

**MWRA Board of Directors Meeting
January 15, 2014
Voting Summary Sheet**

Item Name	Type	Notes	Vote	Discussion Highlights
Approval of Minutes	n/a	n/a	Unanimous	
Report of the Chair	n/a	n/a	n/a	*
Report of the Executive Director	n/a	n/a	n/a	*
Memorandum of Understanding with NSTAR Electric Company, NSTAR Gas Company and Western Massachusetts Electric Company	Approval	<ul style="list-style-type: none"> MOU allows MWRA to achieve higher rebates from the utility for implementing energy efficient projects 	Unanimous	*
PCR Amendments – January 2014	Approval	<ul style="list-style-type: none"> 1 title and location change 1 title and grade change Budget impact: (\$10,865) to \$2,557 	Unanimous	
Appointment of Senior Program Manager, NPDES, ENQUAD Department, Operations Division	Approval	<ul style="list-style-type: none"> Appointed Wendy Smith Leo Annual Salary: \$112,540.89 (Unit 9, Grade 30) Effective: January 18, 2014 	Unanimous	
Appointment of Program Manager, Water Quality Assurance, ENQUAD Department, Operations Division	Approval	<ul style="list-style-type: none"> Appointed Kimberly LeBeau Annual Salary: \$99,318.96 (Unit 9, Grade 29) Effective: January 18, 2014 	Unanimous	*
Task Order Appraisal Services	Contract Awards	<ul style="list-style-type: none"> Contract 598TA – The Foster Company Contract 599TA – Evergreen Appraisal Each contract not to exceed \$75,000.00 Term: three Years 	Unanimous	
Financial Advisory Services, Contract F226	Contract Awards	<ul style="list-style-type: none"> Public Financial Management, Inc. Amount: not to exceed \$487,135.00 Term: four years from notice to proceed 	Unanimous	*
Dam Safety Compliance and Consulting Services, Contract OP-228	Contract Award	<ul style="list-style-type: none"> GZA GeoEnvironmental, Inc. Amount: not to exceed \$166,500.00 Term: 730 calendar days from NTP 	Unanimous	
Section 111 Southern Extra High Redundancy Pipeline, Design, Construction Administration, Resident Inspection Services, Contract 6453	Contract Award	<ul style="list-style-type: none"> Fay, Spofford & Thorndike, LLC Amount: \$7,677,305.00 Term: 90 months from notice to proceed 	Unanimous	
North System Hydraulic Study, Contract 6930, Amendment 2	Contract Amendment /Change Orders	<ul style="list-style-type: none"> AECOM Technical Services, Inc. Extended 18 months to December 6,2014 No increase in contract amount 	Unanimous	*
Quabbin Ultraviolet Disinfection Facilities Design/CA/RI, Contract 6775, Amendment 2	Contract Amendment /Change Orders	<ul style="list-style-type: none"> AECOM Technical Services, Inc. Reallocation of available funds Extension of 14 months to April 12, 2015 	Unanimous	
Carroll Water Treatment Plant – UV Disinfection Facilities, Contract 6924, Change Order 20	Contract Amendments /Change Orders	<ul style="list-style-type: none"> Daniel O’Connell’s Sons, Inc. Increase lump sum amount of \$158,365.88 No increase in contract term 	n/a	*
MWRA Advisory Board, Study on Investment in Water and Wastewater Infrastructure and Economic Development/2013 Water & Sewer Retail Rate Survey	Information	<ul style="list-style-type: none"> Confirms correlation between infrastructure investment and increased job growth, state/local revenues and private economy Greater return from water/sewer than highway investment Water/Sewer Survey for 2013 shows 3.1% increase, lowest in 12 years 	n/a	

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Delegated Authority Report – December 2013	Information	<ul style="list-style-type: none"> Please see related staff summary 	n/a	*
FY14 Financial Update and Summary as of December 2013	Information	<ul style="list-style-type: none"> Transfer of \$6.4 million debt service savings to the Defeasance Account Post transfer, net variance \$803,000 below budget FY14 CIP underspending is \$10.4 million, excluding the Local Financial Assistance Programs and CSO projects 	n/a	*
Report on 2013 Water Use Trends	Information	<ul style="list-style-type: none"> In 2013, MWRA communities used 192.5 MGD 1.6% higher than calendar year 2012 Consumption boosted by 3.3 MGD for water provided to Cambridge and Hudson 	n/a	
Update on First Year of Unregulated Contaminants Monitoring Rule Sampling	Information	<ul style="list-style-type: none"> EPA-required sampling for 2013 indicates that only 4 of 21 unregulated substances tested for were detected Each averaged well below any guideline value from any other state, national or international body 	n/a	

■ Administration and Finance
 ■ Wastewater
 ■ Water
 ■ Personnel
 * Link to Advisory Board position

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MWRA Advisory Board Summary
of the
MWRA Board of Directors Meeting
Wednesday, January 15, 2014

A meeting of the Board of Directors of the Massachusetts Water Resources Authority was held on January 15, 2014 at the Charlestown Navy Yard. **Present:** Chair Richard Sullivan, Joel Barrera and Jennifer Wolowicz, Gubernatorial Appointees; Andrew Pappastergion and Joseph Foti, Advisory Board Representatives; Kevin Cotter, Henry Vitale and Brian Swett, City of Boston Representatives; Jack Walsh, City of Quincy Representative; Paul Flanagan, Town of Winthrop Representative. **Absent:** John Carroll, Advisory Board Representative.

Report of the Chair

Chairman Richard Sullivan offered his congratulations to Brian Swett on his reappointment to the Board of Directors on behalf of the City of Boston and to Board Member Joel Barrera for being elected Chairman of the Massachusetts Budget and Policy Center. Further, the Chairman thanked Mr. Swett and Fred Laskey for attending a recent event in regard to climate change preparedness. He stated that he looked forward to working with the MWRA and the communities on this issue.

Report of the Executive Director

MWRA Executive Director Fred Laskey stated that the Authority has begun diverting water from the Ware River to the Quabbin in coordination with the Army Corps of Engineers.

The Board was provided with an update on the Co-Digestion Pilot Program. A photo of the type of truck that will be used to transport the product to the Deer Island Treatment Plant was given to the Board members; the truck resembles an oil truck. There has been some concern from the residents of Winthrop regarding increased truck traffic.

The MWRA Advisory Board has been working long and hard on a report that demonstrates the significant benefit of water and wastewater infrastructure investment and economic development.

Mr. Laskey extended his appreciation and thanks to Director of Operations Support and Emergency Preparedness Marcis Kempe for 35 years of dedicated service to the MWRA and its ratepayers. His retirement will be a great loss to the MWRA and its communities. An award, shaped like a water droplet, was presented to Mr. Kempe. Mr. Kempe expressed his thanks and stated that he can leave comfortably because there are so many good people coming up at the Authority.

Board Member Joseph Foti noted that Chelsea had a couple of issues recently with lead and copper and Steve Estes-Smargiassi and Joshua Das provided Chelsea with good advice that was heeded; Mr. Foti thanked them for their efforts.

Approvals

Memorandum of Understanding with NSTAR Electric Company, NSTAR Gas Company and Western Massachusetts Electric Company

The Board voted to authorize the Executive Director, on behalf of the Authority, to execute a non-binding Memorandum of Understanding with NSTAR Electric Company, NSTAR Gas Company and Western Massachusetts Electric Company

(Northeast Utilities Companies, collectively referred to as NSTAR), substantially in the form presented and filed with the records of the meeting.

Board Member Joel Barrera stated that the MWRA has been doing energy efficiency work for some time; why is there an MOU now? Deputy Chief Operating Office Rick Trubiano stated that NSTAR has funds available for public and private sector organizations for developing energy efficient projects. Because the Authority has consistently demonstrated an ability to utilize these funds through approved projects, NSTAR had an interest in partnering with the Authority in this manner.

To view the PowerPoint presentation on the MOU with NSTAR, please click [here](#).

PCR Amendments – January 2014

The Board voted to approve amendments to the Position Control Register, as presented and filed with the records of the meeting.

Appointment of Senior Program Manager, NPDES

The Board voted to approve the Executive Director’s recommendation to appoint Wendy Smith Leo to the position of Senior Program Manager in the ENQUAD Department, Operations Division, (Unit 9, Grade 30) at an annual salary of \$112,540.89 to be effective January 18, 2014.

Appointment of Program Manager, Water Quality Assurance

The Board voted to approve the Executive Director’s recommendation to appoint Kimberly LeBeau to the position of Program Manager, Water Quality Assurance in the ENQUAD Department, Operations Division (Unit 9, Grade 29), at an annual salary of \$99,318.96 to be effective January 18, 2014.

Mr. Laskey stated that staff has talked at length about the wave of people leaving, with more to follow. The MWRA has strong, dedicated, smart people “in the wings.” The goal has been to fill positions internally to allow folks to move up from within the Authority, as we have done with these two appointments.

Board Member Henry Vitale asked about succession planning. Mr. Laskey stated that within the ENQUAD department, the group has been meeting over the past six months, with staff putting together a list of their responsibilities and deadlines.

Mr. Vitale asked if the Authority has hired former employees as contract employees. Mr. Laskey stated that the Authority doesn’t usually hire back employees, with the exception of Kevin Feeley, who came back to help with the water main break. Additionally, the Authority has talked with Marcis Kempe about coming back to do a written history of improvements made to the water system. Mr. Barrera stated that this was a fabulous idea.

Mr. Laskey noted that critical decisions are going to have to be made with the retirement of Mr. Kempe and the upcoming retirement of Deputy Chief Operating Officer Rick Trubiano. Having a good team in the field is key to the MWRA’s success.

Contract Awards

Task Order Appraisal Services: The Foster Company, Contract 598TA and Evergreen Appraisal, Contract 599TA

The Board voted to approve the recommendations of the Consultant Selection Committee to select The Foster Company and Evergreen Appraisal to provide Task Order Appraisal Services and to authorize the Executive Director, on behalf of the Authority, to execute Contract 598TA with The Foster Company and Contract 599TA with Evergreen Appraisal, each in an amount not to exceed \$75,000.00 for a term of three years.

Financial Advisory Services: Public Financial Management, Inc., Contract F226

The Board voted to approve the recommendation of the Consultant Selection Committee to select Public Financial Management, Inc. (PFM) to provide Financial Advisory Services and to authorize the Executive Director, on behalf of the Authority, to execute Contract F226 with Public Financial Management, Inc. in an amount not to exceed \$487,135.00 for a term of four years from the Notice to Proceed.

Mr. Laskey reminded the Board that a letter of protest had been received from a prospective bidder in regard to the Authority's requirement in its bid process that *"only proposers that agree not to engage in the underwriting of tax exempt, or public agency securities for the duration of this Contract may respond to this RFQ/P."* MWRA Treasurer Tom Durkin noted that the Authority will hold its position to have separate underwriters.

Mr. Barrera asked if the Authority only received two proposals. Mr. Durkin stated that the information had been given to six entities. He stated that he spoke with Eastern Bank to ask why they did not submit a bid and was told that it was because of the complexities of the contract. Mr. Laskey noted that the Authority has been satisfied with PFM over the years. Mr. Durkin stated that PFM got the Authority through 2008 very well.

Dam Safety Compliance and Consulting: GZA GeoEnvironmental, Inc., Contract OP-228

The Board voted to approve the recommendations of the Consultant Selection Committee to select GZA GeoEnvironmental, Inc. to provide Dam Safety Compliance and Consulting Services and to authorize the Executive Director, on behalf of the Authority, to execute Contract OP-228 with GZA GeoEnvironmental, Inc. in an amount not to exceed \$166,500.00 for a term of 730 calendar days from the Notice to Proceed.

Section 111 Southern Extra High Redundancy Pipeline: Fay, Spofford & Thorndike, LLC, Contract 6453

The Board voted to approve the recommendation of the Consultant Selection Committee to select Fay, Spofford & Thorndike, LLC to provide Design, Construction Administration and Resident Inspection Services for Section 111 Southern Extra High Redundancy Pipeline and to authorize the Executive Director, on behalf of the Authority, to execute Contract 6453 with Fay, Spofford & Thorndike, LLC in the amount of \$7,677,305.00 for a term of 90 months from the Notice to Proceed.

Contract Amendments / Change Orders

North System Hydraulic Study: AECOM Technical Services, Inc., Contract 6930, Amendment 2

The Board voted to authorize the Executive Director, on behalf of the Authority, to approve Amendment No. 2 to extend the term of Contract No. 6930 with AECOM Technical Services, Inc., North System Hydraulic Study, by 18 months to December 6, 2014, with no increase in contract amount.

Mr. Barrera asked when the Authority does the Chelsea headworks, will it improve this situation? Mr. Trubiano responded that there would be a higher degree of technology; however, the capacity is fixed. Chief Operating Officer Michael Hornbrook noted that it is not only the tunnels from Deer Island, but the outfall tunnel as well, that have only so much capacity; that is why the Authority is trying to optimize what it already has.

Mr. Laskey stated that he is pleased that the Authority is undertaking this study on its own; it is viewed as a positive step by the regulators.

Board Member Jack Walsh stated that the Authority had a major event at Nut Island because of a release of flows. What about the capacity at Deer Island? Mr. Hornbrook stated that the north system reacts quicker than the south. Mr. Laskey noted that the Authority's permit allows the release of overflows in order to save the station as long as the regulators are notified.

The presentation made to the Board can be viewed [here](#).

Quabbin Ultraviolet Disinfection Facilities Design/Construction Administration/Resident Inspection: AECOM Technical Services, Inc., Contract 6775, Amendment 2

The Board voted to authorize the Executive Director, on behalf of the Authority, to approve Amendment No. 2 to reallocate available funds within and extend the term of Contract No. 6775 with AECOM Technical Services, Inc., Quabbin Ultraviolet Disinfection Facilities Design/Construction Administration/Resident Inspection, by 14 months to April 12, 2015, with no increase in contract amount.

Carroll Water Treatment Plant – UV Disinfection Facilities: Daniel O'Connell's Sons, Inc., Contract 6924, Change Order 20

The Board voted to authorize the Executive Director, on behalf of the Authority, to approve Change Order No. 20 to increase the amount of Contract No. 6924 with Daniel O'Connell's Sons, Inc., Carroll Water Treatment Plant – UV Disinfection Facilities, in a lump sum amount of \$158,365.88, with no increase in contract term; and to authorize the Executive Director to approve additional change orders as may be needed to Contract No. 6924 in amounts not to exceed the aggregate of \$250,000.00, in accordance with the Management Policies of the Board of Directors.

Board Member Andrew Pappastergion stated that it seems like there were a lot of design errors with this contract. Director of Construction Anandan Navanandan stated that many of the change orders were due to design errors with the largest item at \$1 million. Mr. Hornbrook noted that the Authority is keeping track of the errors and omissions and has already notified the Design Engineer, AECOM, that the MWRA intends to seek cost recovery at the end of the contract.

Mr. Foti stated that his biggest concern is the engineering of this contract. He noted that there were issues with AECOM on a wastewater contract as well. Now there are currently three or four more issues. Staff may want to take another

look at AECOM. Mr. Hornbrook stated that staff has had numerous meetings with AECOM and their performance had gotten better. Mr. Foti stated that he knew staff would do its due diligence; however, he stated that he may not have voted in favor of AECOM on the previous contract because of this. Mr. Laskey stated that AECOM has clearly gotten the message from staff and will be notified about the Board's position as well.

Information

Presentation: MWRA Advisory Board, Study on Investment in Water and Wastewater Infrastructure and Economic Development/2013 Annual Water and Sewer Retail Rate Survey

MWRA Advisory Board Executive Director Joseph Favaloro and Director of Communications Matthew Romero provided the Board with a PowerPoint [presentation](#) on its [Economic Development Report](#) and [2013 Water and Sewer Retail Rate Survey](#).

Mr. Favaloro stated that the Advisory Board engaged the Edward J. Collins, Jr. Center for Public Management at the University of Massachusetts Boston to develop the Economic Development Report. The report was commissioned and timed to tie into the ongoing legislative discussion on water/wastewater infrastructure investment to independently validate the relationship between this investment and state, local and private economic development.

Senate Bills 1880 and 1947 have been filed in an effort to provide funding for water and wastewater infrastructure. One item included in the bills states that the communities must have an enterprise fund; however, to qualify for funding, the community's enterprise fund must meet the Commonwealth's definition of an enterprise fund. In the spring, the Advisory Board plans to invite the regulators to a meeting to help communities understand what the Commonwealth's definition is. Mr. Barrera noted that the Massachusetts Municipal Association has reservations about the enterprise fund piece of this legislation.

Mr. Barrera said that he liked the idea of a subsidy for a connection to the MWRA; would that apply to the sewer system as well? Mr. Favaloro stated that there is a process that an applicant would go through to join either of the MWRA's systems. Any applicant would know if the MWRA is a viable option; for the most part, the MWRA would not be a provider for wastewater services for new applicants.

Delegated Authority Report – December 2013

Deputy Director of Administration and Finance Michele Gillen highlighted the December 2013 delegated authority purchases. There were no critical need purchases made; all purchases were planned and budgeted.

Board Member Jack Walsh stated that he felt that more than \$200,000 per year is a lot of money to be spending for combustion turbine generator maintenance. Mr. Hornbrook stated the contract provides annual maintenance and emergency services.

Mr. Laskey stated that the Authority has purchased 40 new vehicles to update the Authority's aging fleet. Mr. Hornbrook noted that the average age of the MWRA's vehicles is eight years. He noted that the Authority has vehicles that could be five years old; however, they run on a 24/7 basis so their condition is bad because of the frequency of use. Ms. Gillen added that staff continues to re-use the fleet to get as much use from each vehicle as possible.

FY14 Financial Update and Summary as of December 2013

Staff summarized the information presented in the staff summary.

Mr. Walsh stated that Workers' Compensation looks like it will be a record year; how does the MWRA fare compared with other industries? Director of Human Resources Robert Donnelly stated that he did not have those statistics but, in general, based on the kind of work the MWRA does, the Authority is not unusual.

Mr. Barrera stated that these are work-related injuries; does the MWRA look at trends in injuries? Mr. Donnelly stated that the MWRA has been within the industry limits. Staff is now dealing with severity of injuries rather than areas of safety.

Mr. Laskey noted, as an example, that last week an employee fell off a ladder and got seriously hurt. These injuries will have a direct impact on this budget.

Mr. Vitale asked how much commercial paper is outstanding. Mr. Durkin stated that the Authority has \$144 million in commercial paper still outstanding.

Report on 2013 Water Use Trends

Director of Planning Stephen Estes-Smargiassi provided the Board with a review of the previous year's water use data and discussed trends.

Update on First Year of Unregulated Contaminants Monitoring Rule Sampling

Mr. Estes-Smargiassi and Betsy Reilley, Director of Environmental Quality, provided the Board with an update on the first year of Unregulated Contaminants Monitoring Rule Sampling.

This summary does not include every item discussed by the Board, nor the full extent of the discussions. Please contact Mary Ann McClellan at the Advisory Board office with questions, comments