

Board of Water Commissioners

Meeting Agenda

Monday, December 8, 2025 @ 7:00 PM

- Comments from the public
- Appoint one Commissioner to sign warrants while conducting meetings virtually

OLD BUSINESS:

- Per- and Polyfluoroalkyl Substances (PFAS)
 - Current sample data, if available
 - Discussion of Additional PFAS Upgrades
- Discussion of PFAS MDL Settlement Funds
- Foster Street Water Main Improvement Project

NEW BUSINESS:

- Review Draft Budget for FY '27 and preliminary approach to articles for 2026 Annual District Meeting Warrant
- Annual Report
- Meeting Schedule January-June 2026
- Operator Recruitment
 - https://www.youtube.com/watch?v=KD_xbJOk0Bg

EXECUTIVE SESSION:

- To conduct strategy sessions for contract negotiations with non-union personnel.

Present at Tonight's Meeting:

Commissioners: Stephen Stuntz (Chair), Erika Lin, Barry Rosen

Finance Committee: Ron Parenti

District Manager: Matt Mostoller

Treasurer/Collector: Christine McCarthy

Deputy District Manager: Corey Godfrey

Members of the Public: John Petersen, Brewster Conant Jr., Bill Guthlein

START OF MINUTES

Mr. Stuntz opened the meeting at 7:00 p.m. and ensured that everyone could hear and be heard.

Comments from the public

No public comment was offered at this time.

Appoint one Commissioner to sign warrants while conducting meetings virtually

Mr. Rosen motioned to appoint Ms. Lin to sign warrants until the next regularly scheduled meeting. Mr. Stuntz seconded, and it was unanimously approved via a roll call vote, Mr. Rosen, Ms. Lin, and Mr. Stuntz.

OLD BUSINESS:

Per- and Polyfluoroalkyl Substances (PFAS)

Current sample data, if available

Mr. Mostoller reported that there is no new PFAS sampling data at this time, and that December sampling is currently underway.

Discussion of Additional PFAS Upgrades

Mr. Mostoller noted that both the Center Acton and South Acton treatment plants are continuing to progress. At South Acton, the team has continued conditioning the granular activated carbon media; this process generally takes five to seven days per vessel to bring the pH down from above 10 to the target value of approximately 8.5. As of December 8, 2025, three of the six vessels at the South Acton facility had reached that target range, and conditioning of the fourth vessel began earlier in the day.

Mr. Mostoller apprised the Board that at the Center Acton plant, staff are working closely with AqueoUS Vets and Calgon, the vessel and media suppliers, to resolve ongoing issues with the backwash process. Due to those backwash challenges that have not yet been fully addressed, the District has been unable to move into the media conditioning phase at Center Acton.

Mr. Parenti asked a question regarding how conditioning changes pH, and Mr. Mostoller explained that the carbon media itself initially has a high pH. As water is run through the media and the pores fill over time, excess hydrogen is reduced, and the pH gradually drops into the desired range.

Discussion of PFAS MDL Settlement Funds

Mr. Mostoller summarized that the PFAS Working Group had met twice in-person and continued its work via email to develop recommendations for the use of PFAS MDL settlement funds. The working group recommended using a portion of the funds currently in hand to supplement the upcoming FY27 budget for PFAS-related costs, such as the lease payments for the North Acton PFAS treatment system and media replacement. The balance of settlement funds would be invested, with the intent that, each year, the District would review ongoing PFAS needs and determine how much of the invested funds should be drawn down to support operating or capital expenses.

He noted that, while the District has already committed approximately \$20 million in PFAS-related capital improvements, this is only a snapshot of the total PFAS financial impact. Ongoing operating costs, waste management expenses, and possible upgrades at additional facilities are expected, and future financing terms are unlikely to be as favorable as those obtained for the Center and South Acton projects. For that reason, the working group felt it prudent to reserve a portion of the settlement funds to help offset future capital and operating costs.

Mr. Mostoller also reported that the same recommendations were presented to the Finance Committee the prior Friday (December 5, 2025). Two Finance Committee members voted in favor and one abstained, indicating general support for the approach. He further explained that the working group additionally recommended accepting the accelerated payment schedule for the 3M settlement, rather than waiting for the full payment stream over a longer period. The goal of this recommendation is to bring funds under the District's control sooner, rather than relying on later scheduled payments that may not materialize as scheduled. According to Mr. Mostoller, preliminary calculations suggest that approximately \$300,000 in foregone value from accelerating the payments could reasonably be recouped through conservative investment returns. He also noted that more than 200 settling parties in the first round of settlements have elected to take the accelerated option, and that many other communities fall into a second round with less favorable terms.

In response to a question from Mr. Rosen, Finance Committee member, Mr. Guthlein spoke to his abstention. He expressed concern that the accelerated schedule implies a discount rate of roughly 8–9% per year, which is relatively attractive in the current market. Mr. Guthlein argued that if the District is confident it can reliably earn similar returns on invested funds, there could be a rationale for maintaining the original payment stream. However, he acknowledged that there is also uncertainty around 3M's long-term non-PFAS liabilities, and that the Board's desire to reduce that risk by taking the funds earlier is reasonable. Commissioners and staff discussed both perspectives, including the value of

having funds available not only for investment income but also to support near-term PFAS expenses and future capital planning.

Ms. Lin motioned that the Board approve accepting the accelerated payment schedule for the 3M settlement funds. Mr. Rosen seconded, and it was unanimously approved via a roll call vote, Mr. Rosen, Ms. Lin, and Mr. Stuntz.

The Board then turned to the broader recommendation regarding use of PFAS settlement funds. Mr. Mostoller reiterated that the working group's recommendation is to use a portion of the funds in the upcoming fiscal year for specific PFAS costs and to invest the remainder in a dedicated PFAS fund, with allocations to be revisited during future budget cycles. Mr. Guthlein again explained his abstention at the Finance Committee level, noting that he would prefer to focus settlement funds on reducing long-term capital costs rather than offsetting current operating expenses, in part to avoid artificially lowering water rates and thereby weakening conservation price signals. He also raised questions about the mechanics of appropriating funds from a PFAS reserve and how unexpended appropriations would be handled over multiple fiscal years.

Mr. Mostoller clarified that staff intend to propose a warrant article to create a PFAS special reserve fund, and that settlement funds would be placed there. Appropriations from that fund, for example, for the North Acton lease or PFAS media replacement, would be authorized at the Annual District Meeting. Once appropriated, the funds would be drawn down as actual expenses arise; any amounts not spent would remain in the PFAS reserve unless or until the District chose to redirect or re-appropriate them at a subsequent meeting. He emphasized that this approach is designed to ensure that PFAS-related funds are available when needed for unpredictable but essential costs, without requiring a special district meeting each time media must be replaced.

Finance Committee member, John Petersen added that the Finance Committee's discussion had focused more on the principle that some funds should be used in the near-term and some should be saved, rather than on specific dollar amounts. He confirmed that no particular spending level had been endorsed and that the current budget numbers (such as \$328,000 for lease and \$672,000 for media replacement) were being used as planning figures for FY27, subject to further refinement.

Ms. Lin motioned that the Board accept the recommendation of the PFAS Settlement Working Group to use a portion of the PFAS settlement funds for upcoming PFAS-related costs in the next fiscal year and to invest the remaining funds for future PFAS needs. Mr. Rosen seconded, and it was unanimously approved via a roll call vote, Mr. Rosen, Ms. Lin, and Mr. Stuntz.

Foster Street Water Main Improvement Project

Mr. Mostoller provided an update on the Foster Street Water Main Improvement Project. He reported that the contractor was on site earlier that day to pre-excavate the connection between Foster Street and School Street. The District is planning a water shutdown the following day that will impact properties on School Street, Heritage, and Pond View, and possibly one home on Hosmer Street. Staff have advised affected customers to prepare for a full-day interruption of water service from 9:00 a.m. to 5:00 p.m., although the actual work is expected to take only two to three hours if conditions are favorable.

He noted that the District has been operating temporary water systems on Powder Mill Road and Foster Street during the lining work and that, despite cold weather, only two freeze-ups have occurred. Aqualine is performing the connection work on Foster Street, and the lining subcontractor, Fer-Pal, has completed its work on both the Foster and Powder Mill projects. The focus now is on making the final physical connections, including installation of a new hydrant and returning the new mains to service.

NEW BUSINESS:

Review Draft Budget for FY '27 and preliminary approach to articles for 2026 Annual District Meeting Warrant

Mr. Mostoller presented a preliminary draft of the FY27 operating budget and noted that it is very much a first-round working document. He explained that, based on year-to-date performance, the District is in good shape for the current fiscal year, with both revenue and expenses tracking closely to budget. At this stage, the draft FY27 operating budget reflects approximately a seven percent increase in operating costs, while projected revenue, assuming recent trends in water sales continue, would increase by around eight percent. On that basis, staff are not currently projecting a need for a rate increase in FY27.

He cautioned, however, that the coming fiscal year is expected to be the peak year for debt service, given the addition of PFAS financing to the District's existing debt load. After FY27, the scheduled annual debt payments should begin to decrease, absent new major borrowings. Mr. Mostoller also noted that the District only recently received its draft audit and does not yet have a certified free cash figure, which will be an important factor in shaping both the final budget and the Warrant Article recommendations.

Ms. McCarthy added that staff are working toward having free cash estimates available by either the December 22nd joint meeting with the Finance Committee and the Board or the first Board meeting in January. Mr. Mostoller confirmed that the December 22nd meeting is

intended as a joint session where the auditor will present the audit findings and where early budget and warrant concepts can be discussed.

Commissioners discussed the role of PFAS settlement funds in the FY27 budget. Mr. Rosen expressed that he is still considering how much of the PFAS money should be drawn into the FY27 plan, initially assuming the District might use roughly half of the early settlement funds rather than the full \$1.3 million now in hand. Staff reiterated that the present draft budget does not directly embed PFAS expenditures in the operating budget, but rather anticipates using appropriations from the PFAS reserve fund, subject to voter approval at the Annual Meeting.

The Board agreed that further discussion will be needed as free cash figures are finalized and the PFAS fund mechanics are clarified in the warrant language.

Mr. Mostoller then provided an overview of early Warrant Article concepts, noting that the drafts are even more preliminary than the budget. He explained that staff are still working to close out the prior fiscal year and to obtain certified free cash from the Department of Revenue, so some articles will need to be framed as contingent upon the availability of free cash.

He stated that staff expect to bring forward the usual housekeeping items, including reauthorization of revolving funds. The District also anticipates proposing a warrant article creating a PFAS Special Reserve Fund and additional articles to appropriate PFAS settlement funds for specific purposes such as the North Acton lease payments, PFAS media replacement, and reimbursement of FY26 interconnect water purchase costs.

In addition, staff are reviewing existing WR Grace Fund appropriations to determine whether further appropriations for well rehabilitation, media replacement, or other ongoing infrastructure needs are warranted. Mr. Mostoller also discussed the importance of setting aside funds for emergency water main breaks and targeted replacements of smaller segments of aging pipe, hydrants, and service lines, separate from larger capital main replacement projects.

Mr. Mostoller noted that the District is also evaluating the cost of bringing the District website into compliance with ADA web accessibility requirements, which must be met by April 2027. Depending on the estimated cost, staff will either propose a dedicated article or incorporate the expense into the operating budget.

Although the District had hoped to pause major capital projects after completing the PFAS facilities, Mr. Mostoller explained that the Flagg Hill storage tank has been identified for major improvements for several years and that has not changed. The 2018 Master Plan

identified Flag Hill as a high-priority rehabilitation project, originally targeted for 2021, and MassDEP has since raised additional concerns related to access and worker safety. Staff are working with the District's engineers to update cost estimates for Flagg Hill in 2026 dollars and will likely bring forward a warrant article for that work, subject to final review of the engineering recommendations.

Commissioners discussed the relationship between the Master Plan update and the District's capital priorities. Mr. Mostoller noted that, although the updated Master Plan may not be finalized before Annual Meeting, many of the 2018 recommendations remain valid, several high-priority items (such as new wells and the Center Acton plant) have already been addressed, and Flagg Hill continues to stand out as an essential project based on both prior planning and current system knowledge.

Annual Report

Mr. Mostoller reminded the Board that the Commissioners' annual report submission is due by the end of January. Historically, the Chair drafts the initial report, circulates it among commissioners for comment, and then submits it to staff for final formatting and compilation in the District's Annual Report. He asked that the Board continue this practice and requested that the existing report file and formatting be used to help streamline layout and page count. The Board agreed that Chair Stuntz will again prepare the first draft, to be reviewed by the other commissioners and staff in January.

Meeting Schedule January-June 2026

Mr. Mostoller and Ms. McCarthy presented a proposed meeting schedule for the first half of 2026, generally following the District's regular pattern of meeting on the second and fourth Mondays of the month and avoiding conflicts with major holidays and Town Meeting. During review of the dates, Commissioner Lin noted that she will be traveling and unavailable for the March 23 meeting.

The Board agreed to keep the March 23 date on the calendar but to treat that meeting as light and as-needed, with no major or controversial decisions planned unless circumstances require it.

Mr. Mostoller also noted that the Annual District Meeting will be held at the Public Safety Facility this year due to scheduling conflicts at the junior high school and uncertainties around library construction. The Board agreed to proceed with that location.

Operator Recruitment

https://www.youtube.com/watch?v=KD_xbJOk0Bg

Mr. Mostoller updated the Board on operator staffing and recruitment challenges. He reported that two long-tenured operators with approximately 30 years of service each have announced their retirement plans, and that two younger laborers who were expected to develop their careers at the District have recently announced plans to leave; one to pursue a career in law enforcement and another to pursue broader heavy equipment opportunities. He described the increasing difficulty of recruiting and retaining operators willing and able to meet the physical, mental, and on-call demands of water system operations, including emergency response in all weather conditions and the need to maintain technical certifications.

He also noted that there is a broader statewide effort underway to advocate for changes in the retirement classification of public water operators so that they are treated more similarly to other public safety and critical infrastructure personnel, such as lineworkers and firefighters, rather than clerical staff. This would potentially allow operators to retire earlier in recognition of the physical and mental demands of the work.

Mr. Mostoller highlighted two initiatives the District is participating in to support recruitment. First, the Massachusetts Water Works Association produced an operator recruitment video over the summer, and the Acton Water District served as one of the featured locations. Several District employees, as well as Commissioner Lin, appear in the video. The District will be sharing a link to the video on its website and using it as a tool to promote water careers. Second, the District intends to make a financial contribution to the New England Work for Water Collaborative, a regional partnership working to attract and prepare the next generation of water and wastewater professionals across New England and New York.

Mr. Mostoller expressed appreciation for Corey Godfrey's work in recruiting for the operator positions and for Foreman Andrew Peterson, who has agreed to postpone his planned February retirement and remain with the District through July to help smooth the transition.

EXECUTIVE SESSION:

At the conclusion of open session business, Mr. Rosen moved that the Board adjourn the open meeting of the Acton Water District Commissioners and reconvene in Executive Session to conduct strategy sessions for contract negotiations with non-union personnel, and that the Board not return to open session thereafter. Ms. Lin seconded, and the motion was unanimously approved via a roll call vote, Mr. Rosen, Ms. Lin, Mr. Stuntz.

Meeting Closed at 8:12 p.m.