



Massachusetts Water Resources Authority

Presentation to the



FY2017: THE YEAR IN REVIEW

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Executive Director

June 15, 2017

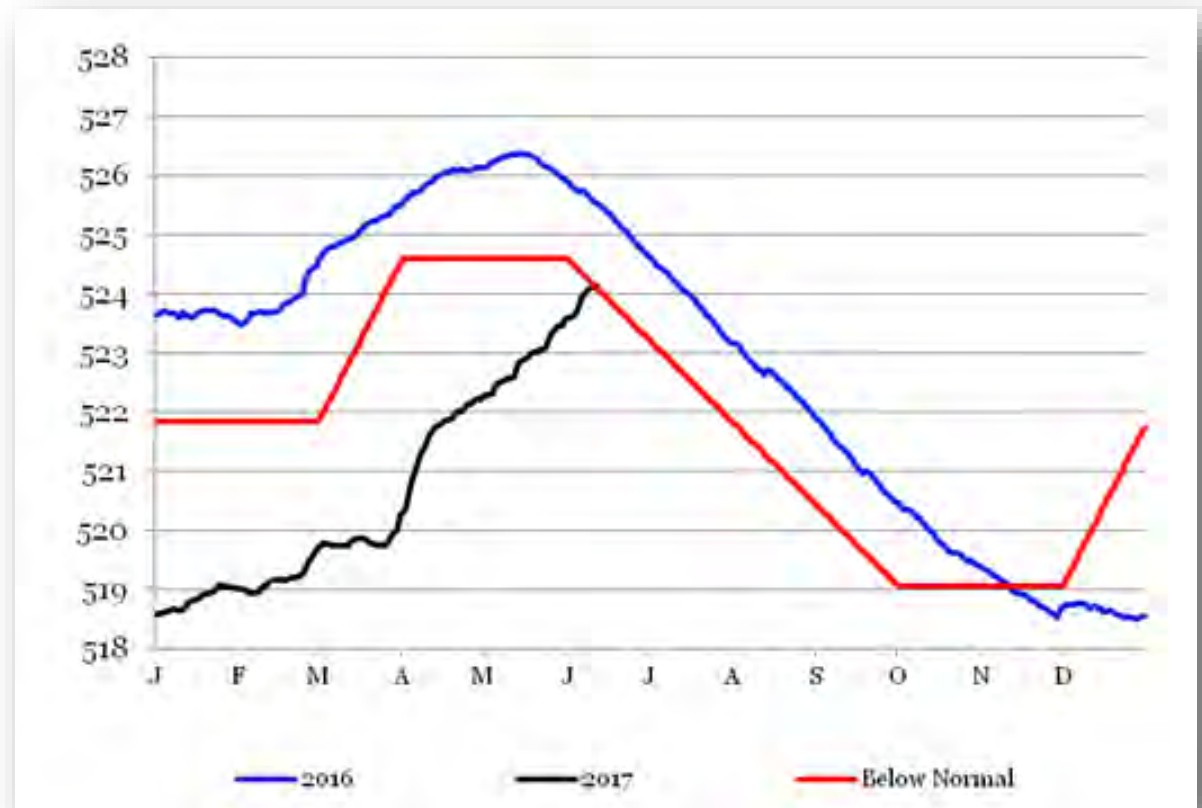


HIGHLIGHTS



The Drought is Officially Over

- In November 2016, Quabbin dropped to Below Normal levels for the first time in over a decade
- As of Monday, Quabbin was back in Normal range





Deer Island Cross-Harbor Cable Settlement

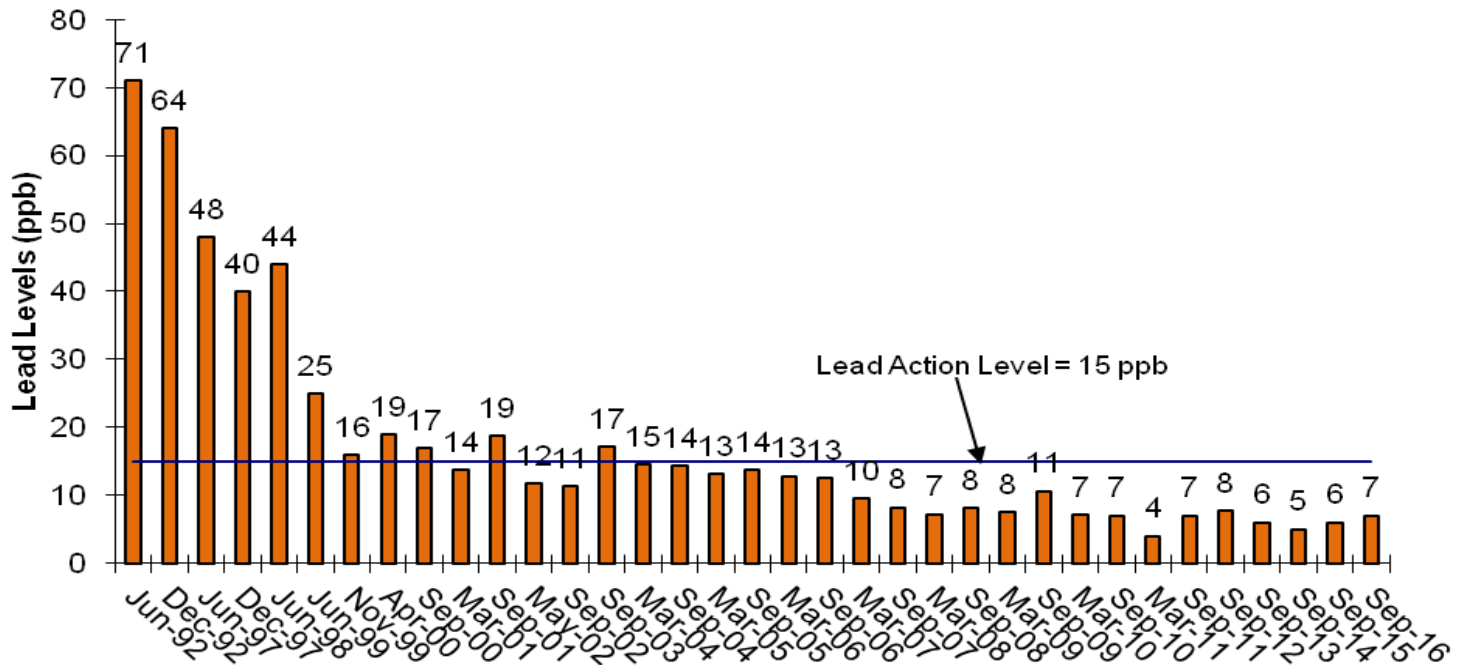
- Agreed to a new cable with a 50+ year life span
- Got credit for remaining life of old cable
- Favorable financing terms





Lead in Drinking Water

- MWRA continues to be below the Lead Action Level system-wide
- A second community Lead Forum is being scheduled for June 29th





Lead in Drinking Water: School Testing

- Since MWRA ramped up the school lead testing program last spring:
 - 14,925 samples tested
 - 305 schools
 - 35 communities





Lead in Drinking Water: Zero-Interest Loan Program

- The first communities have started to request funding through MWRA's \$100 million, zero-interest loan program to help fund full lead service line removals:

Quincy	\$1.5 million
Winchester	\$0.5 million
Newton	\$4.0 million

- Applications have been received from:

Somerville	\$1.2 million
Marlborough	\$1.0 million



Community Financial Assistance

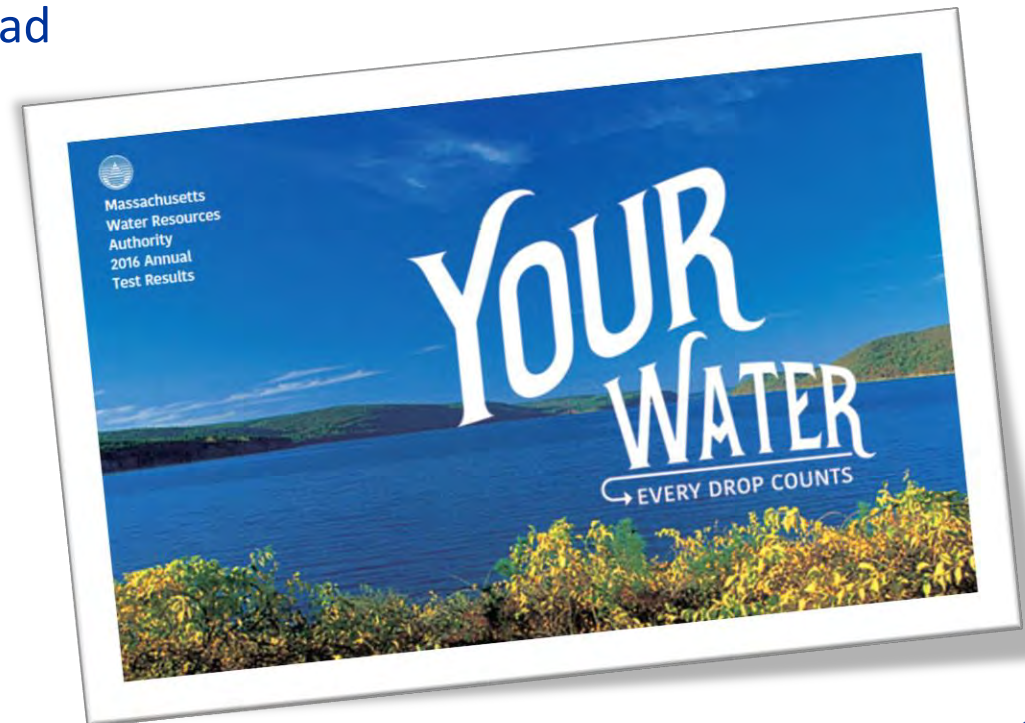
- 18 sewer communities participated in the I/I Local Financial Assistance Grant/Loan Program, utilizing \$21.6 million to fund 22 local sewer rehabilitation projects
- 19 water communities participated in the Local Water System Assistance Loan Program, utilizing \$22.7 million to fund 23 projects





Drinking Water Quality

- The 2016 Annual Drinking Water Report – the CCR – is in the mail. Highlights include:
 - Water quality is excellent
 - Information on water conservation
 - Continued focus on lead





Wastewater Treatment Plant Performance

- For 2016, Deer Island received its 6th Platinum Award from the National Association of Clean Water Agencies for 10 years in a row with no permit violations
- The Clinton Plant received a Gold Award for the second year in a row





Training for Community Staff

- 298 municipal employees attended multiple sessions of the Emergency Response Plan Training
- 42 community employees completed Excavation Safety Competent Person Training
- 60 municipal employees participated in Confined Space Entry training





Railroad Through Wachusett

- Discussion ongoing





PROGRESS ON REDUNDANCY



Metropolitan Tunnel Redundancy

- Special meeting of the MWRA Board in October 2016
- Advisory Board Forum in December 2016
- Both subsequently approved the plan to construct tunnels





Northern Intermediate High – Reading and Woburn

- 92% complete





Northern Intermediate High – Stoneham and Wakefield

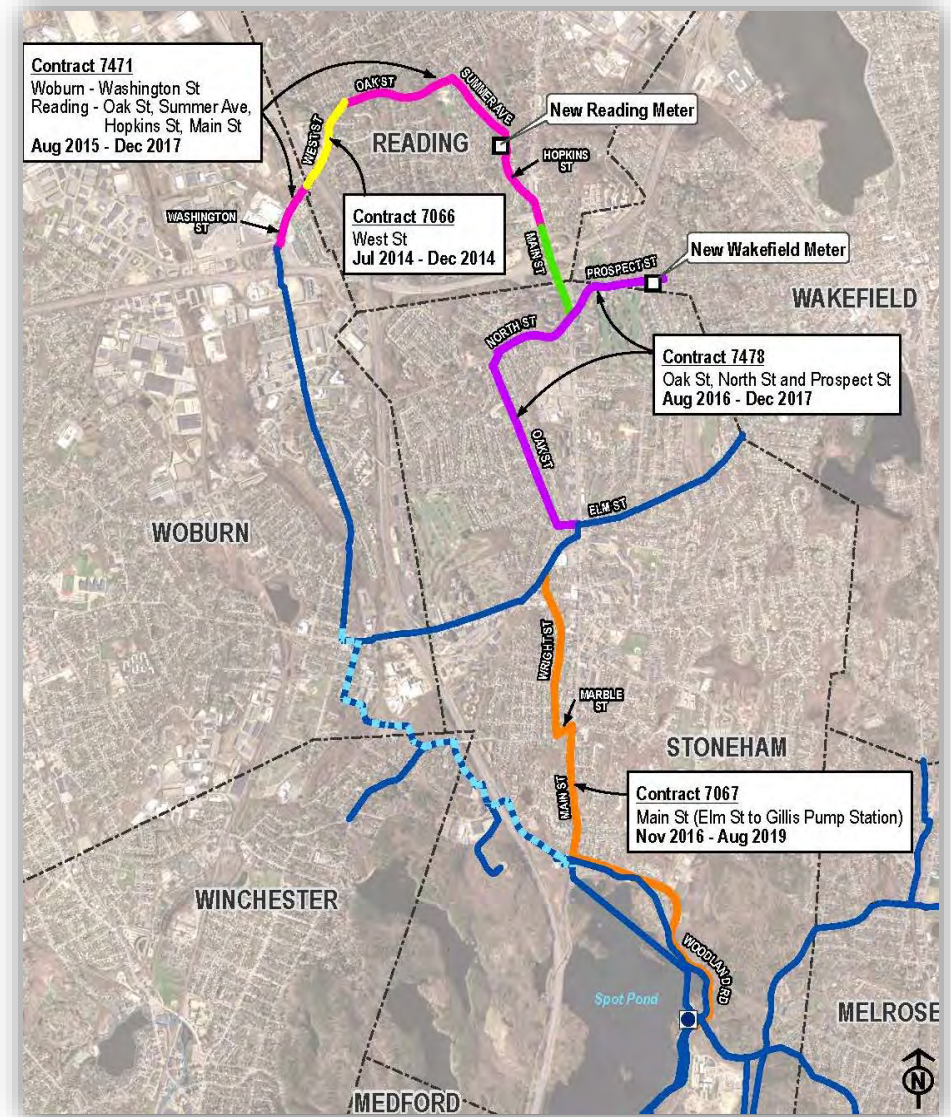
- 9% complete





Northern Intermediate High - Stoneham

- Out to Bid
- Expected to be awarded in June





Southern Extra High Section 111 – Boston and Dedham

- 36% complete





UPDATE ON OTHER CAPITAL PROJECTS



Clinton Treatment Plant Phosphorous Removal

- 69% complete





Chelsea Creek Headworks Rehabilitation

- 7.5% complete
- First of three headworks rehabs





Alewife Brook Pump Station Rehabilitation



- 56% complete





North Main Pump Station: Isolation Butterfly Valves



- 90% complete





Upcoming Deer Island Construction Awards

Clarifier Rehab II

January 2018

\$80 million

Gravity Thickener Rehab

January 2018

\$4.5 million



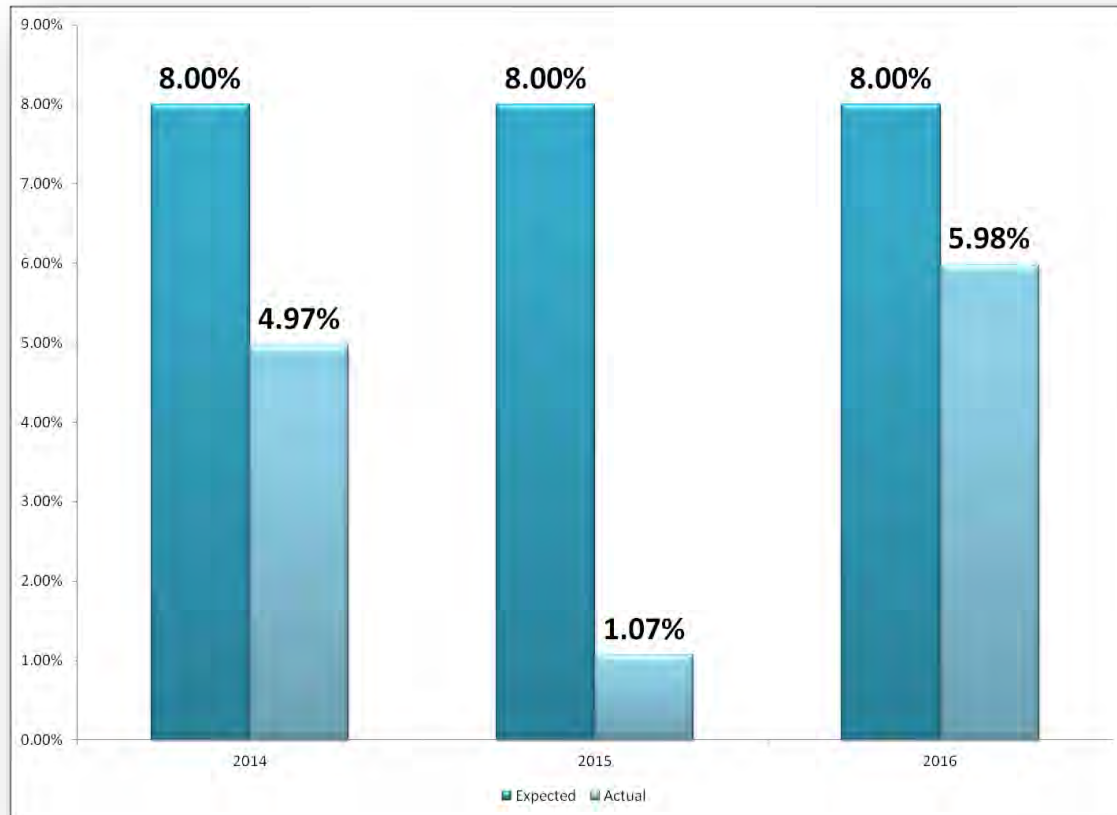


BUDGETS AND RATES



Retirement System Valuation Report

- Underperformance in 2014, 2015 and 2016 has created a \$16.3 million shortfall that must be amortized by 2024
- Staff are evaluating options to address budget impact





Update on FY2018 Budget

- In February, MWRA proposed a 3.8% combined rate increase for FY2018
- In their comments, the Advisory Board has recommended a 3.19% rate increase
- MWRA staff and Board agree



Debt Service Assistance

- The Governor's Budget included \$500,000 for Debt Service Assistance and the House increased the line-item to \$1,100,000
- The Senate did not include funds, we will continue to work with the Advisory Board to advocate that this critical funding be included in the final budget



The MWRA Advisory Board and MWRA: A Successful Partnership

- 4 No More
- HEEC Negotiations
- Metropolitan Tunnel Redundancy
- \$100 Million Zero-Interest Lead Loan Program
- School Lead Testing Program
- Pre-Paid Debt Service on Open Space Acquisitions
- Clinton NPDES Permit
- Northern Intermediate High Project
- And much more...