

**MWRA Board of Directors Meeting
June 24, 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	*
Final FY16 Capital Improvement Program (CIP)	Approval	<ul style="list-style-type: none"> Approved: FY16 CIP with \$148.1 million spending level, including contingency Approved: Responses to the Advisory Board's Comments and Recommendations 	Unanimous	
FY16 Current Expense Budget (CEB)	Approval	<ul style="list-style-type: none"> Approved: Final FY16 CEB, with current revenue and expenses of \$702.5 million 	Unanimous	*
Final FY16 Water and Sewer Assessments	Approval	<ul style="list-style-type: none"> Effective July 1, 2015 (for FY16): Water System Assessments: \$226,372,877 Sewer System Assessments: \$446,067,123 Clinton Sewer Assessment: \$500,000 Lancaster Sewer District Assessment: \$285,140 City of Worcester charge: \$149,339 (approx. 7.9% of direct operating expenses for Clinton WWTP) Chicopee Water Assessment: \$3,409,757 South Hadley Fire District #1 Water Assessment: \$692,018 Town of Wilbraham Water Assessment: \$730,299 Wholesale water rate: \$3,488.04 per million gallons Retail sewer rate: \$7,144.75 per million gallons 	Unanimous	*
Town of Stoneham Loan Amendment	Approval	<ul style="list-style-type: none"> Authorized Executive Director to provide one-time exemption to the Program Guidelines for the Community Financial Assistance Programs Extended existing loans by one year and reduced the combined payments due in FY16 by up to a maximum amount of \$386,386 	Unanimous	
Memorandum of Understanding with the Town of Winthrop	Approval	<ul style="list-style-type: none"> Board approved a one-year extension to the mitigation agreement with Winthrop, from July 1, 2015 to June 30, 2016 Amount: \$760,000 Staff must present rationale for a long-term agreement with the Town at July 15, 2015 mtg 	Unanimous	*
Memorandum of Understanding with the City of Quincy	Approval	<ul style="list-style-type: none"> Board approved a one-year extension to the mitigation agreement with Quincy, from July 1, 2015 to June 30, 2016 Amount: \$760,000 Staff must present rationale for a long-term agreement with the City at July 15, 2015 mtg 	Unanimous	
Amendment 4 to Memorandum of Understanding with the Department of Public Safety for Electrical Inspections	Approval	<ul style="list-style-type: none"> Amendment 4 to MOU provides for electrical inspection services for Authority projects and operations Not to exceed: \$50,000 Term: 24 months, from July 1, 2015 through June 30, 2017 	Unanimous	*
PCR Amendments – June 2015	Approval	<ul style="list-style-type: none"> 3 Title changes 1 Location change 2 Grade changes Estimated Annual Impact: -\$71,288 to -\$22,368 	Unanimous	*
Appointment of Project Manager, Engineering and Construction Department	Approval	<ul style="list-style-type: none"> Approved: Ms. Ling-Yu Chu Annual Salary: \$96,795.45 (Unit 9, Grade 25) Effective: Date designated by Exec. Director 	Unanimous	
Appointment of Program Manager, Trades Maintenance	Approval	<ul style="list-style-type: none"> Approved: Mr. Michael L. Costa Annual Salary: \$103,855.60 (Unit 9, Grade 29) Effective: Date designated by Exec. Director 	Unanimous	
Appointment of Area Manager, Electrical, Deer Island Maintenance	Approval	<ul style="list-style-type: none"> Approved: Mr. Paul F. Berry Annual Salary: \$93,896.98 (Unit 6, Grade 12) Effective: Date designated by Exec. Director 	Unanimous	

MWRA Board of Directors Meeting

June 24, 2015

Voting Summary Sheet

Upgrades to Chelsea Screen House, Contract 7431	Contract Awards	<ul style="list-style-type: none"> Awarded: WES Construction Corp. Amount: \$4,885,180 Term: 365 calendar days from Notice to Proceed 	Unanimous	*
Supply and Delivery of Liquid Oxygen to the John J. Carroll Water Treatment Plant, Contract WRA-4040	Contract Awards	<ul style="list-style-type: none"> Awarded: Airgas USA, LLC Not to exceed: \$1,109,430 Term: 2 years, from August 15, 2015 through August 14, 2017 	Unanimous	
Southborough Water Quality Laboratory Upgrades, Contract 6650A	Contract Awards	<ul style="list-style-type: none"> Awarded: Paul J. Rogan Co., Inc. Amount: \$3,125,840 Term: 365 calendar days from Notice to Proceed 	Unanimous	*
Sudbury Aqueduct Pressurization and Connections Alternatives Analysis and MEPA Review, Contract 7352, Amendment 1	Contract Amendments /Change Orders	<ul style="list-style-type: none"> [Postponed.] 	Unanimous	
Quabbin Ultraviolet Disinfection Facilities Design/CA/RI, Contract 6775, Amendment 4	Contract Amendments /Change Orders	<ul style="list-style-type: none"> Contractor: AECOM Technical Services, Inc. Amount increased: \$305,000 Term: Extended by 9 months to January 11, 2016 	Unanimous	
Delegated Authority Report – May 2015	Information	<ul style="list-style-type: none"> Please see related Staff Summary 	n/a	
FY15 Financial Update and Summary as of May 2015	Information	<ul style="list-style-type: none"> YTD expenses are \$6.2 million, or 1.0%, lower than budgeted \$3.5 million transferred to Defeasance Account in May YTD (through May) balance of Defeasance Account: \$17.6 million Defeasance Account year end projection: \$26.8 million FY15 CIP – YTD spending is \$92.5 million, \$28.9 million or 23.8% lower than budget. Removing programs not directly under MWRA’s control (e.g. I/I program, LWSAP, community-managed CSOs), under-spending is \$38.3 million or 40.6% 	n/a	*
Low Service System Modifications – Spot Pond Water Storage Facility Design/Build Project	Information	<ul style="list-style-type: none"> Please see related Staff Summary and presentation 	n/a	

Administration and Finance
 Wastewater
 Water
 Personnel
 * Advisory Board position



MWRA Advisory Board Summary
of the
MWRA Board of Directors Meeting
Wednesday, June 24, 2015

A meeting of the Board of Directors of the Massachusetts Water Resources Authority was held on June 24, 2015 at the Charlestown Navy Yard. Present: Chairman Matthew Beaton, Jennifer Wolowicz and Brian Peña, Gubernatorial Appointees; John Carroll, Andrew Pappastergion and Joseph C. Foti, MWRA Advisory Board Representatives; Henry Vitale and Austin Blackmon, City of Boston Representatives; Jack Walsh, City of Quincy Representative; Paul Flanagan, Town of Winthrop Representative. Absent: Kevin Cotter, City of Boston Representative.

Report of the Chair

Vice Chair John Carroll commented on the MWRA/Advisory Board's 30th Anniversary Party held at the Waterworks Museum. It was an employee run event, which was run by Maggie Debbie and Ria Convery. Mr. Carroll thanked them on behalf of the Board. More than 200 people were in attendance. Secretary Matthew Beaton extended his apologies for not attending the party because of a previous commitment.

The Secretary noted that since the last meeting, he had the pleasure of going out to the Quabbin Reservoir for an eagle tagging event; he stated, "it was nice to see the resources that we talk about."

Secretary Beaton welcomed Brian Peña stating that he will be a great addition to the Board. Mr. Peña stated that he is excited for the opportunity.

Report of the Executive Director

MWRA Executive Director Fred Laskey stated that it was the sense of the Board that the August Board meeting will be cancelled; however, the July 15, 2015 meeting will be held at Deer Island.

Staff continues to combat invasive species; an update will be given at the July meeting. It is clear that this battle will be part of the Authority's budget moving forward.

Mr. Laskey shared a photo of a [bobcat](#) at the Quabbin spillway.

Approvals

Final FY16 Capital Improvement Program

The Board voted to approve: (1) the Final FY16 Capital Improvement Program, with \$148.1 million spending level, including contingency; and (2) the Responses to the Advisory Board's Comments and Recommendations

on MWRA's Fiscal Year 2016 Proposed Capital Improvement Program, as presented and filed with the records of the meeting.

Final FY16 Current Expense Budget

The Board voted to adopt: (1) the Final FY16 Current Expense Budget set forth in Attachment B and Attachment C, presented and filed with the records of the meeting, with current revenue and expenses of \$702.5 million; and (2) the Final FY16 Operating Budget (Trustee's Budget) set forth in Attachment D as presented and filed with the records of the meeting.

Board Member John Carroll thanked MWRA staff and the Advisory Board for their work on this budget and for keeping the rate increase to 3.4%.

Final FY16 Water and Sewer Assessments

The Board voted to adopt the following effective July 1, 2015: (1) Water system assessments of \$226,372,877 and sewer system assessments of \$446,067,123 for Fiscal Year 2016; (2) FY16 sewer assessments of \$500,000 for the Town of Clinton and \$285,140 for the Lancaster Sewer District; (3) FY16 charge to the City of Worcester of \$149,339 representing approximately 7.9% of the direct operating expenses for the Clinton Wastewater Treatment Plant; (4) FY16 water assessments of \$3,409,757 for the City of Chicopee, \$692,018 for South Hadley Fire District #1, and \$730,299 for the Town of Wilbraham; (5) A wholesale water rate of \$3,488.04 per million gallons; and (6) A retail sewer rate of \$7,144.75 per million gallons.

Board Member Henry Vitale stated that throughout the FY16 budget process, the MWRA finance staff, the Executive Director and the Advisory Board did an outstanding job compiling these budgets and numbers. He stated that he appreciates all of the hard work that went into setting the water and sewer assessments for the district.

Director of Finance Thomas Durkin thanked the Advisory Board for its spirit of cooperation, noting that the process begins earlier than February.

MWRA Advisory Board Executive Director Joseph Favaloro thanked MWRA staff and the Board, noting that having gone through 27 of these reviews, the one thing that stands out is that the process that we have in place works.

Town of Stoneham Loan Amendment

The Board voted to authorize the Executive Director, or his designee, to execute and deliver all necessary documents to provide a one-time exemption to the Program Guidelines for the Community Financial Assistance Programs to amend the existing loans with the Town of Stoneham to extend the final maturity of each loan by one year and reduce the combined payments due in FY16 by up to a maximum amount of \$386,386.

Memorandum of Understanding with the Town of Winthrop

The Board voted to authorize the Executive Director, on behalf of the Authority, to enter into a one-year extension to the mitigation agreement with the Town of Winthrop, from July 1, 2015 to June 30, 2016, in the amount of \$760,000; and to direct staff to present the Board with the rationale for a long-term agreement with the Town at the July 15, 2015 Board meeting.

Board Member Andrew Pappastergion asked what will be in the report on July 15. Mr. Laskey stated that there will be a comprehensive report on the impacts the Authority creates in these two communities. The report will lay out the rationale on why communities should receive this amount.

Mr. Carroll asked for a roll call vote; a roll call vote was taken and was approved unanimously.

Board Member Austin Blackmon stated from our perspective, the City of Boston would want some clarity on mitigation payments. We wouldn't want to cause problems with another community's budget but would like to evaluate whether we are fairly compensating communities that have the impacts. The long-term agreement should be discussed at the next meeting to put more thought behind what we do moving forward.

Board Member Paul Flanagan stated that the goal would be to resolve this at the next meeting.

Board Member Jennifer Wolowicz asked if the Board has a say as to how these mitigation funds are spent. Mr. Laskey stated that past agreements have stipulated where the funds would be spent; however, for the last agreement, the communities wanted the funds unrestricted. Mr. Flanagan stated many years ago, the funding went to the fire department for fire apparatus but more recently the funds have gone into the General Fund.

Mr. Pappastergion asked how the City of Quincy feels about this. Board Member Jack Walsh stated that Quincy will go along with whatever is reasonable to the Board.

Memorandum of Understanding with the City of Quincy

The Board voted to authorize the Executive Director, on behalf of the Authority, to enter into a one-year extension to the mitigation agreement with the City of Quincy, from July 1, 2015 to June 30, 2016, in the amount of \$760,000; and to direct staff to present the Board with the rationale for a long-term agreement with the City at the July 15, 2015 Board meeting.

Amendment 4 to Memorandum of Understanding with the Department of Public Safety for Electrical Inspections

The Board voted to authorize the Executive Director, on behalf of the Authority, to execute Amendment 4 to the Memorandum of Understanding with the Department of Public Safety, substantially in the form presented and filed with the records of the meeting, to provide electrical inspection services for Authority projects and operations in an amount not to exceed \$50,000, for a term of twenty-four months, from July 1, 2015 through June 30, 2017.

Mr. Pappastergion noted that he did not like this agreement from day one. Who provides other inspectional services? Do the plumbers' inspectional services charge the MWRA? MWRA Chief Operating Officer Michael Hornbrook stated that other inspectional services do not charge the Authority. The MWRA's Enabling Act does not require public services to provide service to the Authority. We had no statewide consistency and there were delays in our construction contracts.

Mr. Hornbrook noted that if MWRA does not receive these permits, the Authority will have change orders and delays. It saves money in the long run.

Mr. Flanagan stated that nothing is for free. Mr. Pappastergion said there are free services for other authorities and state agencies, but nothing is free for the MWRA.

PCR Amendments – June 2015

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

Human Resources Director Karen Gay-Valente stated that there are title, location or grade changes to four vacant positions that will provide an overall savings to the Authority.

Mr. Vitale asked when changes are made to union positions, what is the process. Does staff sit down with the unions? Ms. Gay-Valente stated that staff proposes the change to the union president. If a meeting is required, staff will meet with the unions. If it is a change to job descriptions or license requirements, for example, an agreement would be worked out.

Appointment of Project Manager, Engineering & Construction Department

The Board voted to approve the Executive Director's recommendation to appoint Ms. Ling-Yu Chu to the position of Project Manager (Unit 9, Grade 25), at an annual salary of \$96,795.45, to be effective on the date designated by the Executive Director.

Appointment of Program Manager, Trades Maintenance

The Board voted to approve the Executive Director's recommendation to appoint Mr. Michael L. Costa to the position of Program Manager, Trades Maintenance (Unit 9, Grade 29), at an annual salary of \$103,855.60, to be effective on the date designated by the Executive Director.

Appointment of Manager, Electrical, Deer Island Maintenance

The Board voted to approve the Executive Director's recommendation to appoint Mr. Paul F. Berry to the position of Area Manager, Electrical, Deer Island Maintenance (Unit 6, Grade 12), at an annual salary of \$93,896.98, to be effective on the date designated by the Executive Director.

Contract Awards

Upgrades to Chelsea Screen House: WES Construction Corp., Contract 7431

The Board voted to approve the award of Contract 7431, Upgrades to Chelsea Screen House, to the lowest eligible and responsible bidder, WES Construction Corp., and to authorize the Executive Director, on behalf of the Authority, to execute said contract in the bid amount of \$4,885,180, for a term of 365 calendar days from the Notice to Proceed.

Deputy Chief Operating Officer John Vetere made a [presentation](#) to the Board regarding upgrades to the Chelsea Screen House.

Mr. Flanagan asked if this upgrade is for safety or efficiency. Mr. Vetere stated that it is for efficiency; it allows for automation from the Chelsea Operations Control Center. Mr. Laskey added it is easier to have it done with automation.

Mr. Vitale asked if there is anything the Board should be aware of on why the price is \$100,000 more than estimated. Project Manager Kathleen Cullen stated that the biggest difference between the estimate and the bid was that they wanted to do bypass pumping for two months, which Dewberry had not assumed in its estimate.

Board Member Jack Walsh asked if Dewberry agreed that they had underestimated. Ms. Cullen stated that there were different expectations; however, Dewberry did agree.

Mr. Walsh stated that he had toured this facility and there was a tremendous amount of odor at the headworks; will this take care of that problem too? Chief Engineer Anandan Navanandan stated that there will be a contract in December for the larger headworks that will address this issue.

Supply and Delivery of Liquid Oxygen to the John J. Carroll Water Treatment Plant: Airgas USA, LLC, WRA-4040

The Board voted to approve the award of Contract WRA-4040, Supply and Delivery of Liquid Oxygen to the John J. Carroll Water Treatment Plant, to the lowest eligible and responsible bidder, Airgas USA, LLC, and to authorize the Executive Director, on behalf of the Authority, to execute said contract in an amount not to exceed \$1,109,430, for a period of two years, from August 15, 2015 through August 14, 2017.

Southborough Water Quality Laboratory Upgrades: Paul J. Rogan Co., Inc., Contract 6650A

The Board voted to approve the award of Contract 6650A, Southborough Water Quality Laboratory Upgrades, to the lowest eligible and responsible bidder, Paul J. Rogan Co., Inc., and to authorize the Executive Director, on behalf of the Authority, to execute said contract in the bid amount of \$3,125,840, for a term of 365 calendar days from the Notice to Proceed.

Mr. Blackmon asked if any analysis had been done for structural integrity for a “green” roof. Director of Waterworks David Coppes stated that there are other better buildings for solar and plans are in the works.

Contract Amendments/Change Orders

Sudbury Aqueduct Pressurization and Connections Alternatives Analysis and MEPA Review: CDM Smith, Inc., Contract 7352, Amendment 1

[Postponed.]

Quabbin Ultraviolet Disinfection Facilities Design/CA/RI: AECOM Technical Services, Inc., Contract 6775, Amendment 4

Upon returning from Executive Session, the Board voted to authorize the Executive Director, on behalf of the Authority, to approve Amendment 4 to increase the amount of Contract 6775 with AECOM Technical Services, Inc., Quabbin Ultraviolet Disinfection Facilities Design/CA/RI, by \$305,000, and to extend the term by nine months to January 11, 2016.

Information

Delegated Authority Report – May 2015

Director of Administration Michele Gillen provided the Board with an update on contract activity that occurred during the month of May under delegated authority.

FY15 Financial Update and Summary as of May 2015

Mr. Durkin and Budget Director Kathy Soni gave a financial update summarizing the information found in the staff summary as of May 2015.

Mr. Vitale asked what staff believes will happen with interest rates. Mr. Durkin stated that there was no movement in the Fed at the last meeting. Interest rates may rise in September, but some say December. The increases are expected to be small rather than large. Twenty-five basis points is the consensus for the first increase, whenever it occurs.

Low Service System Modifications – Spot Pond Water Storage Facility Design/Build Project

Mr. Coppes and Operations Engineering Manager Valerie Moran provided a presentation to the Board on Low Service System Modifications at the [Spot Pond Water Storage Facility Design/Build Project](#).

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.