

**MWRA Board of Directors Meeting
June 3, 2015
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	*
Appointment of Proxy for Fore River Railroad Corporation	Approval	<ul style="list-style-type: none"> Please see related staff summary. 	Unanimous	
MWRA FY16 Insurance Program Renewal	Approval	<ul style="list-style-type: none"> Approved: various policies, bonds and related broker services for MWRA's FY16 Ins Program Contracts for broker services, for the terms, premiums and fees listed in the contracts Total program not to exceed: \$1,612,731 for FY16 	Unanimous	
Delegation of Authority to Execute Cotracts for the Purchase and Supply of Electric Power for the Deer Island Treatment Plant and MWRA Interval Accounts	Approval	<ul style="list-style-type: none"> Authorized MWRA staff to determine MWRA's best interest in selecting bidders, within hours of the bid, to lock in bid prices Not to exceed 36 months for Deer Island and 43 months for Interval Accounts 	Unanimous	
Approval of Memorandum of Understanding with the Town of Winthrop	Approval	<ul style="list-style-type: none"> [Postponed until June 24, 2015 meeting.] 	n/a	*
Approval of Memorandum of Understanding with the City of Quincy	Approval	<ul style="list-style-type: none"> [Postponed until June 24, 2015 meeting.] 	n/a	
Wastewater Advisory Committee (WAC) Contract	Approval	<ul style="list-style-type: none"> Total Contract Cost: \$67,332 Term: July 1, 2015 to June 30, 2016 WAC offers independent advice on MWRA wastewater programs and policies 	Unanimous	
Water Supply Citizens Advisory Committee (WSCAC) Contract	Approval	<ul style="list-style-type: none"> Total Contract Cost: \$100,120 Term: July 1, 2015 to June 30, 2016 WSCAC offers advice on water supply planning and programming 	Unanimous	
Approval of Memorandum of Agreement for McLaughlin Fish Hatchery Project	Approval	<ul style="list-style-type: none"> Approved MOA between Mass. Division of Fisheries and Wildlife, Mass. Department of Fish & Game and the MWRA Re: Construction and operation of the hatchery pipeline and Hydropower Project at the Chicopee Valley Aqueduct Funding provided by the state and grants secured by the MWRA 	Unanimous	*
PCR Amendment – June 2015	Approval	<ul style="list-style-type: none"> 1 Title change Annual Estimated Impact: \$0 	Unanimous	
Appointment of Payroll Manager	Approval	<ul style="list-style-type: none"> Appointed: Sothea Chhung Annual Salary: \$103,020 Effective on date determined by the Executive Director 	Unanimous	
Appointment of Manager, Benefits and HRIS	Approval	<ul style="list-style-type: none"> Appointed: Emily J. Dallman Annual Salary: \$118,336.70 Effective on date determined by the Executive Director 	Unanimous	
MWRA Retirement System Update	Information	<ul style="list-style-type: none"> Retirement system present market valuation is \$449 million Governed by a five-member Board of Trustees Rated AAA by Standard and Poor's Financial Services 	n/a	
2014 Annual Water Quality Report	Information	<ul style="list-style-type: none"> Known as Consumer Confidence Report Mailed to every household in MWRA service area between June 1 and June 24, 2015 Promotes education and information about publicly supplied drinking water Cost for preparing, printing, and mailing nearly 900,000 CCR reports for 2014 is approximately \$0.22 per copy 	n/a	*

MWRA Board of Directors Meeting

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Performance Review and Extension of Contract for Executive Director	Other Business	<ul style="list-style-type: none"> • Performance review of Executive Director rated "Excellent" • Contracted extended one year through June 30, 2018 • Salary increase of 4% effective July 1, 2015 	Unanimous	*
Extension of Contract for Chief Operating Officer	Other Business	<ul style="list-style-type: none"> • Approved Executive Director's performance review of Chief Operating Officer as "Excellent" • Contract extended one year through May 31, 2018 • Current salary increased by 1.5% effective July 1, 2015 and 1.5% effective January 1, 2016 	Unanimous	

Administration and Finance
 Wastewater
 Water
 Personnel
 * Advisory Board position



MWRA Advisory Board Summary
of the
MWRA Board of Directors Meeting
Wednesday, June 3, 2015

A meeting of the Board of Directors of the Massachusetts Water Resources Authority was held on June 3, 2015 at the Charlestown Navy Yard. Present: Chairman Matthew Beaton and Jennifer Wolowicz, Gubernatorial Appointees; John Carroll, Andrew Pappastergion and Joseph C. Foti, MWRA Advisory Board Representatives; Henry Vitale, Kevin Cotter and Austin Blackmon, City of Boston Representatives; Jack Walsh, City of Quincy Representative; Paul Flanagan, Town of Winthrop Representative.

Prior to the start of the regular Board of Directors meeting, the Board convened a Committee of the Whole Hearing to review the FY16 Draft Final CIP and CEB.

The Committee listened to both the [Advisory Board](#) and [MWRA](#) staff presentations and a motion was made for the rate revenue requirement increase for FY16 to be no greater than a combined 3.5% increase. Staff will come back to the Board with a final recommendation at the June 24, 2015 Board of Directors meeting.

To see the MWRA Advisory Board's FY16 Comments and Recommendations to the MWRA's FY16 Proposed CIP/CEB, please click [here](#).

Report of the Chair

Vice Chair John Carroll opened the June 3, 2015 meeting and was joined shortly thereafter by Secretary Matthew Beaton, who had no report.

Report of the Executive Director

MWRA Executive Director Fred Laskey stated that the Town of Stoneham has a unique situation pertaining to a company within the town that is in the process of closing and had been the Town's largest retail water user, resulting in a short-term financial deficit of \$1 million in its projections of water rate revenue.

Mr. Laskey stated that MWRA Advisory Board Executive Director Joseph Favaloro and he attended a Board of Selectmen's meeting last week to discuss the situation and the MWRA has offered to let the Town of Stoneham extend the time to make its FY16 payment for the Local I/I and Water Loan Programs for a one-year period.

Board Member John Carroll asked if this has anything to do with I/I. Mr. Favaloro stated that staff was thinking "outside the box" to add one year to the water loan and wastewater loan programs and extended the repayment plan from 10 years to 11 years to repay the \$386,000 making 10 equal payments over 11 years. This would not impact other communities. Mr. Carroll asked if anything is in writing so that the Board can review it; Mr. Laskey said staff can put it in writing.

Mr. Laskey thanked MWRA staff for assisting the City of Brockton with its water main break, for which a “boil water order” was issued. MWRA crews installed couplings and provided technical support.

Mr. Carroll asked if Brockton is using a desalinization plant. MWRA Chief Operating Officer Michael Hornbrook stated that the plant was activated during this event.

Mr. Laskey noted that the *Boston Globe* ran an article regarding a Save the Harbor/Save the Bay study that showed that Boston has the cleanest urban beaches in the country; the Charles River received a “B+” grade from EPA as well.

Approvals

Appointment of Proxy for Fore River Railroad Corporation

The Board voted that the MWRA Board of Directors, as holder of all voting rights of all the issued and outstanding shares of stock of the Fore River Railroad Corporation, appoint Kathy Soni, with the power of substitution, to vote as proxy at the next annual meeting and any special meeting of the stockholders for the Fore River Railroad Corporation in accordance with the form of proxy presented and filed with the records of this meeting. In addition, the MWRA Board of Directors directs the proxy to elect the following board members: Thomas J. Durkin, Godfrey O. Ezeigwe, Michele S. Gillen, Lisa R. Grollman, Michael J. Hornbrook, Frederick A. Laskey, Steven A. Remsberg, John P. Vetere and John J. Walsh.

MWRA FY16 Insurance Program Renewal

The Board voted to approve awards to the lowest eligible and responsive proposers for insurance policies, bonds and related broker services for MWRA’s FY16 Insurance Program, and to authorize the Executive Director, on behalf of the Authority, to execute contracts for broker services, for the terms, premiums and fees described below, and incorporated by reference for the record, resulting in a total program amount not to exceed \$1,612,731 for FY16:

- (1) Workers’ Compensation Excess Policy with New York Marine Insurance Co., submitted by broker Willis of Massachusetts, for the period beginning July 1, 2015 through June 30, 2016, with a \$25 million limit and a \$500,000 self-insured retention, for a premium of \$159,161;
- (2) Property Policy (including Boiler & Machinery coverage) with FM Global Insurance Co., for the period beginning July 1, 2015 through June 30, 2017, with various limits of coverage, a \$2.5 million self-insured retention, and a fixed rate two-year term, resulting in a FY16 premium of \$713,577, and an amount to be determined for FY17, based upon the established fixed rate;
- (3) General Liability Policies (including Automobile Liability, Marine Liability, Wharfingers, and Employment Practice Liability) with Lexington Insurance Company submitted by broker Richards Robinson Sheppard, for the period beginning July 1, 2015 through June 30, 2016, with a \$25 million limit and a \$2.5 million self-insured retention, for a premium of \$325,000;

- (4) Excess Liability Policies with insurance companies to be determined and submitted by broker Richards Robinson Sheppard, for the period beginning July 1, 2015 through June 30, 2016, providing a combined total of \$75 million of excess liability coverage for a total combined premium not to exceed \$290,000;
- (5) Public Official's Liability Policy with ACE USA Insurance Co., submitted by broker William Gallagher Associates, for the period beginning July 1, 2015 through June 30, 2016, with a \$5 million limit and a \$1 million deductible, for a premium of \$47,187;
- (6) Fiduciary Liability Policy with AXIS Insurance Co., submitted by broker William Gallagher Associates, for the period beginning July 1, 2015 through June 30, 2016, with a \$5 million limit and a \$1 million deductible, for a premium of \$10,902;
- (7) Public Official's/Crime Bond with Great American Insurance Co., submitted by broker Richards Robinson Sheppard, for the period beginning July 1, 2015 through June 30, 2016, with a \$1 million limit and a \$25,000 deductible for a premium of \$5,154;
- (8) Treasurer's Bond with a \$1 million limit with a vendor to be determined in an amount not to exceed \$2,500, with a one-year term beginning January 2016; and
- (9) Broker contracts with Richards Robinson Sheppard for an amount of \$44,000, Willis of Massachusetts for an amount of \$15,250, and William Gallagher Associates for various commissions included within policy premiums, from notice of award through June 30, 2016.

Delegation of Authority to Execute Contracts for the Purchase and Supply of Electric Power for the Deer Island Treatment Plant and MWRA Interval Accounts

The Board voted to authorize the Executive Director, on behalf of the Authority, to execute contracts for the supply of electric power to the Deer Island Treatment Plant and the Interval Accounts, consisting of the John J. Carroll Water Treatment Plant and larger Field Operations and Facility Management Accounts, with the lowest responsive and responsible bidders, for the period and pricing structure selected, as determined by staff to be in MWRA's best interest, and for a contract supply term not to exceed 36 months for the Deer Island account, and not to exceed 43 months for the Interval Accounts. This delegation of authority is necessary because MWRA will be required to notify the selected bidders within a few hours of bid submittal to lock in the bid prices in a constantly changing market.

Approval of Memorandum of Understanding with the Town of Winthrop

Discussion centered on the study to determine the safety of the Deer Island truck route. Members asked for more information and decided to postpone their vote until the June 24, 2015 meeting.

Approval of Memorandum of Understanding with the City of Quincy

[Postponed. To be discussed at the June 24, 2015 meeting.]

Wastewater Advisory Committee Contract

The Board voted to authorize the Executive Director, on behalf of the Authority, to execute a contract, substantially in the form presented and filed with the records of the meeting, with the Wastewater Advisory Committee for a term of one year, from July 1, 2015 to June 30, 2016, for a total contract cost of \$67,332.

Water Supply Citizens Advisory Committee Contract

The Board voted to authorize the Executive Director, on behalf of the Authority, to execute a contract, substantially in the form presented and filed with the records of the meeting, with the Water Supply Citizens Advisory Committee for a one-year period beginning July 1, 2015, with a total contract cost of \$100,120.

Approval of Memorandum of Agreement for McLaughlin Fish Hatchery Project

The Board voted to authorize the Executive Director, on behalf of the Authority, to execute a Memorandum of Agreement (MOA), substantially in the form presented and filed with the records of the meeting, between the Massachusetts Division of Fisheries and Wildlife, the Massachusetts Department of Fish and Game, and the Massachusetts Water Resources Authority relating to the construction and operation of the McLaughlin Fish Hatchery Pipeline and Hydropower Project, at the Chicopee Valley Aqueduct.

Mr. Laskey stated that this MOA codifies the announcement made last month by Secretary Beaton regarding the funding the state is providing to move forward with the hatchery project.

Secretary Beaton asked about the timeframe for this project. Manager of Policy and Planning Pam Heidell stated that staff will proceed with design by the end of this year, with completion of the project expected by the end of 2016.

PCR Amendment – June 2015

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

Appointment of Payroll Manager

The Board voted to approve the Executive Director's recommendation to appoint Sothea Chung to the position of Payroll Manager (Unit 6, Grade 13) at an annual salary of \$103,020, to be effective on the date designated by the Executive Director.

Appointment of Manager, Benefits and HRIS

The Board voted to approve the Executive Director's recommendation to appoint Emily J. Dallman to the position of Manager, Benefits and HRIS, Human Resources (Non-Union, Grade 14) at an annual salary of \$118,336.70 to be effective on the date designated by the Executive Director.

Other Business

Performance Review and Extension of Contract for Executive Director

The Board voted to rate the performance of the Executive Director Fred Laskey for fiscal year 2015 as "excellent" and to extend the term of the Executive Director's employment agreement and his appointment as the Executive Director by one year through June 30, 2018, and to increase his current salary by 4% effective July 1, 2015.

Board Member Andrew Pappastergion noted that Mr. Laskey did not take a pay increase last year and suggested the 4% increase to which the Board agreed.

Extension of Contract for Chief Operating Officer

The Board voted to adopt the Executive Director's performance rating of "excellent" for the Chief Operating Officer Michael Hornbrook for fiscal year 2015 and to extend the term of the Chief Operating Officer's employment agreement and his appointment as Chief Operating Officer by one year through May 31, 2018, and to increase his current salary by 1.5% effective July 1, 2015 and 1.5% effective January 1, 2016.

Mr. Laskey noted that Mr. Hornbrook deserves the highest rating.

Information

MWRA Retirement System Update

Please see related staff summary.

2014 Annual Water Quality Report (Consumer Confidence Report)

Director of Planning and Sustainability Stephen Estes-Smargiassi stated that this year's [Consumer Confidence Report](#) (CCR) focuses on the MWRA's great tasting, award-winning water.

Mr. Laskey noted that the federal requirement to send the CCR via mail to every household has changed and the Report can be sent electronically; however, last year the Board expressed the desire to continue with the mailings to have a broader reach to the consumers.

Board Member Joseph Foti thanked Joshua Das, Project Manager for Public Health, and staff for the great job done on the CCR, noting that it provided consumers with valuable information.

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 or requests for more information.