

Water Supply District of Acton

693 MASSACHUSETTS AVENUE
P.O. BOX 953
ACTON, MASSACHUSETTS 01720

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Board of Water Commissioners Meeting Agenda Monday, December 8, 2025 @ 7:00 PM

Due to the COVID-19 Pandemic, meetings are being held virtually via Zoom

Join from PC, Mac, iPad, or Android:

<https://us02web.zoom.us/j/86557876661>

Phone one-tap:

+13052241968,,86557876661# US, +13092053325,,86557876661# US

Join via audio:

+1 305 224 1968 US, +1 309 205 3325 US, +1 312 626 6799 US (Chicago), +1 646 931 3860 US
+1 929 205 6099 US (New York), +1 301 715 8592 US (Washington DC), +1 669 900 6833 US (San Jose)

Webinar ID: 865 5787 6661

International numbers available: <https://us02web.zoom.us/j/86557876661>

- **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_xbJO0Bg

EXECUTIVE SESSION: To conduct strategy sessions for contract negotiations with nonunion personnel.

Any agenda item(s) which did not come to the attention of the Board of Water Commissioners 48 hours prior to this meeting and were not reasonably anticipated.



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To: Board of Water Commissioners, Finance Committee

From: PFAS Settlement Funds Working Group

December 3, 2025

The working group, consisting of Erika Lin (Board Member), John Petersen (Finance Committee Member), Matthew Mostoller (District Manager), Corey Godfrey (Deputy District Manager), and Christine McCarthy (Treasurer/Collector) met on July 14th and 30th, 2025 to develop a recommendation for the use of PFAS litigation settlement funds (both received and anticipated). The group used additional email discussion following the meetings to develop these recommendations.

The District expects to receive millions of dollars from the Multi District Litigation (MDL) against manufacturers of PFAS. While the actual timing of and total payments to be received are unknown, the working group agreed on the following assumptions for the purpose of developing a recommendation.

Assumptions

July 2025 initial 3M payment ~\$611,000

September 2025 second 3M payment ~\$1,401,000

Additional 3M payments totaling ~\$1.4 million between June 2026 and June 2033 – accelerated payment option available (Working group is generally in favor of accepting accelerated payment terms for 3M funds).

Assumed range of additional settlements from \$3 to \$9 million (additional parties have not settled and special needs claims have not been evaluated but totaled over \$6.5 million in direct PFAS expenses).

October 2025 Dupont payment ~\$350,000 (received after initial working group meetings, add to 3M funds for investment/stabilization fund).

Additional state PFAS funds assumed to be \$0

Additional federal PFAS funds assumed to be \$0

Potential Uses

The working group considered the following potential uses of PFAS proceeds:

Funds may be used to pay for a combination of uses

- Create a PFAS reserve fund
- Reduce water rates



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- Reduce debt fee portion of water bill
- Reduce usage fee portion of water bill
- Pay down existing debts
- Fund additional water purification infrastructure (PFAS related)
- Fund additional water main infrastructure (AWD general infrastructure)
- Fund District Expansion
- Fund portion of MWRA connection cost
- Repay WR Grace Fund for PFAS Expenses (~\$400,000)
- PFAS Waste Management

Debt Relief

PFAS settlement proceeds could be used to reduce debt either on an ongoing basis or as a “one time/several time” event. For example, ongoing debt reduction could use proceeds to pay off the 549 Main Street bond (\$1.8 Million). The Bond has prepayment limitations so debt reduction would occur through annual payments. For example, one time relief could use proceeds to make one or more quarterly debt payments (users pay no debt fee in that quarter). Total of user debt payments per year ~2.8 million or ~0.7 million per quarter. After reviewing factors such as favorable debt terms, principal forgiveness for PFAS debt, established debt policies, and other financial needs, the working group was not in favor of debt relief in FY27.

PFAS Expenses

The AWD is incurring ongoing expenses directly related to PFAS. We also anticipate additional PFAS costs that will not likely have the generous terms that our existing PFAS debts have enjoyed.

The working group was in favor of using a portion of the 3M proceeds to offset ongoing PFAS operating expenses.

For example, in FY 27 approximately \$328,000 is budgeted for the NAWTP Lease and \$671,847 Media Fund (create separate account for GAC). Since the working group convened, a PFAS cost that is not SRF eligible (purchased water for media conditioning/startup) has been identified as a potential hit to the FY26 budget. After approval of a special revenue or stabilization fund, and appropriation at the 2026 Annual Meeting, the FY26 budget could be reimbursed for these expenses.

As a starting point for larger group discussion, the working group recommends allocating about 1/3 of the \$3M settlement (if accelerated payment is taken) to ongoing expenses and 2/3 of the settlement to a reserve fund. The 2/3 would represent about 25% of the current AWD annual budget.



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Stabilization Fund

The working group recommends the creation of a “special revenue fund” which the Division of Local Services (DLS) issued a bulletin on based on a 2023 law as it relates to PFAS settlement funds from 3M and Dupont (DLS bulletin attached to memo). The working group discussed the question of purpose of the fund and was in favor of some limitations on the purpose. Limiting the fund to PFAS related purposes is proposed.

Key considerations the working group discussed:

Is considering the ten-year objectives for management of the PFAS settlement the correct time frame?

Yes

Should a “PFAS” reserve fund be created? Yes

Should the “PFAS” reserve fund be funded so that its uses are restricted? Yes

What fund balance should be targeted at end of year ten (% of AWD budget)? No recommendation at this time, depends on additional receipts and other short-term PFAS needs.

Should a portion of the 3M settlement proceeds be applied to the FY27 budget (e.g. media replacement)?

Yes

Should the FY27 budget allocation offset variable or fixed (debt) cost? Variable cost

Should a portion of the 3M settlement be allocated to the PFAS reserve fund? Yes

Should WR Grace fund be drawn to zero? No

Next Steps

Review the recommendations of the working group with the Board of Commissioners and Finance Committee. Make necessary modifications to approach and if the recommendations are accepted:

Staff will develop an FY27 budget incorporating use of some PFAS proceeds.

Staff & Commissioners will establish a process for defining the PFAS reserve fund so that it can appear as an article for the annual meeting in 2026.

Discuss potential investment strategies with Financial Adviser if long term (>10 year) investment of funds is the objective.

Bulletin

BUL-2025-4

G.L. c. 44, § 53 Clause 5: PFAS Settlement Proceeds for Public Water Systems (PWS) Pursuant to 3M and Dupont Legal Settlements

TO: Local Officials
FROM: Deborah A. Wagner, Director of Accounts
DATE: May 2025

On December 4, 2023, Governor Healey signed [Chapter 77 of the Acts of 2023](#), Section 9 of which provides, in part, for the following exception to the general rule that all receipts are to be recorded as general fund revenue per [G.L. c. 44, § 53](#):

“(5) non-recurring, unanticipated sums received by multiple cities, towns or districts and not otherwise provided for by a general or special law, may, upon the approval of the director of accounts, be deposited in a separate revenue account established in the treasury and expended, with appropriation, only for the purposes for which the monies were received.” (emphasis added)

PFAS Settlement Proceeds for PWS Pursuant to 3M and Dupont Legal Settlements

The Director of Accounts has determined that cities and towns that receive PFAS settlement proceeds may treat these receipts as follows:

1. The proceeds may be placed in a special revenue fund and used, with appropriation, for any purpose required pursuant to the settlement agreement or, if no restriction exists, any legal purpose allowed under Massachusetts General Law.
2. The proceeds may otherwise be closed to the general fund at year end and certified as free cash during the free cash during the free cash certification process.

If you have any further questions, please contact your BOA field representative.



Modify the values and click the Calculate button to use

Number of Periods (N)

8

Starting Amount (PV)

\$2,195,751.75

Interest Rate (I/Y)

4.11

%

Periodic Deposit (PMT) \$0

/period

PMT made at the ☐ beginning ☒ end
of each compound period

Calculate



Clear

Results



Future Value: **\$3,030,559.46**

Total Interest

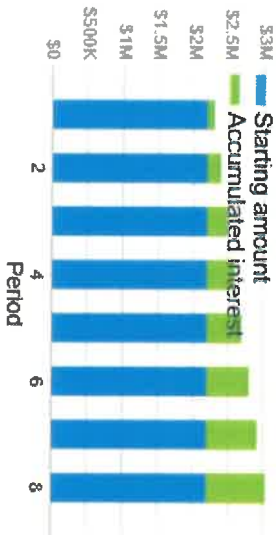
\$834,807.71



Starting amount
Interest

Schedule

	Start balance	Interest	End balance
1	\$2,195,751.75	\$90,245.40	\$2,285,997.15
2	\$2,285,997.15	\$93,954.48	\$2,379,951.63
3	\$2,379,951.63	\$97,816.01	\$2,477,767.64
4	\$2,477,767.64	\$101,836.25	\$2,579,603.89
5	\$2,579,603.89	\$106,021.72	\$2,685,625.61
6	\$2,685,625.61	\$110,379.21	\$2,796,004.82
7	\$2,796,004.82	\$114,915.80	\$2,910,920.62
8	\$2,910,920.62	\$119,638.84	\$3,030,559.46



Related

Investment Calculator

Present Value Calculator

Prepared for the 12.08.2025 Board of Commissioners Meeting

DRAFT



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To: Board of Water Commissioners, Finance Committee, Moderator and Clerk
From: Matthew Mostoller, District Manager
Re: Commissioners' meeting schedule for January-June 2026

Board of Water Commissioners meeting schedule January 1, 2026-June 30, 2026

<u>DATE</u>	<u>Finance Committee Member</u>
January 12, 2026	John Petersen
January 26	Ron Parenti
February 9	Bill Guthlein
February 23	John Petersen
March 9	Ron Parenti
<i>ANNUAL MEETING</i> —Wednesday, March 18, 2026 @ 6:00 PM Acton Public Safety Facility	
March 23	Bill Guthlein
April 13	John Petersen
April 27	Ron Parenti
May 11	Bill Guthlein
June 1	John Petersen
June 22	Ron Parenti

Report of the Commissioners for 2024

This year has been a busy one for the District, with many significant things taking place—seemingly simultaneously—keeping staff, management and your commissioners very active throughout the year. Our Environmental Compliance Manager, Alex Wahlstrom, resigned during the summer to accept a position with the Massachusetts Department of Environmental Protection. The District was pleased to welcome Katy Orciuch, from the Cambridge Water Department, as our new Environmental Compliance Manager. Christine McCarthy, our District Treasurer and her husband William welcomed their daughter, Corinne, on August 31. Christine has returned from her leave and has been busy with the financial affairs of the District.

Compliance with the United States Environmental Protection Agency's (USEPA) Lead and Copper Rule Revisions began on October 16th, 2024. An initial service line inventory was due on this date and is the first step towards finalizing a baseline service line inventory, due in October 2027. The inventory is used to determine if there are any service lines categorized as lead or galvanized requiring replacement in the system. At that time, we must replace 10% of service lines categorized as lead, galvanized requiring replacement, or unknown each year, completing all replacements within 10 years. Staff reviewed historical records, interviewed former employees and excavated connections to buildings. As required by law, informational letters utilizing the USEPA required template were sent to customers with service lines categorized as lead or galvanized requiring replacement. Another letter was sent to customers who have a connection of an unknown type to their home, requesting they do a self-inspection or to contact the District for assistance in determining the connection within their home. We will continuously update this inventory as we uncover more information. Corrosion control is practiced at all of the treatment facilities to minimize lead leaching from pipes into the drinking water and we maintain compliance with all lead and copper regulations.

The first per- and polyfluoroalkyl substance (PFAS) filtration system was publicly celebrated in North Acton at a ribbon cutting ceremony on June 26. The event was covered by Acton TV, and attendees included Fran Arsenault, Dean Charter and Alissa Nicol, representing the Acton Select Board, the District Commissioners, members of the Finance Committee, a member of Representative Simon Cataldo's office, the District Manager, staff and many members of the community. Prior to the ceremony, one of the design engineers and the District Manager explained the operation of the PFAS plant and how it was connected to the existing North Acton Water Treatment Plant. Water leaving the plant has been regularly tested for PFAS and continues to have no detectable levels of PFAS since the June 1st startup.

On June 13, a Special District meeting was held with a single article asking voters to approve an additional \$2.53M to the \$7.82M already approved at 2023 Annual Meeting for PFAS mitigation at the Central Acton Water Treatment Plant (CAWTP). This was necessary because the bids to construct the PFAS filtration system and to connect the new bedrock wells at 549 Main Street to the CAWTP came in higher than the money previously allocated. Due to competition for public construction projects, and PFAS filtration construction specifically, only 2 qualified vendors bid on the contract. In order to avoid rebidding and taking a chance, that new bids could be higher, and avoid losing the opportunity for a Clean Water Trust loan, with the possibility of some principal forgiveness, the commissioners asked you, the voters, to allow the District to increase the bonding commitment. The vote was unanimously approved allowing us to apply for a larger loan and award the contract to one of the contractors. The commissioners thank you for your support and trust. We will continue to do our best to make the right decisions in providing you with high quality water. Currently, the Central Acton and South Acton PFAS treatment plants are under construction with anticipated completion by the end of 2025.

After several years of ongoing discussions and negotiations, the District and Baldco, the operator of an AM radio station, reached agreement and closed a deal in which the District would purchase Baldco's land adjacent to our Assabet wellfield. We are leasing back to Baldco that portion of the land on which their radio antennas and equipment building are located. Now the District will control all access to the property, which will better protect our water supply and prevent encroachment from commercial property uses along Knox Trail.

Like you, the District has experienced cost escalations in items like property insurance, health insurance, materials and energy. At the same time, the amount of water sold—our only product—decreased. After a thorough financial analysis and thoughtful deliberation, the commissioners approved a significant rate increase which went into effect with the July 2024 water bill. The average customer should see between a 15 – 18% increase in their quarterly water bills due to this rate change.

The question of whether the District should pursue a connection to the Massachusetts Water Resources Authority (MWRA) and, if so, what type of connection should be made has been a question on many people's minds for some time. It is a complicated question because there are many moving parts, including the number of municipalities that might participate and the high cost to construct the necessary infrastructure. With high level feasibility having been completed, we need to seek answers on the local issues to better understand costs, strategies, availability of financial assistance, benefit analysis and how a regional approach may benefit all of us. The Town of Maynard has expressed interest in aggressively pursuing these "local" issues and the District began discussions with Maynard to partner with them. The commissioners authorized our attorney to draft an IMA (intermunicipal agreement) to be circulated to several towns to join us in exploring cost sharing models associated with the pursuit of an MWRA expansion to MetroWest. Partnering with our neighbors will reduce the cost to individual towns and provide the consortium with a single representative who would be able to focus the effort examining these issues. Several towns have expressed interest in signing the IMA. We hope that this process will move forward so that in the future, the District will be able to present the findings to the community along with recommendations for action by the voters.

As you may know, the commissioners typically meet twice a month. Our meeting schedule is posted on our website along with up-to-date information on other District activities. The commissioners encourage you to attend our meetings whenever possible. We make it a practice to begin each meeting with time for any attendee to ask questions, seek clarifications, tell us about a problem/issue or just let us know how we are doing. Of course, you are always welcome to phone (978-263-9107), visit the staff at our office, or by emailing us at commissioners@actonwater.com.

Respectfully submitted,

Barry Rosen, Chair
Erika Amir-Lin
Stephen Stuntz