THE COMMONWEALTH OF MASSACHUSETTS

WATER RESOURCES COMMISSION

100 CAMBRIDGE STREET, BOSTON MA 02114

Meeting Minutes for June 10, 2010

Minutes approved July 8, 2010

Members in Attendance:

Kathleen Baskin	Designee, Executive Office of Energy and Environmental Affairs
Marilyn Contreas	Designee, Department of Housing and Community Development
Jonathan Yeo	Designee, Department of Conservation and Recreation
David Terry	Designee, Department of Environmental Protection
Gerard Kennedy	Designee, Department of Agricultural Resources
Joseph E. Pelczarski	Designee, Massachusetts Office of Coastal Zone Management
Bob Zimmerman	Public Member

Others in Attendance:

Sue Beede	Mass. Rivers Alliance	Bruce Hansen	DCR
Anne Carroll	DCR	Marilyn McCrory	DCR
Steve McCurdy	MassDEP	Jennifer Pederson	Mass. Water Works Assn.
Aaron Weieneth	AECOM	Sara Cohen	DCR
Lindsay Leone	EEA	Linda Hutchins	DCR
Tim Purinton	DFG, Div. of Ecological Restoration	Michele Drury	DCR
Audrey Lamb	EEA	Andy Miller	CDM

Agenda Item #1: Executive Director's Report

Carroll noted that the discussion of the final results of the Massachusetts Water Indicators project would be postponed to the July 8th meeting of the Water Resources Commission, because of a delay in the publication of the final report. She invited attendees who are interested in the report to return to the July commission meeting to participate in this discussion.

Baskin reported on the June 2, 2010 New England Water Works Association's Massachusetts Water Sustainability Congress and on ongoing efforts by the Massachusetts Water Resources Authority to locate the missing clamp on the water shaft that had failed in May, disrupting water service to the MWRA service area. The clamp has not yet been located.

Hansen provided an update on the hydrologic conditions for May 2010. Rainfall was below normal in May, for the second month in a row. However, rainfall events were spaced evenly, which helped to maintain soil moisture. Groundwater levels were above normal on Cape Cod, while they were below normal in the north-central part of the state. Surface water flows in central and western Massachusetts were below normal. Reservoir levels were normal or above normal. Drought indicators show a tendency for wet conditions. Hansen distributed a USGS analysis showing peak levels from the March 14 to April 1, 2010, floods and a provisional list of recurrence intervals for selected stream gages.

Agenda Item #2: Update: Changes to regulations for the State Revolving Fund program

Baskin noted that a vote by the Water Resources Commission on proposed changes to the regulations for the State Revolving Fund program will be scheduled for a future meeting.

McCurdy provided an overview of the proposed changes to the Clean Water SRF regulations at 310 CMR 44.00. The changes provide an additional subsidy, in the form of a zero-interest loan, to projects that are primarily intended to remediate or prevent nutrient enrichment of a surface water body or a source of water supply. He outlined five conditions projects must meet to qualify for the subsidy and discussed each in detail.

McCurdy clarified that an applicant who has an EPA compliance schedule related to nutrient-based standards may still be eligible for a zero-interest loan if it is complying with this schedule. An applicant who has a MassDEP-approved comprehensive wastewater management plan that includes a nutrient management strategy may append or update a previous CWMP to include nutrient management planning.

In response to questions, McCurdy said that interest in the program is focused on Cape Cod and in the Assabet River Basin. Interest on a normal loan is two percent for thirty years. If an applicant is not complying with an enforcement schedule, it would be ineligible for the zero percent loan but would still be eligible for the two percent loan.

McCurdy clarified the requirement for consistency with a regional water resources management plan, noting that none currently exist. However, the Cape Cod Commission is currently developing such a regional plan, and projects subject to that plan will be required to demonstrate consistency with it. The intent of the final requirement – that a project be flow-neutral – is to ensure that funded projects will not result in sprawl development.

McCurdy outlined some limitations on the availability of zero percent financing and the tentative schedule for the regulatory changes, with a vote on the regulations by the Water Resources Commission in August or September, and promulgation in October 2010.

Yeo requested that a summary of public comments be provided to the Water Resources Commission before the vote is scheduled.

Agenda Item #3: Presentation: MassDEP's Water Conservation Grant program: preview of the next grant round and overview of results

McCurdy provided background on the current water conservation grant program, noting its origins as a program to help public water suppliers reduce water losses. The current program provides matching funds to assist public water systems or municipalities to encourage and enhance local drinking water conservation efforts. He highlighted communities that have received grants and results of the program, including 1.3 billion gallons of water saved since the program's inception, public outreach and education, and shared leak detection equipment.

Any public water supplier is eligible for funding. The types of projects eligible for funding include water audits, leak detection, public outreach and education programs, distribution of water conservation devices, appliance rebate programs, and water rate studies. A typical grant amount is $40,000 to $60,000 over 12 to 18 months, with a 25% match required. He outlined the 2010 grant schedule, including release of the request for responses June 18; a July 22 deadline for written questions; responses to questions by July 31; proposals due by August 3; and

selection by September. Pederson requested that additional time be allowed after responses to questions are published and after proposals are due.

In response to questions, McCurdy said the award rate varies from year to year, with awards being made to as many as two-thirds of proposals received. Water suppliers and municipalities are eligible for grants, but they can team with watershed organizations or others on projects. Towns can cooperate on projects, for example, on leak detection or rebates. Past projects funded by the program are described on MassDEP's website at http://www.mass.gov/dep/water/grants.htm#sums.

Purinton described a project where the Division of Ecological Restoration is partnering with the town of Georgetown and the Parker River Clean Water Association on a successful program combining public outreach, education, and a rebate program. Some discussion followed of the revenue implications for water suppliers of water conservation and the need for water rate adjustments in some cases. Additional discussion followed of ways in which water suppliers might be able to derive some financial benefit from water conservation programs.

Baskin commented that EEA had looked at ways in which water production could be decoupled from water delivery. EEA found that for the MWRA, 97% of costs are fixed costs incurred on the production side. The establishment of a rate stabilization fund was considered to provide a reserve that would cover revenues when water demand is low. Baskin acknowledged the need for the water supply community and the environmental community to partner on delivering a consistent message about the importance of water conservation so that customers understand that the environmental community supports water suppliers' efforts. Baskin invited ideas on pricing. Terry suggested inviting Chris Woodcock to provide a presentation on this topic. He also suggested directing savings from energy conservation projects at water and wastewater facilities to compensate for revenue reductions that may result from water conservation efforts.

Agenda Item #4: Presentation: Interbasin Transfer Act: a review of the Act and its requirements

Drury provided a review of the Interbasin Transfer Act (ITA), the types of projects that are subject to the act, and conditions a project must meet in order for a transfer to be approved. She noted that the act applies to both water and wastewater transfers, and covers all 28 watersheds in Massachusetts, including the Massachusetts Coastal basin. The act designates the Water Resources Commission as administrator, while DCR staff provide technical and administrative support.

Drury addressed some common questions and misconceptions about the act. She noted that the act does not prohibit interbasin transfers, but does require that rigorous environmental and water supply management standards be met before a transfer is allowed. She noted there is no threshold amount that triggers regulatory review. She clarified that the Interbasin Transfer Act is not a permitting program. Instead, the act regulates the capacity of a transfer system, and transfers receive a one-time policy approval.

Drury reviewed the conditions that trigger the act. Any increase in capacity can trigger the act, but a transfer must cross both a town line and a basin boundary. She reviewed the three types of transfer – water, wastewater, and wastewater triggered by the development of a water supply source – and provided examples of each. She also reviewed exemptions to the act, including some existing systems and intra-town transfers.

Drury described the three levels of review, with examples illustrating each. Projects may be reviewed to determine if the act is applicable, to determine if the transfer meets the criteria for insignificance, or for approval. For projects seeking full review for approval of a transfer, the applicant must address eight criteria. Drury briefly reviewed these criteria.

There were several questions on the eight criteria. Beede asked how "reasonable instream flow in the donor basin" is defined; Drury said the regulations outline the information that must be provided, including a description of the hydrologic characteristics of the donor basin. In general, the information needed may vary with each case. Kennedy asked about the purpose of a forestry management plan for existing surface water sources. Drury explained that the intent was to retain aesthetic values of the watershed while improving the yield of the water supply sources by selective cutting and implementing good forestry management practices. Purinton asked how many communities have a local water resources management plan. Drury replied that all systems with an approved interbasin transfer have a local water resources management plan.

Drury noted that the commission developed performance standards that outline how a proponent should address the eight criteria for approval. These performance standards are available on the ITA web site (at http://www.mass.gov/dcr/watersupply/intbasin/docs/finalps.pdf). She also urged applicants to contact commission staff for guidance early in the process.

Drury noted that a full application for approval triggers submittal of an Environmental Impact Report through the Massachusetts Environmental Policy Act process, and that the EIR serves as the ITA application. Drury reviewed the timelines for a decision by the Water Resources Commission on an application for approval, noting that the MEPA process must be completed before these timelines are triggered.

In response to questions, Drury confirmed that there have been some cases where a request for transfer has been denied. She clarified that although the act does not prohibit interbasin transfers; it requires that a transfer meet certain criteria. If the criteria are not met, the request will be denied. Yeo added that conditions are typically added to approvals to ensure that the goals of the Act have been accomplished. Beede asked Drury to describe the greatest environmental benefit that has resulted from the ITA reviews conducted over 26 years. Drury cited the conditions placed on withdrawals, including shutoff thresholds, to reduce the impacts to sensitive receptors, and the Offsets Policy, which has the potential to cancel out the impacts of a transfer. Yeo cited the approval of Reading and Wilmington to join the MWRA regional system as resulting in environmental benefits to local water resources. Hutchins cited conditions placed on the determination of insignificance in Cohasset, where releases from surface water reservoirs to fish ladders were required, along with monitoring.

Agenda Item #5: Update: Sustainable Water Management Initiative

Baskin provided an update on the Sustainable Water Management Initiative. She discussed recent meetings of the Advisory Committee and the Technical Subcommittee. She noted that the U.S. Geologic Survey's Massachusetts Water Indicators and Accelerated Fish and Habitat studies, both to be released in July, have provided the technical basis for the initiative's work. At the request of the Advisory Committee, an additional subcommittee has been formed to discuss the regulatory mechanisms, incentives, or policies needed to implement the initiative's tools, such as streamflow criteria and classification, reductions in impervious surfaces, and dam removal and improvements in connectivity. Intensive technical studies are currently underway, led by the Division of Fisheries and Wildlife, on applying the results of the Accelerated Fish and Habitat study to develop pilot streamflow classifications in the Nashua and SuAsCo river basins.

She highlighted the cutting-edge nature of this work, noting that such work has not been done previously in Massachusetts.

She noted that meeting agendas, summaries, and presentations are posted on the website of the initiative (http://www.mass.gov/?pageID=eoeeasubtopic&L=4&L0=Home&L1=Air%2c+Water+%26+Climate+Change&L2=Preserving+Water+Resources&L3=Sustainable+Water+Management&sid=Eoeea) .

Meeting adjourned

Attachments distributed or presented at meeting:

- Current Water Conditions in Massachusetts, June 10, 2010
- USGS table: Probability of Exceedance for Peak Flows During March 14 – April 1, 2010, at Selected Stream Gages in MA and RI (Provisional)
- Presentation handouts: Amendment to 310CMR44, Clean Water State Revolving Fund Program
- Presentation handouts: MassDEP Water Conservation Grant Program. Link to program information: http://www.mass.gov/dep/water/wlpgprog.htm
- Presentation handouts: Interbasin Transfer Act 101. Link to the Interbasin Transfer Act Application Material: http://www.mass.gov/dcr/watersupply/intbasin/download.htm