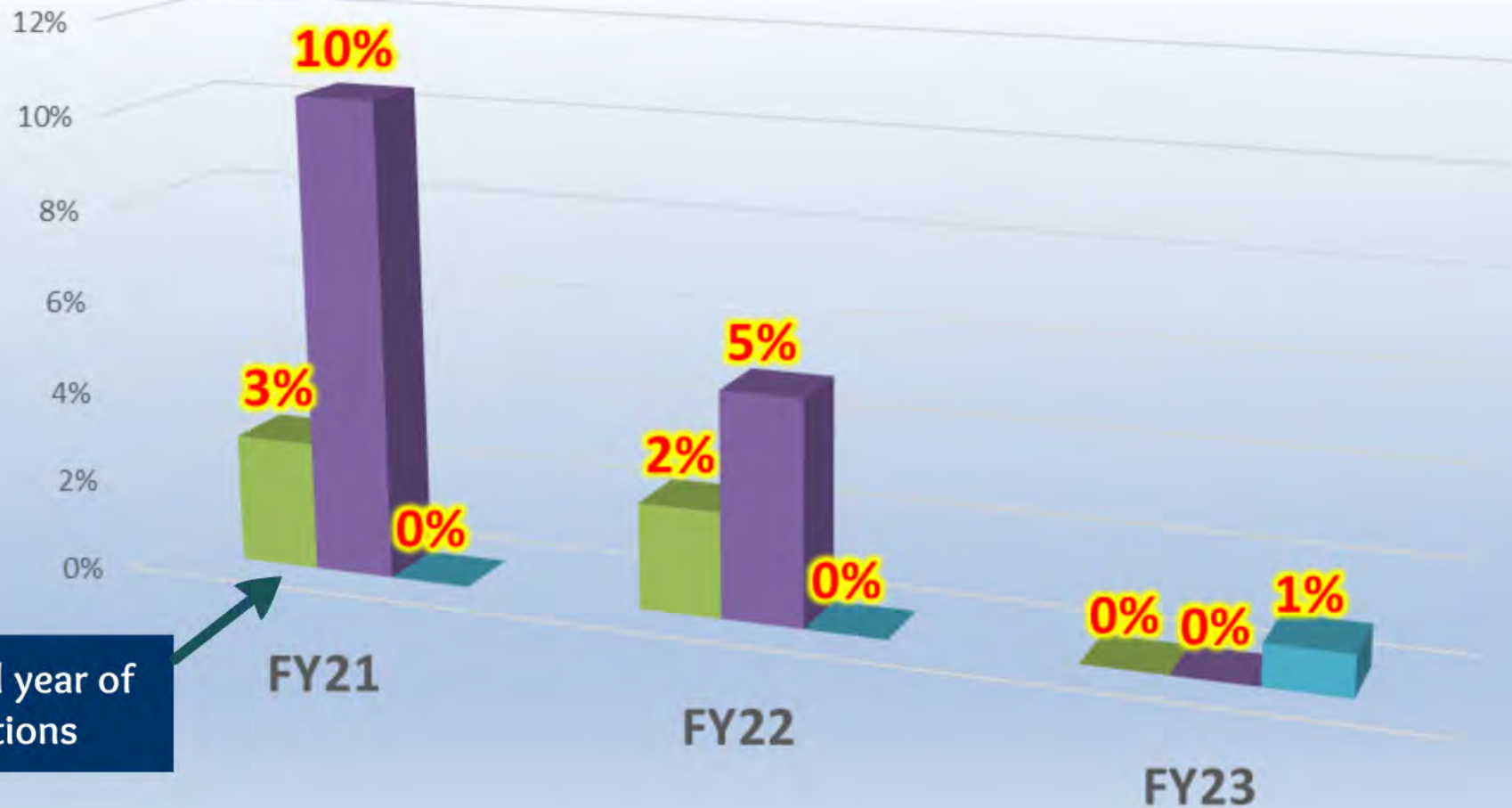
313 CMR 11.09 Verbal Warnings 2nd Quarter FY2024
(Wachusett/Sudbury, Quabbin, and Ware)



Ranger Interactions FY21-FY23 *(logarithmic scale)*



Percentage of Violations Enforcement Remedies



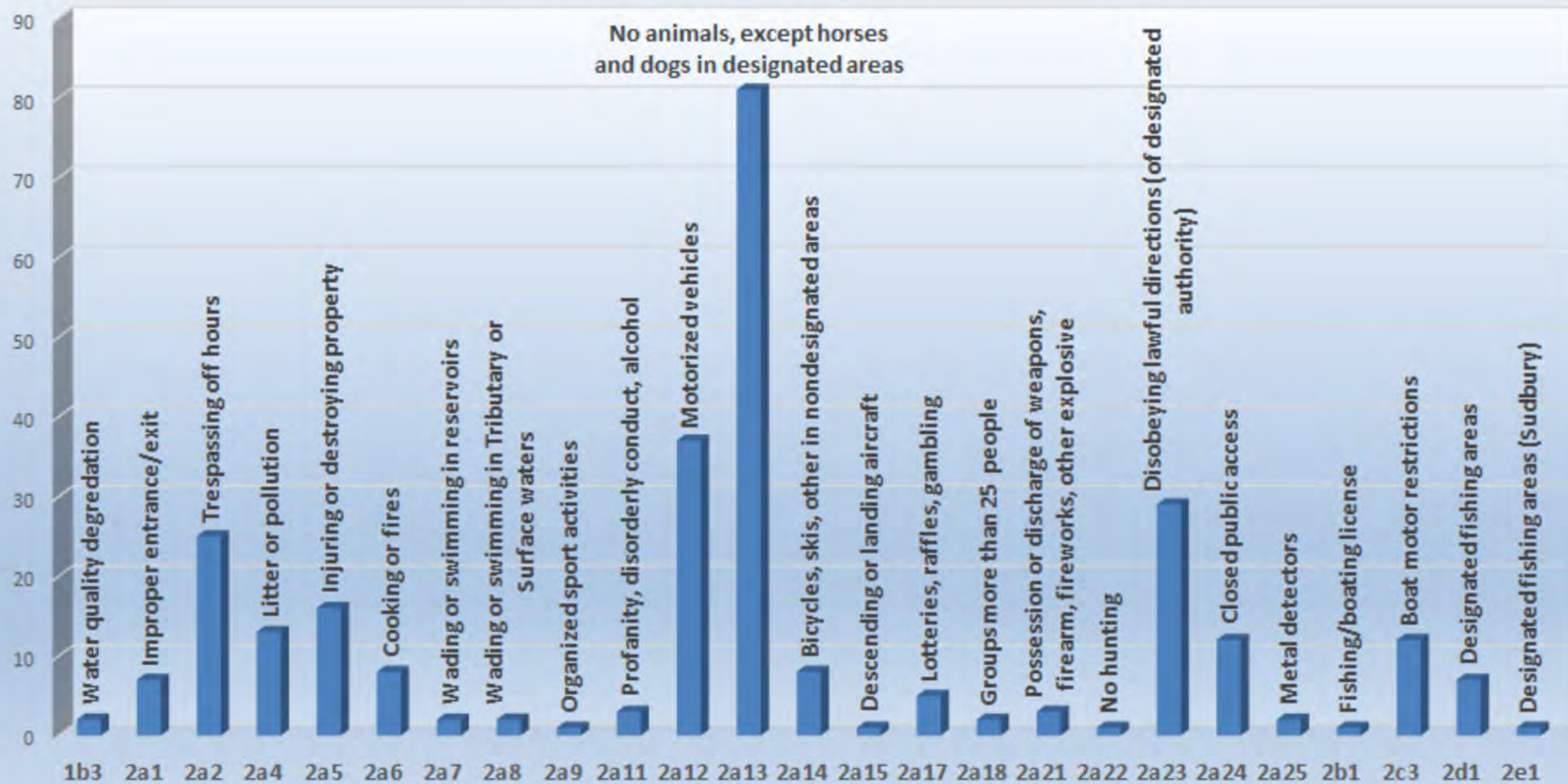
Last full year of citations

Written Violations

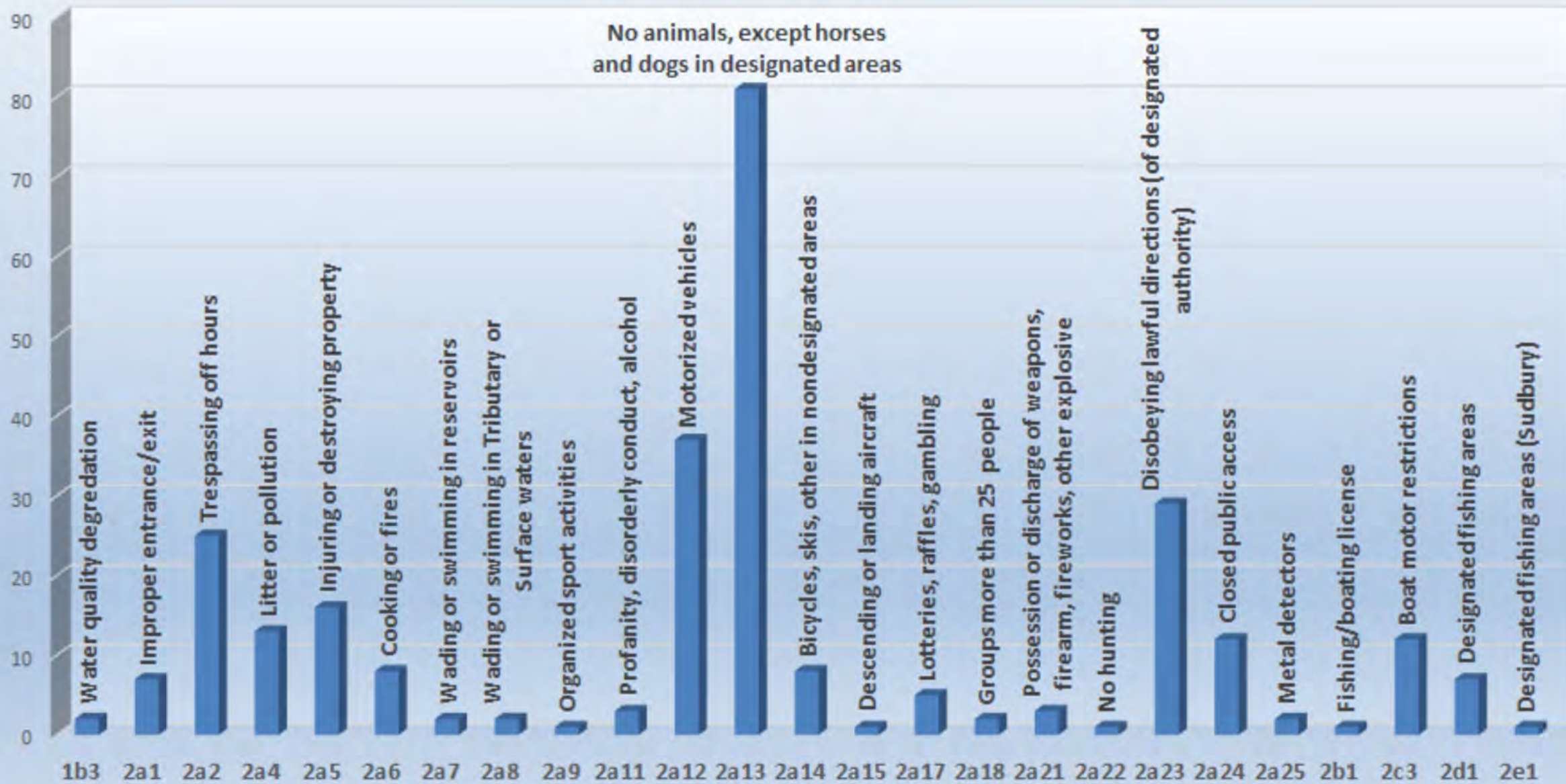
Citations

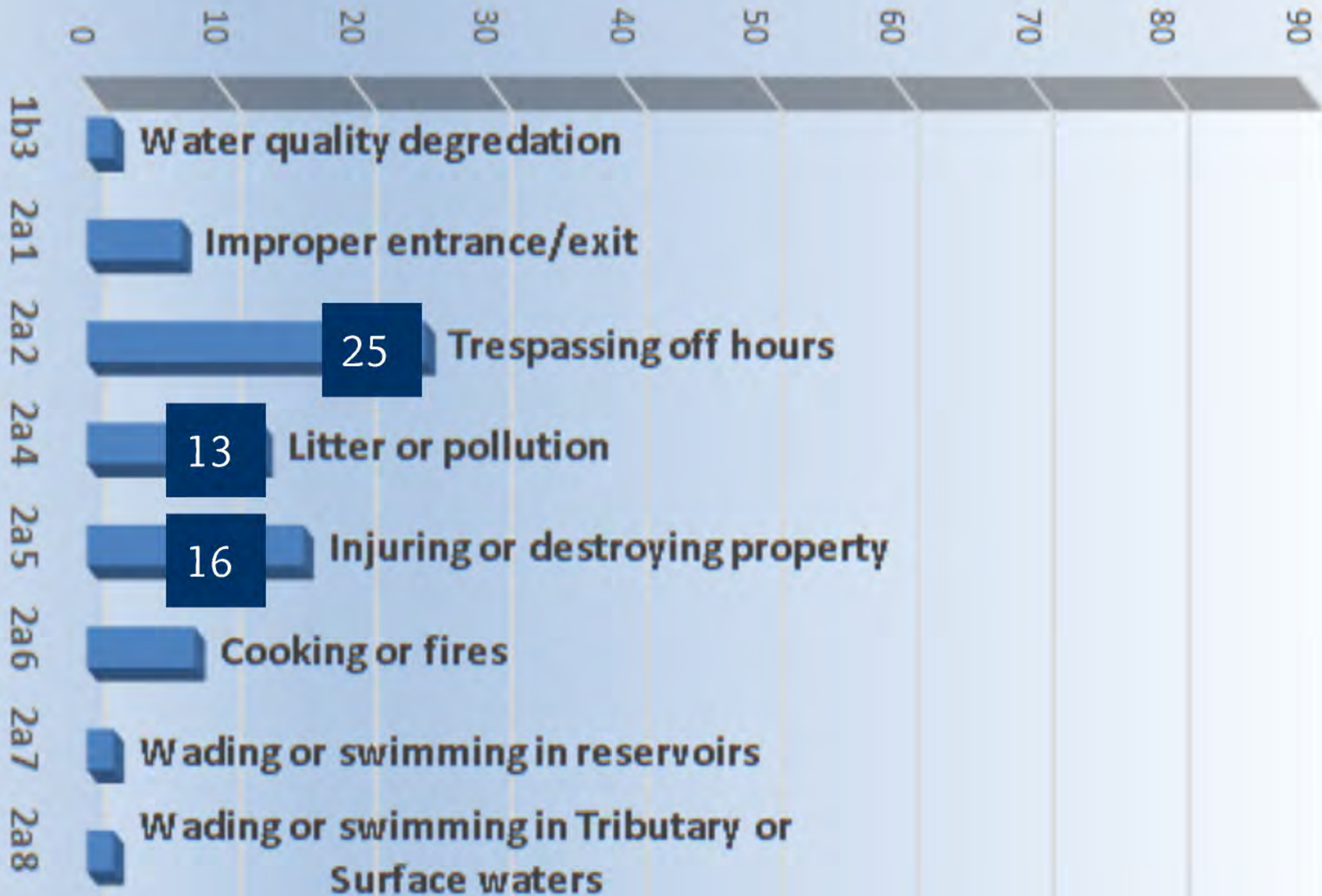
Law Enforcement Calls

313 CMR 11.09 Verbal Warnings 2nd Quarter FY2024 (Wachusett/Sudbury, Quabbin, and Ware)



Continued concerns





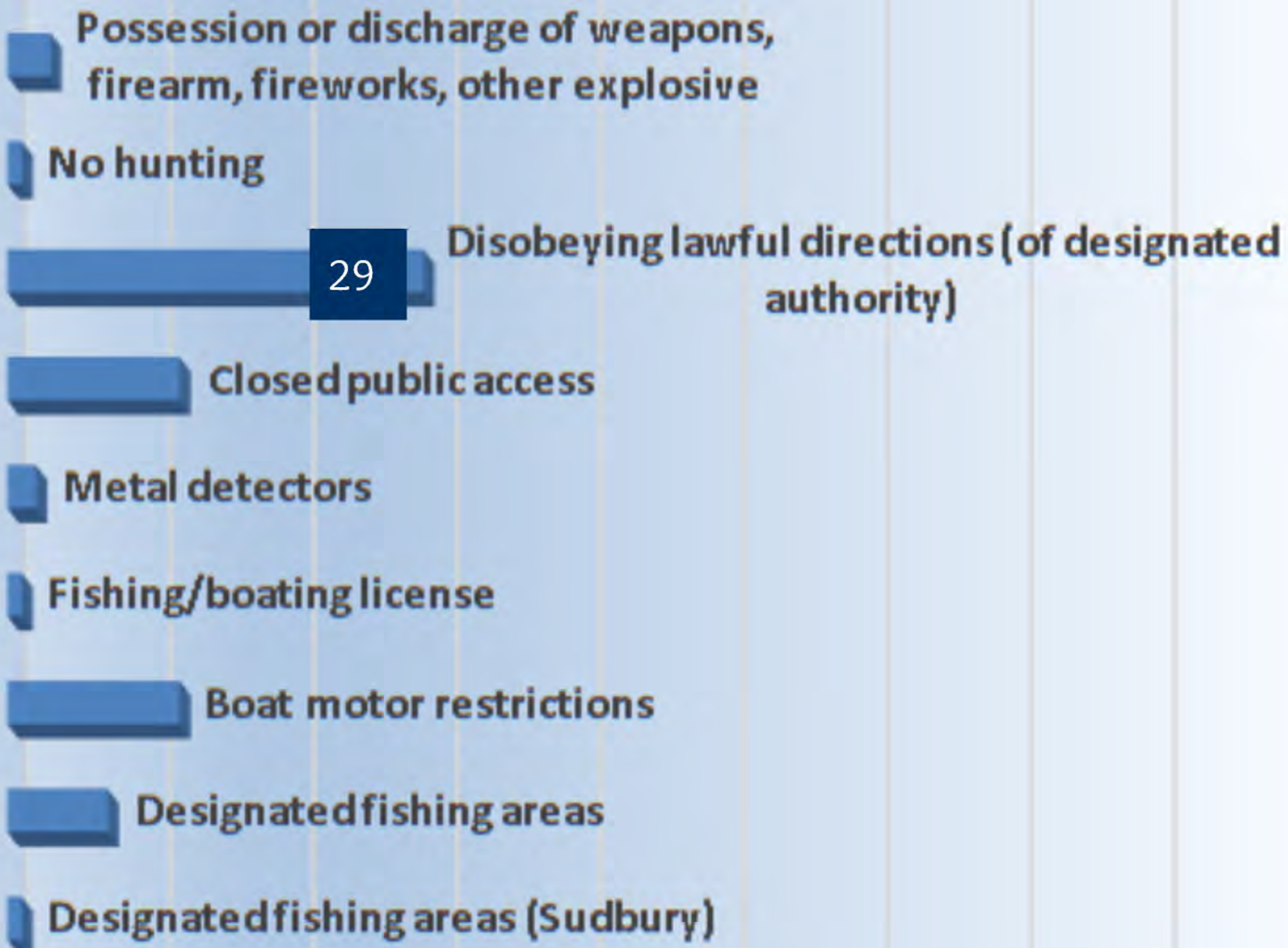
Continued concert

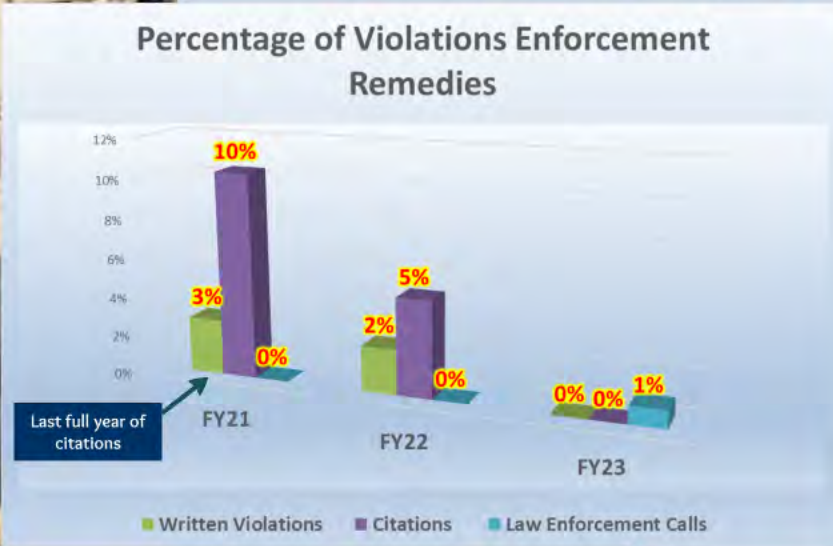
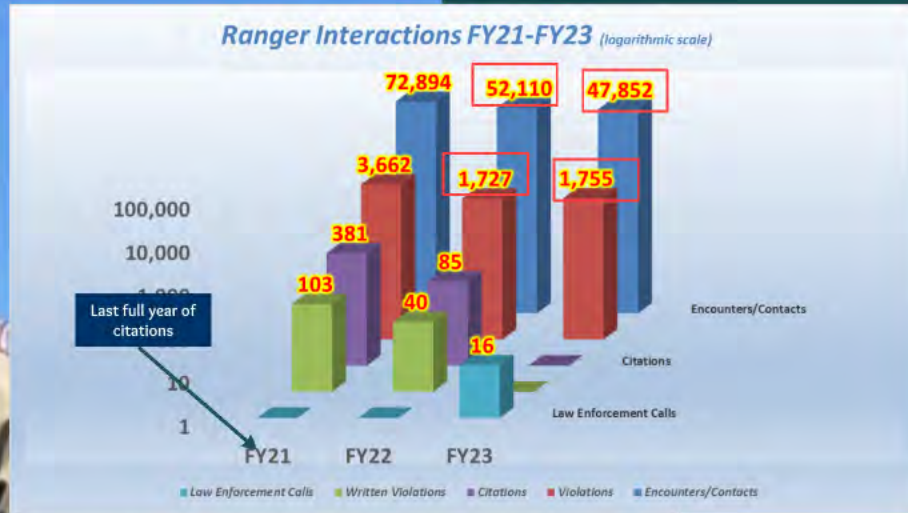
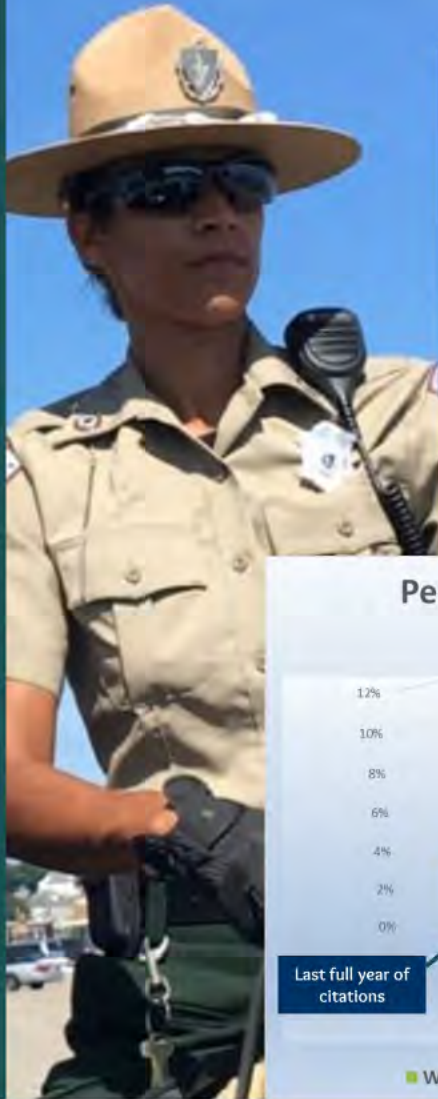
No animals, except horses
and dogs in designated areas



PERMS

2a21
2a22
2a23
2a24
2a25
2b1
2c3
2d1
2e1





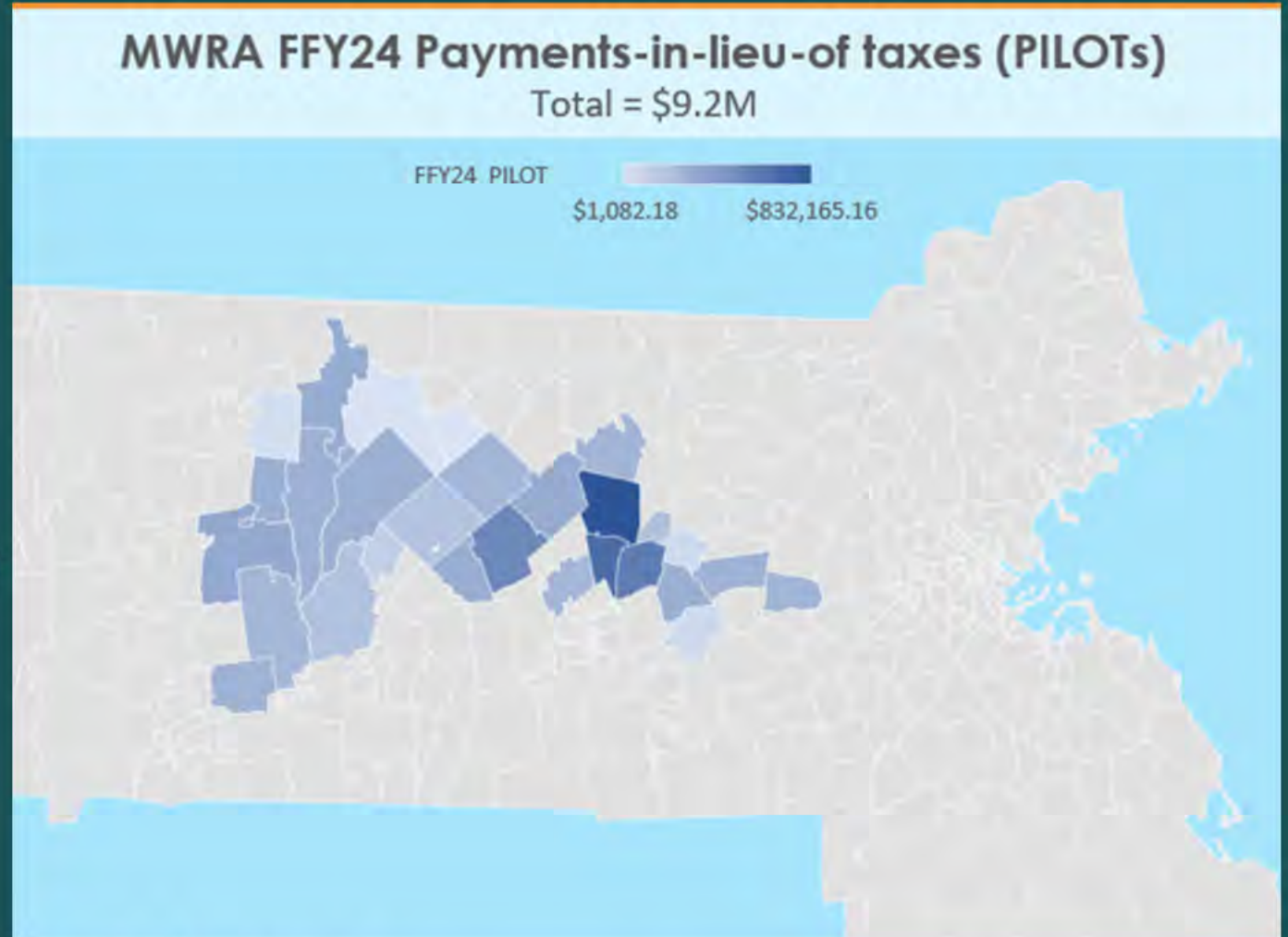
- DCR Ranger Enforcement
- Protect source waters
- Short-term plan
- Long-term solution

Continued concerns



Quabbin Equity Bill

- Water Tax
- Environmental Justice Concerns
- PILOT Payments
 - MWRA pays highest rate
 - Ignores additional PILOT payments
 - "Held harmless" provision
 - Sets aside Public Trust Doctrine
- MWRA Board of Directors change
- Proposed "feasibility study" is beyond MWRA's scope
 - Would add \$2.1 million funded by ratepayers



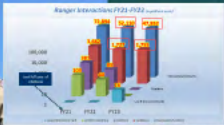
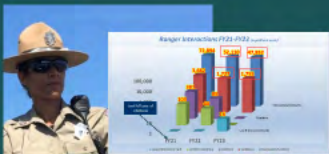
Watershed Forestry



- "Climate-Oriented Forest Management"
- ~~"Unfiltered"~~ "Forest Filtered"
- Final regs anticipated soon
- "Carefully considered and deliberately limited"
- Standardized and consistent reporting

Policy

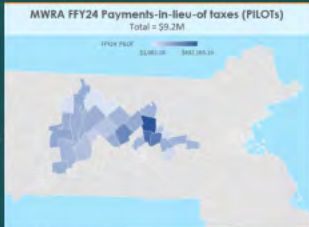
Watershed Advocacy



- DCR Ranger Enforcement
- Protect source waters
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- Long-term solution

Quabbin Equity Bill

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Watershed Forestry



- "Climate-Oriented Forest Management"
- ~~Unfettered~~ "Forest Filtered"
- Final regs anticipated soon
- "Carefully considered and deliberately limited"
- Standardized and consistent reporting



AB
 ADVISORY BOARD

**FY 2025
 Comments and
 Recommendations**

on the MWRA's Proposed
 Capital Improvement Program & Current Expense Budget

**MWRA
 Advisory Board**

MAY 2024



Comments & Recommendations on MWRA's Proposed FY25 CEB & CIP



AB
ADVISORY BOARD

**FY 2025
Comments and
Recommendations**

on the MWRA's Proposed
Capital Improvement Program & Current Expense Budget

**MWRA
Advisory Board**

MAY 2024



Comments & Recommendations on MWRA's Proposed FY25 CEB & CIP



MWRA Fiscal Year 2025 Current Expense Budget Development Update

May 22, 2024



Direct Expenses

- Fringe Benefits
- Chemicals
- Utilities
- Maintenance
- Other Services

Indirect Expenses

- Watershed Reimbursement
- HEEC
- Pension
- OPEB



Debt Service

- SRF
- Senior Debt
- Defeasance

Revenue

- Investment Income



Advisory Board

- Cooperation throughout the budget process
- Staff will develop formal responses to the Advisory Board's comments and recommendations
- Staff will be back in June with a Draft Final recommendation



Thank You!



Presentation to

MWRA Board of Directors

***Approval of Changes to the Lead
Service Line Replacement
Program***

May 22, 2024

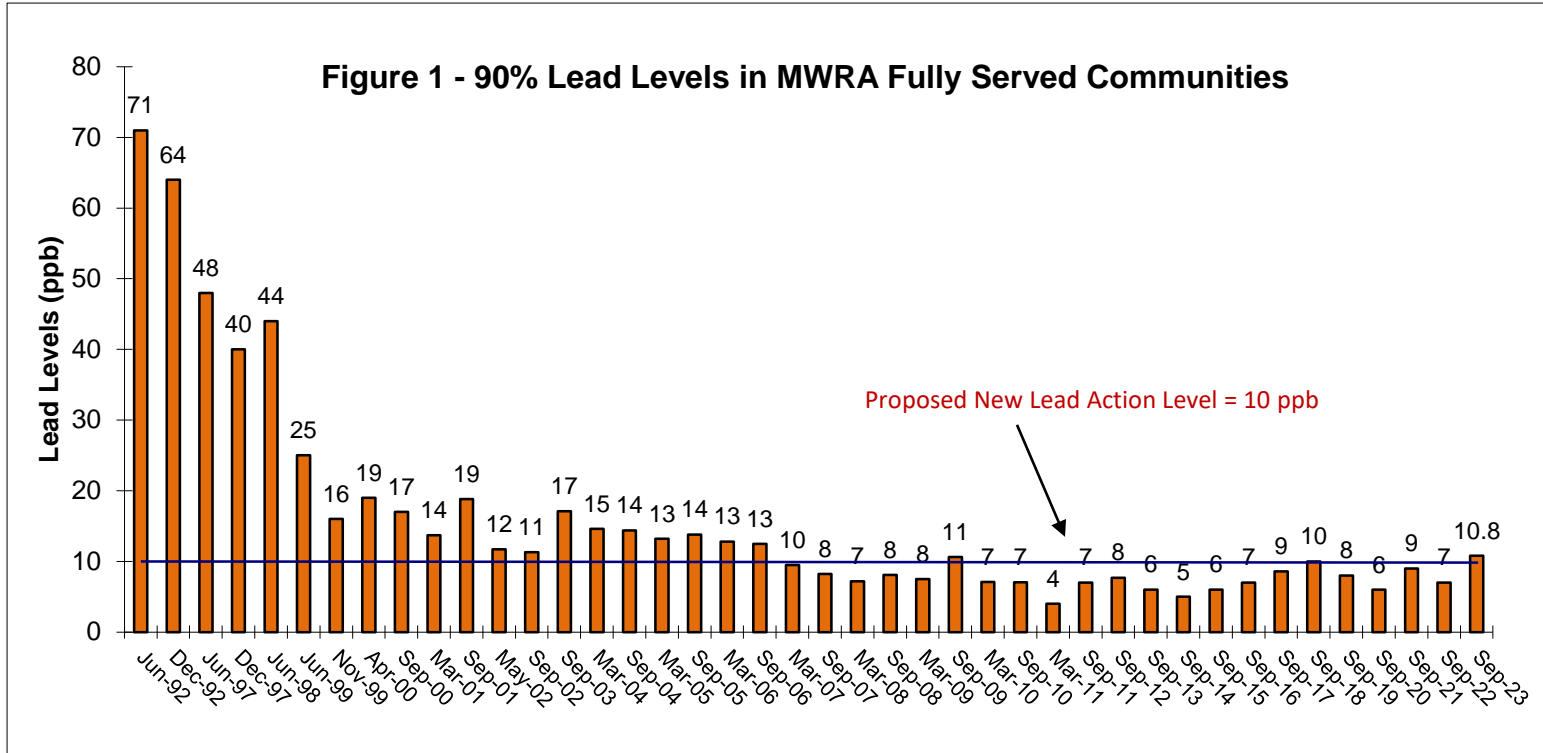


LCRI Changes – Effective October 2027

- All systems must replace all lead service lines within 10 years
 - Regardless of lead sample results
- Lower Action Level from 15 ppb to 10 ppb
 - More systems will exceed
- Changes to sampling and compliance calculation
 - Reported levels will be higher
- Requires re-optimization of corrosion control if over the Action Level
- Option to defer CCT changes if replace all LSL in 5 years



System – wide results





Option to Defer Change to Corrosion Treatment

- If MWRA exceeds the Lead Action Level, we must re-optimize corrosion control treatment
 - Most likely option is adding orthophosphate
- Estimated capital and operating costs - \$60 to \$80 million
- LCRI offers an option to accelerate lead service line replacement rather than change corrosion control treatment
 - Replace all LSL within 5 years at 20% per year
 - Defer action on treatment changes while in process



Over past 10 years – 91% of sites over the AL were Lead Service Lines

Action Level = 15		Action Level = 10
1028	Unique sites sampled	1028
101	# over AL	161
92 (91%)	# that were LSL	147 (91%)





Potential Program Changes to Accelerate Replacement

- Demonstrate MWRA and Community commitment to full replacement
 - Fully fund program with additional \$100 million phase
- Facilitate private side replacement with 25 percent grant portion
- Significant outreach effort to ensure local participation
- Required completion date – 2032, assuming LCRI in effect in 2027



Presentation to

MWRA Board of Directors

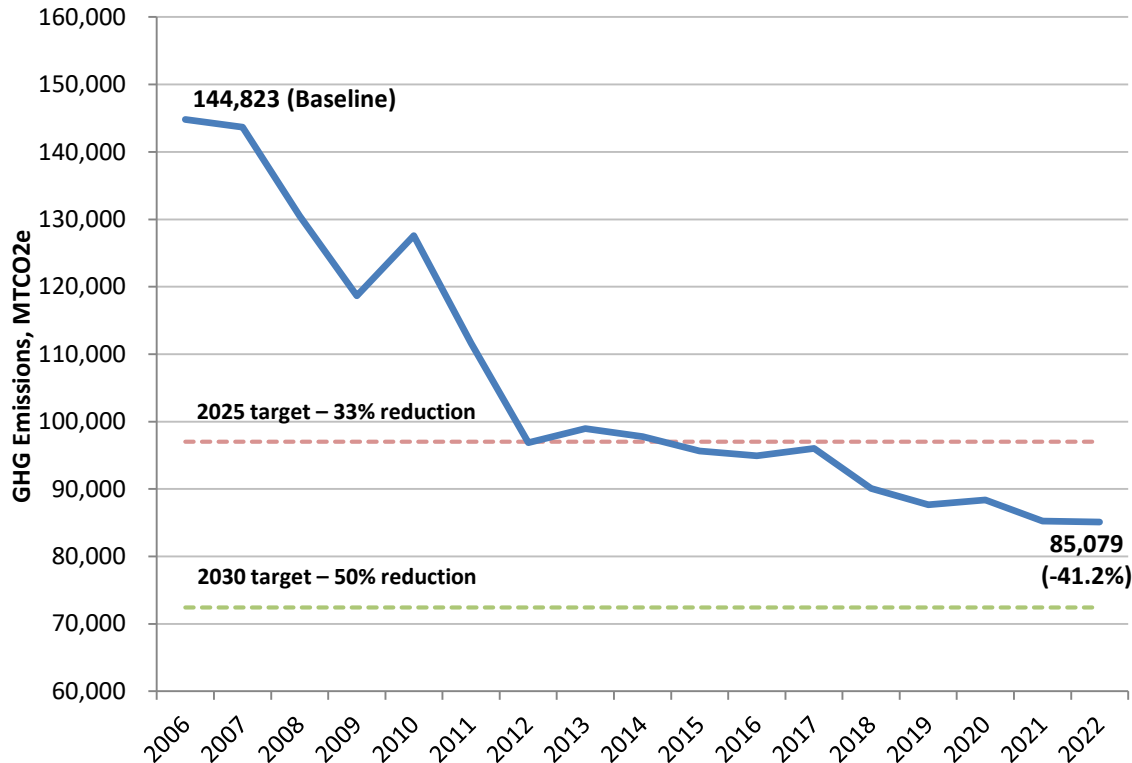
Climate Mitigation Projects Update

May 22, 2024



Road Towards Net Zero

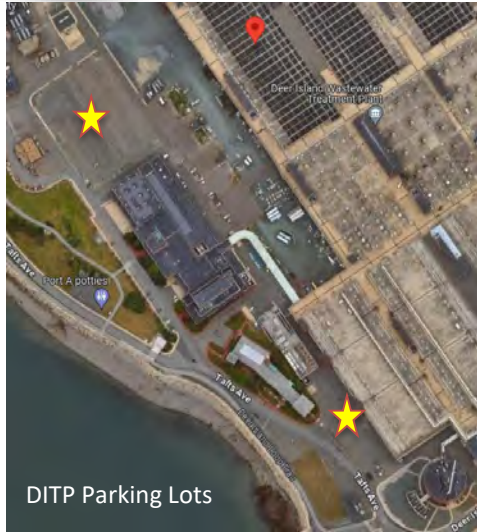
MWRA GHG Emissions, Metric Tons of CO₂ Equivalents (2006 – 2022)



- 41% Reduction since 2006
 - 60,000 MTCO₂e
 - 13,000 vehicles
- Met State 2025 reduction target of 33%
- Emissions impacted by:
 - Precipitation and flow
 - Customer demand
 - Regulatory requirements



Renewable Energy



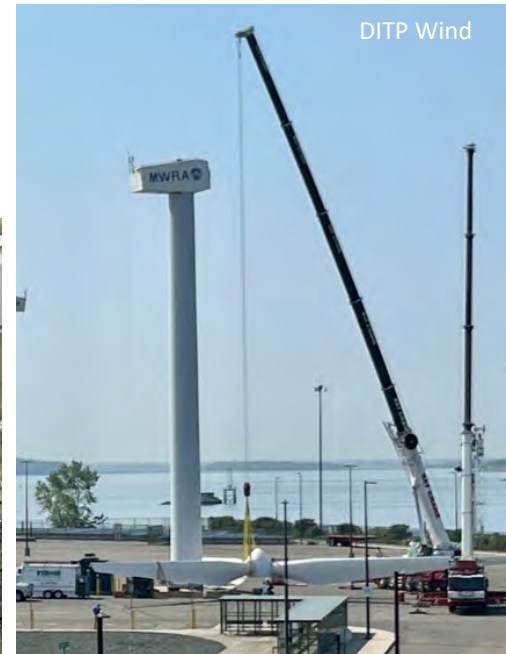
DTP Parking Lots



DTP Solar Canopy Mock-up



Norumbega Covered Storage Solar Potential



DTP Wind



Building Electrification



Wachusett Aqueduct Pump Station Geothermal Heat Pump *During Construction*



Wachusett Aqueduct Pump Station *After Construction*



Spot Pond Water Source Heat Pumps



Air Source Heat Pumps



Heat Pump Projects

- New Neponset Pump Station
- Newton St Pump Station
- Wachusett Dam Lower Gatehouse
- Ward Street Headworks
- Columbus Park Headworks
- Norumbega Headquarters
- Other audits ongoing



Presentation to

MWRA Board of Directors

***FY24 Third Quarter
Orange Notebook Highlights***

May 22, 2024



FY24 Third Quarter Orange Notebook Highlights

MASSACHUSETTS WATER RESOURCES AUTHORITY


Board of Directors Report

on

Key Indicators of MWRA Performance

Third Quarter FY2024

Q1	Q2	Q3	Q4

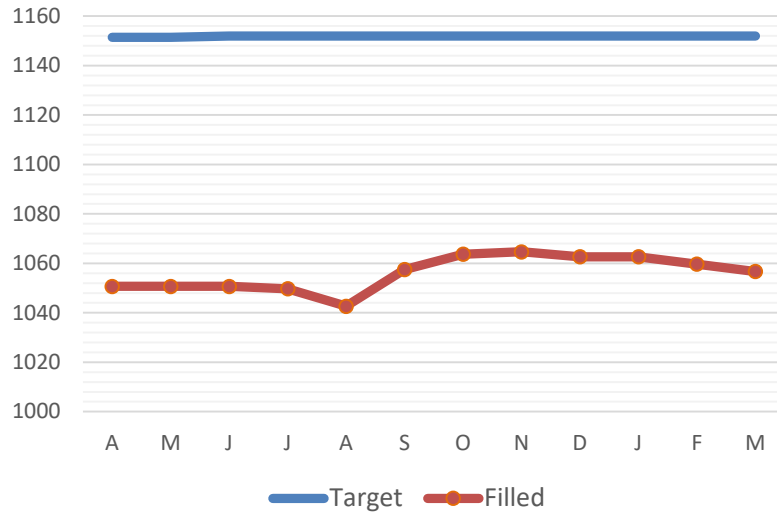


Frederick A. Laskey, Executive Director
David Coppes, Chief Operating Officer
May 22, 2024



Staffing levels

Full Time Equivalent (FTE) Tracking

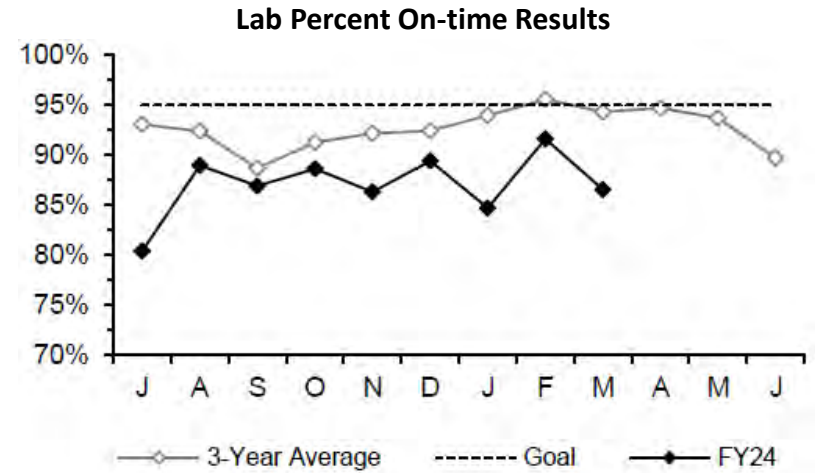
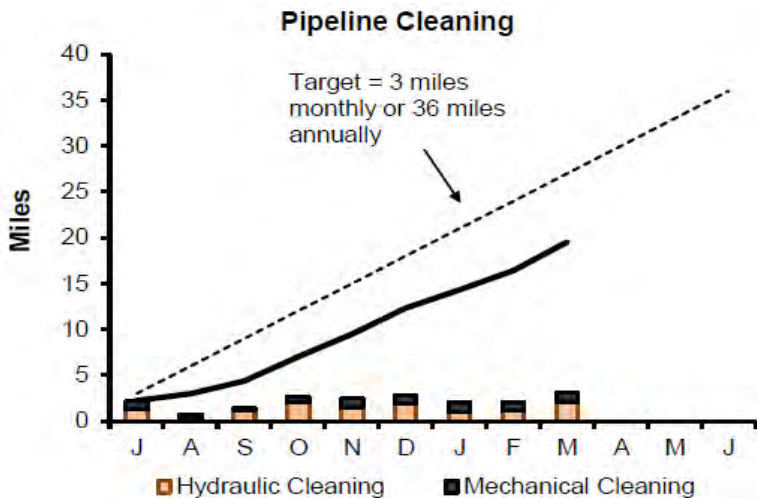
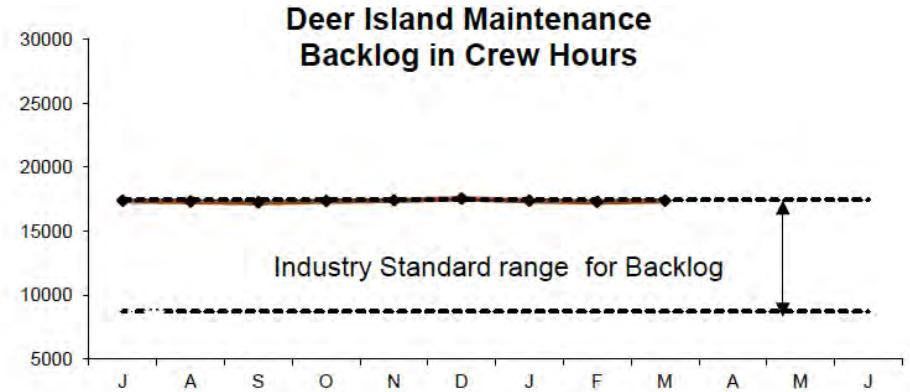
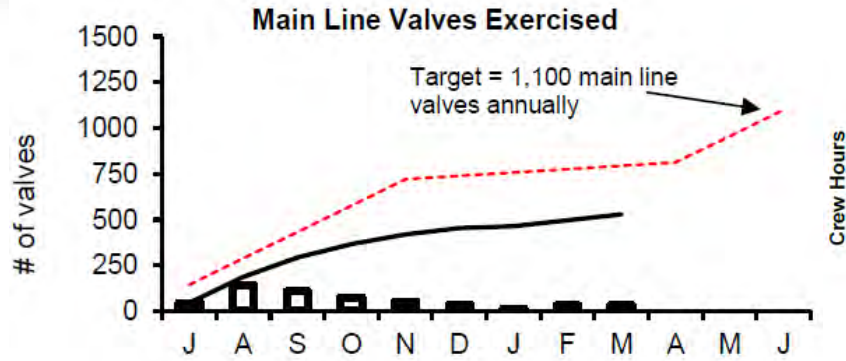


FY24 Budget for FTEs: 1,152
FTEs as of March 2024: 1,057

FY	HIRES	PROMOS	TRANSFERS	SEPARATIONS
FY20	58	70	14	64
FY21	64	66	15	77
FY22	65	108	30	132
FY23	91	118	15	87
FY24 YTD	74	73	14	69



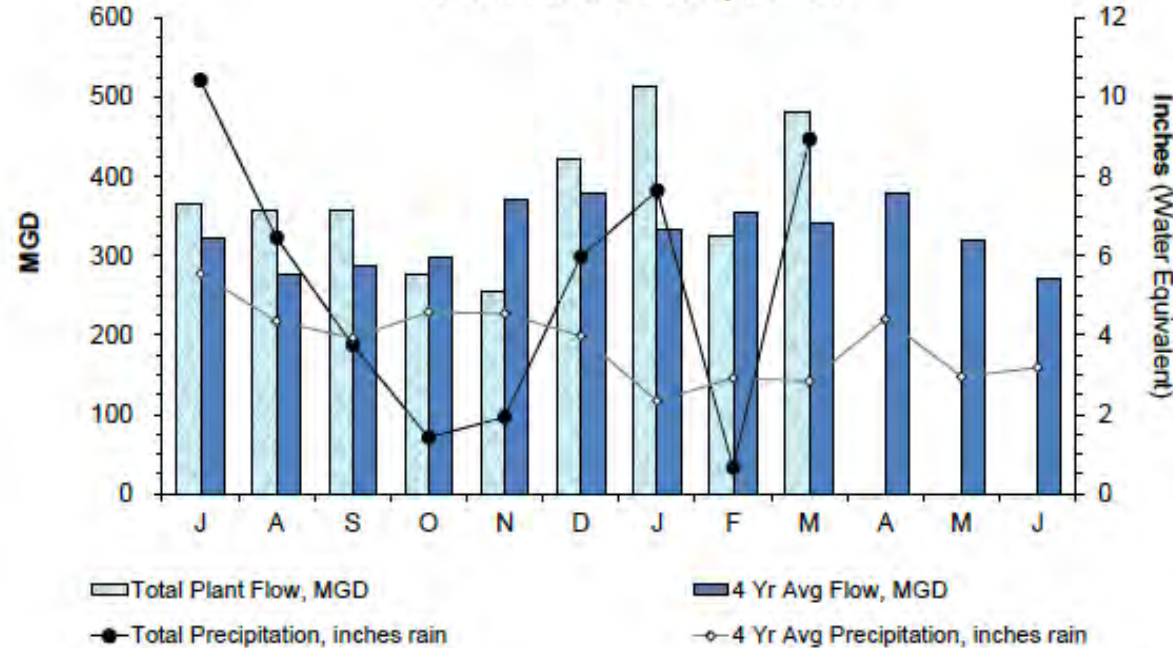
Operational impacts due to lower staffing





Precipitation was more than double historical average

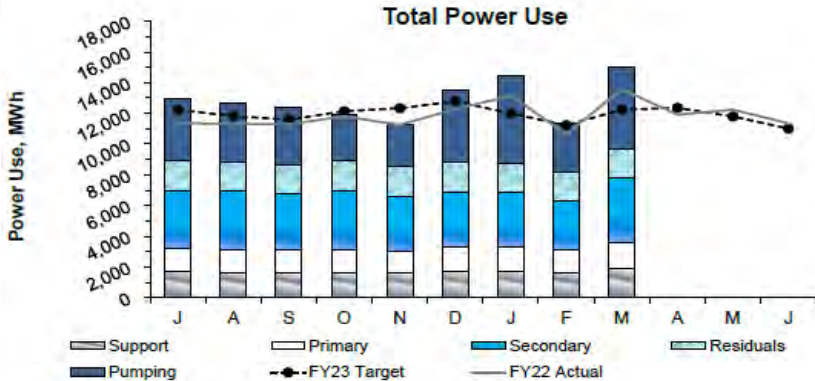
Plant Flow & Precipitation



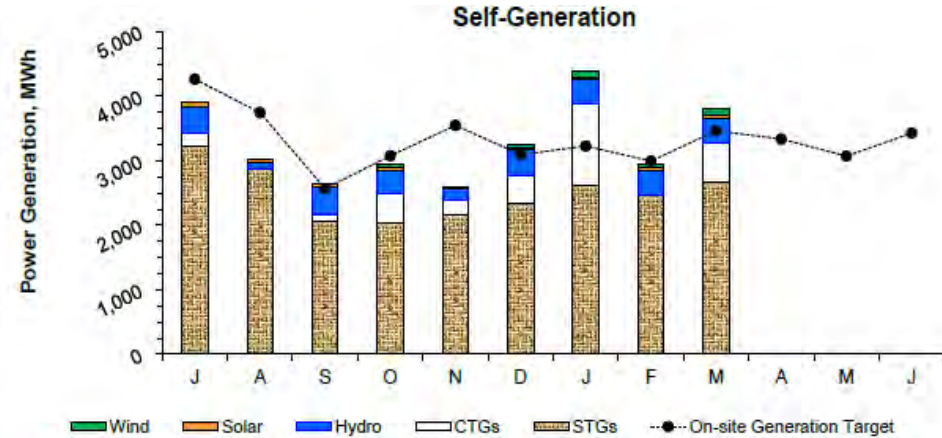
- FY24Q3 Precipitation: 17.2 in
Average Precipitation: 8.1 in
- Deer Island flow 28% above average
- Peak flow rate of 1.3 BGD on January 10th during a 2.5 in storm



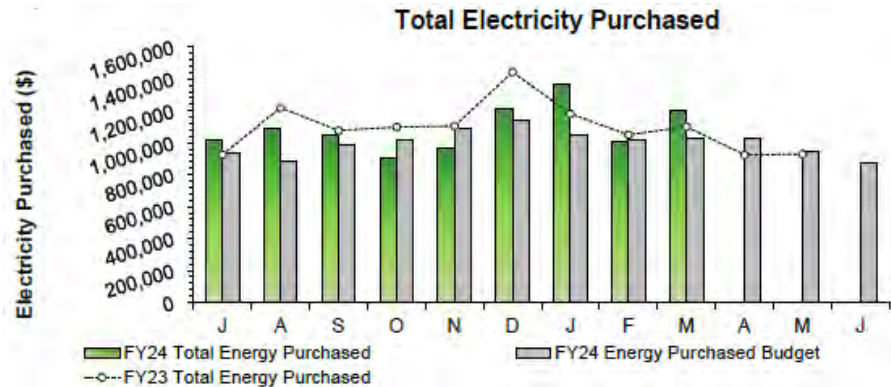
Impacts of precipitation at Deer Island



Total power usage was 15% above target



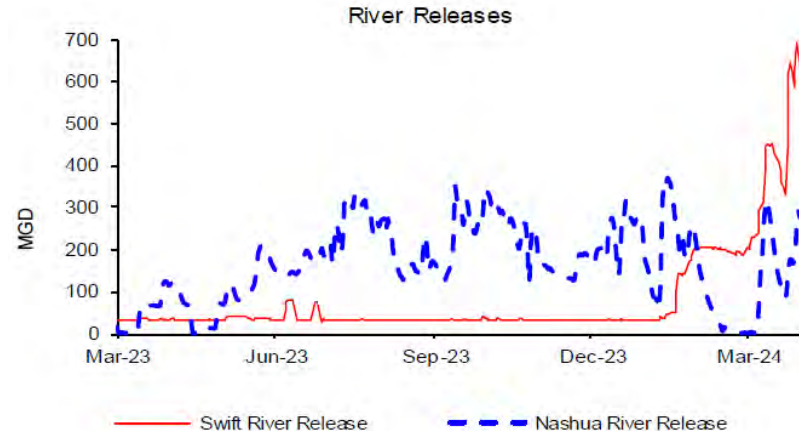
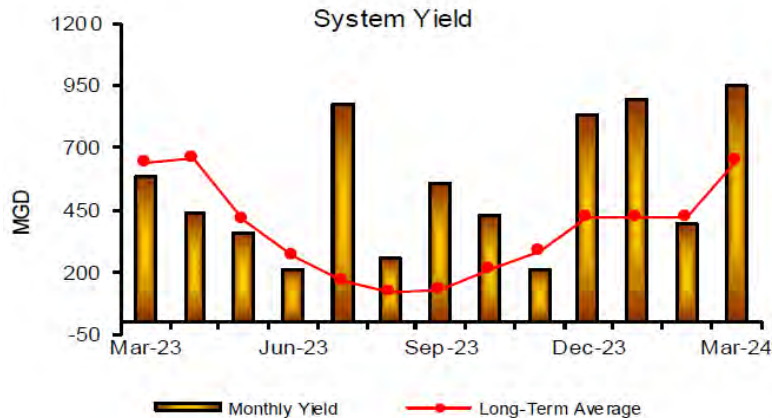
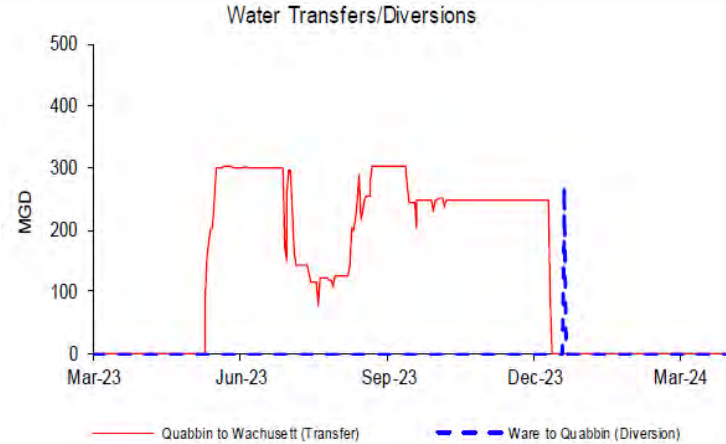
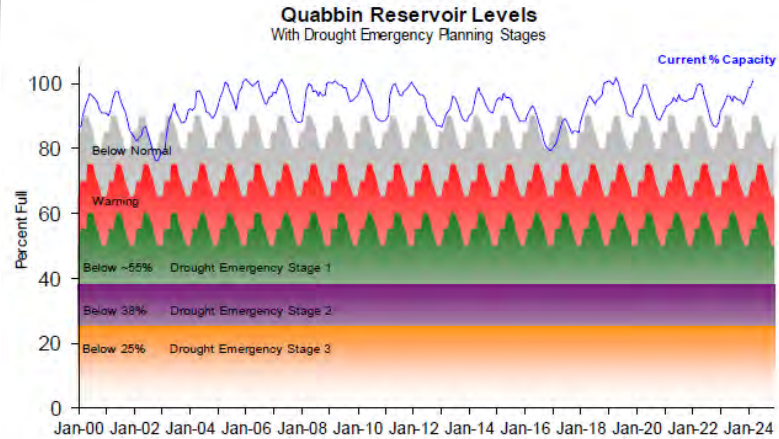
Power generation from generators were 6.6 times above target – 142 hours of operation



Total electricity purchased was 10% above target



Impacts of precipitation on water supply



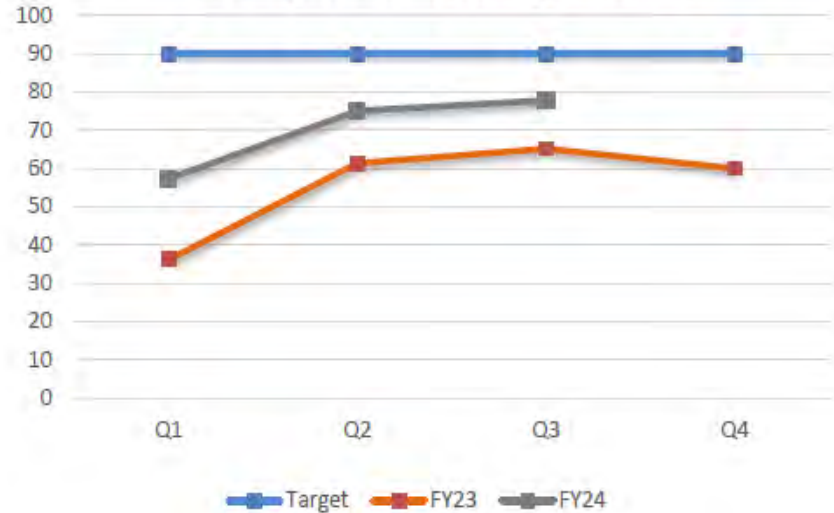


Improvements in TRAC and computer compliance

Toxic Reduction and Control Permits

Number of Days to Issue a Permit								
	0 to 120		121 to 180		181 or more		Permits Issued	
	SIU	Non-SIU	SIU	Non-SIU	SIU	Non-SIU	SIU	Non-SIU
Jul	1	3	0	1	0	0	1	4
Aug	5	7	0	1	0	1	5	9
Sep	14	28	0	3	0	0	14	31
Oct	11	34	0	1	0	1	11	36
Nov	15	24	1	2	0	2	16	28
Dec	3	10	0	2	0	0	3	12
Jan	0	0	0	0	0	0	0	0
Feb	0	1	0	0	0	0	0	1
Mar	12	35	1	10	0	10	13	55
% YTD	97%	81%	3%	11%	0%	8%	63	176

PC System Compliance



Personal computer compliance with system updates has increased to nearly 80%.



Presentation to

MWRA Board of Directors

***2024 Change Order and
Amendment Report***

May 22, 2024

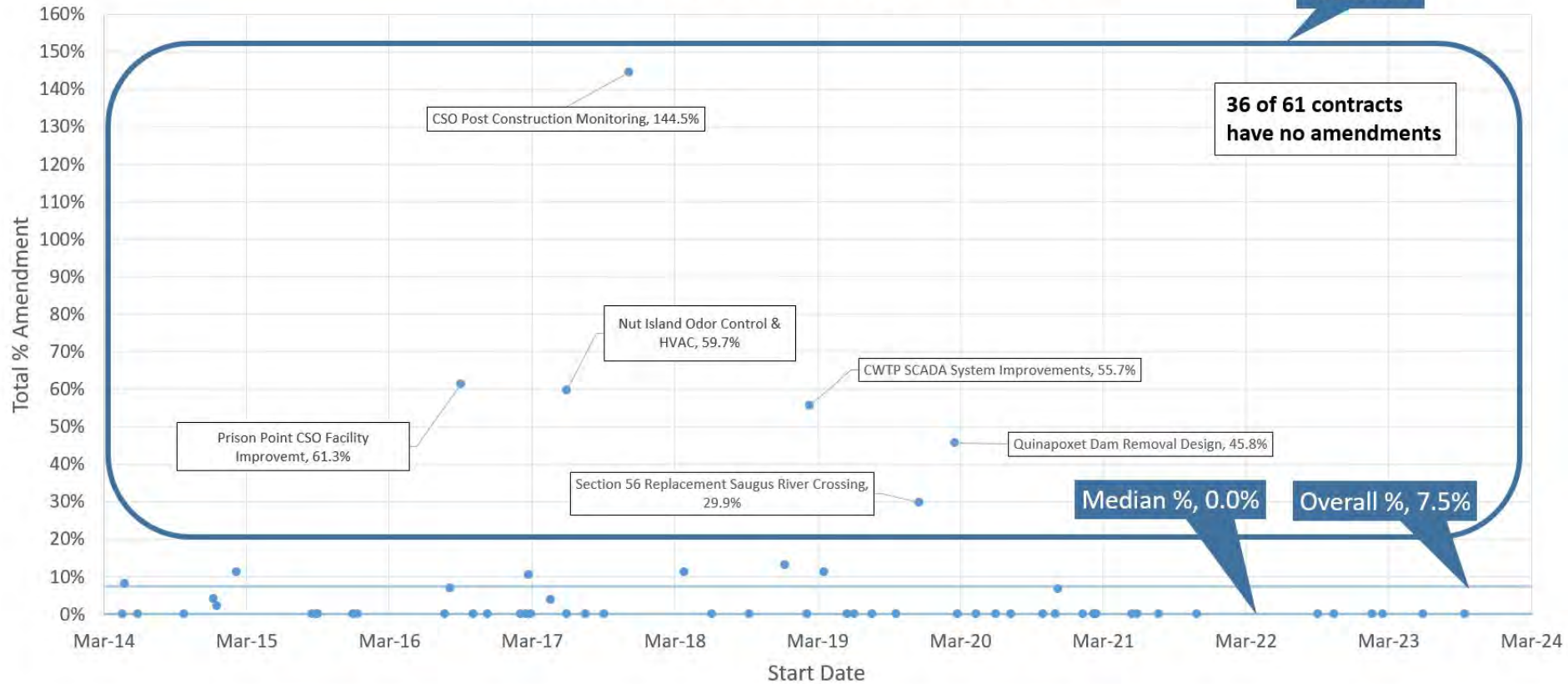


Amendment Statistics

	Total Contracts	Chapter 30	Chapter 149
Number of Contracts	61	32	29
Contracts with Amendments	25	14	11
Award Amount	\$203M	\$78M	\$125M
Amendments Amount	\$15M	\$6M	\$9M
Overall Amendment %	7.5%	8.1%	7.1%
Median Amendment %	0.0%	0.0%	0.0%

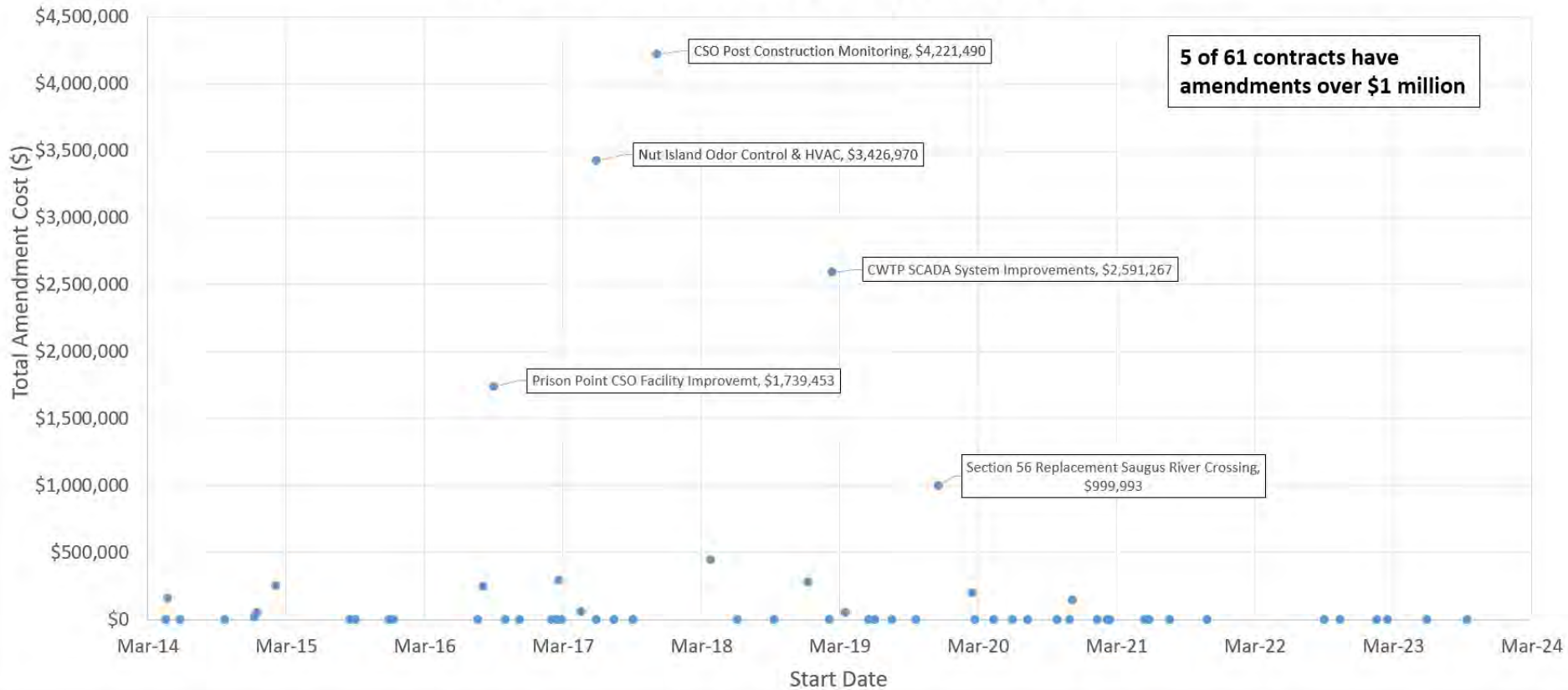


Total % Amendment By Start Date





Total Amendment Cost By Start Date



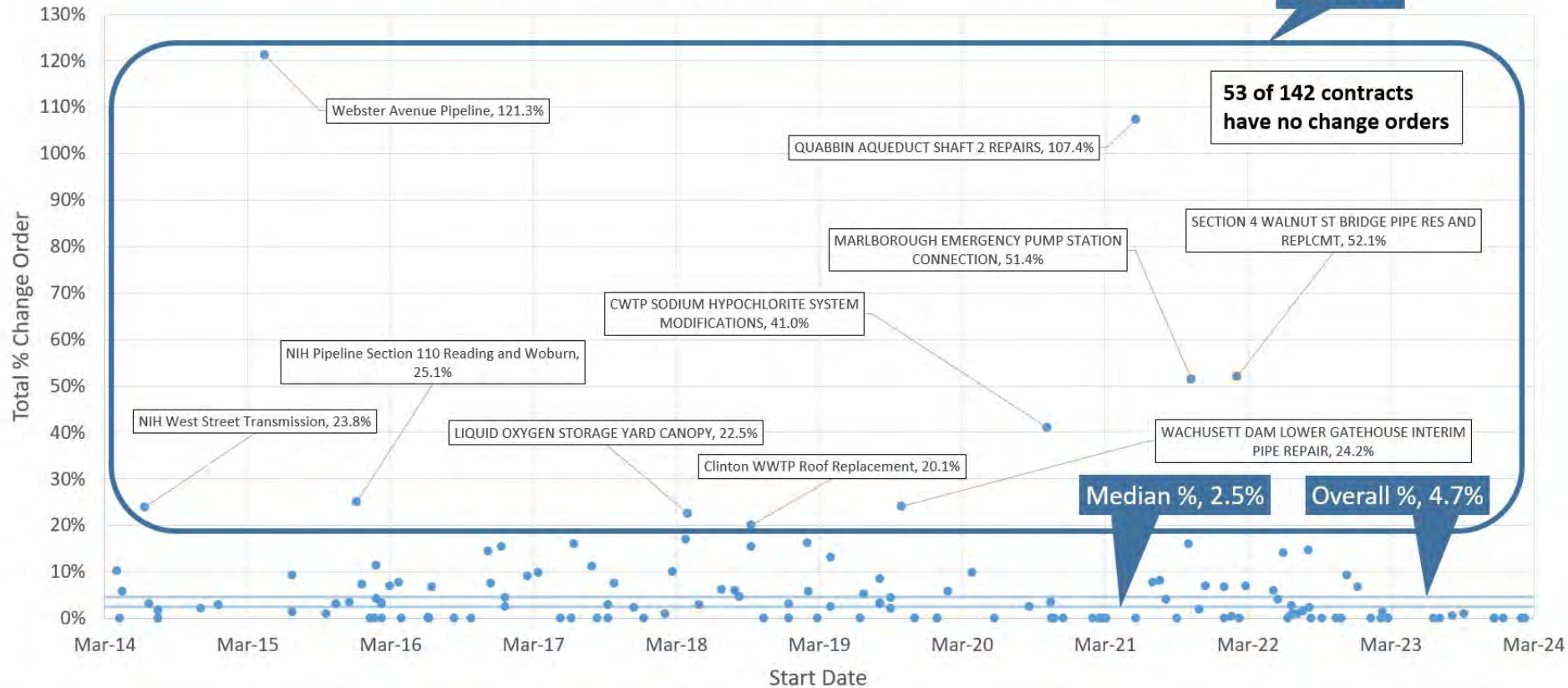


Change Order Statistics

	Total Contracts	Chapter 30	Chapter 149
Number of Contracts	142	63	79
Contracts with Change Orders	89	35	54
Award Amount Total	\$1,048M	\$321M	\$727M
Change Order Amount	\$49M	\$21M	\$28M
Overall Change Order %	4.7%	6.5%	3.8%
Median Change Order %	2.5%	1.6%	3.0%

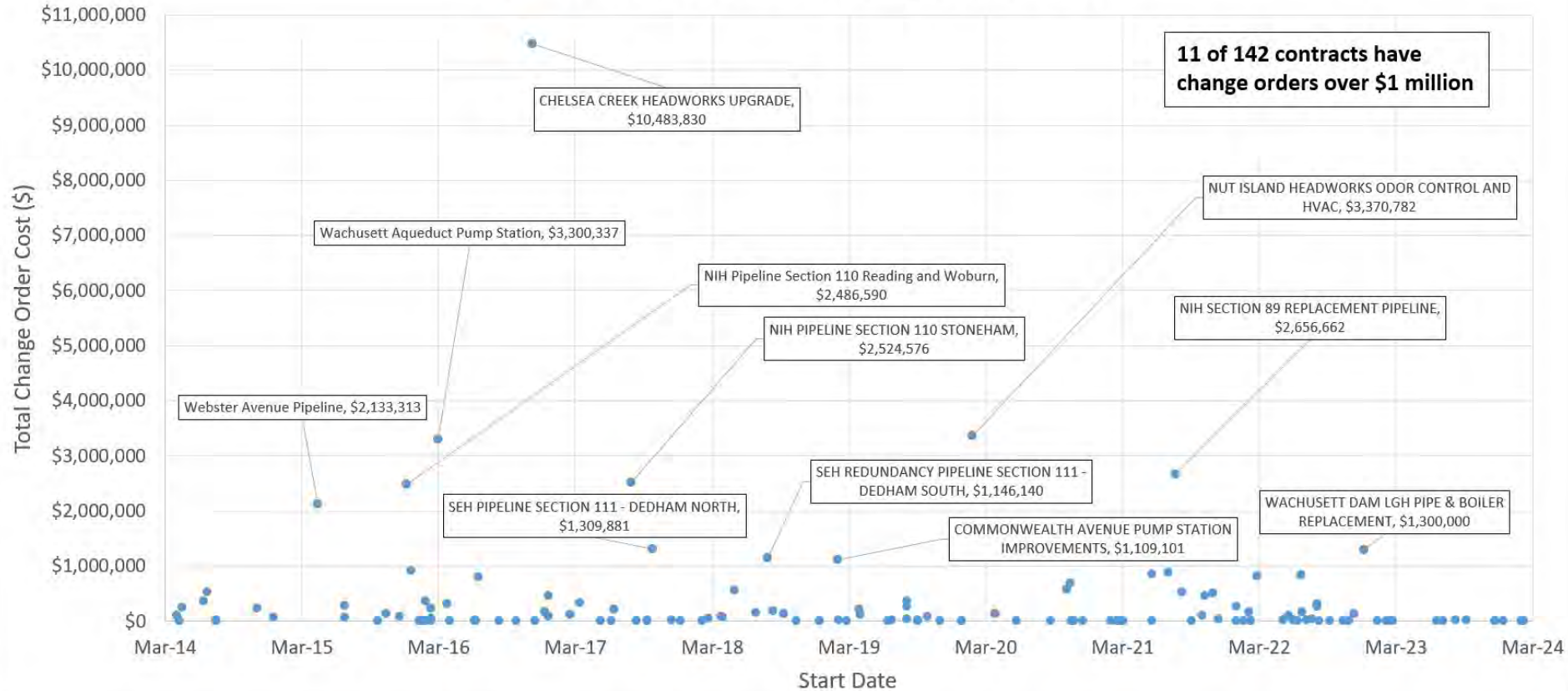


Total % Change Order by Start Date





Total Change Order Cost by Start Date





Change Order: Unforeseen Condition Supply Chain Delays





Change Order: Unforeseen Condition Revised Work Hours





Change Order: Unforeseen Condition Additional Ledge Removal





Contract 717: Northern Intermediate High Section 89 Pipeline Stoneham, Winchester & Woburn





Contract 6544: Rehabilitation of WASM3 CP1 Medford, Somerville & Arlington





Contract 6956: Rehabilitation of Sections 24 & 25 Newton & Watertown





Contract 7380: Wachusett Lower Gate House Pipe and Boiler Replacement





Contract 7582: Carroll Water Treatment Plant SCADA System Improvements





Contract 7425: Southborough Headquarters Electrical System Upgrades





Contract 7548: Nut Island Headworks Odor Control and HVAC Improvements





Contract 7366: Braintree-Weymouth Pump Station Improvements





Contract 8013: Prison Point CSO Discharge Piping Rehabilitation

