

**MWRA Board of Directors Meeting
October 14, 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	*
Approval of Letter of Credit and Direct Floating Rate Revolving Loan Agreements	Approval	<ul style="list-style-type: none"> Awarded Letter of Credit to TD Bank N.A. not to exceed \$150,000,000 Awarded Direct Floating Rate Revolving Loan to Bank of America N.A. not to exceed \$100,000,000 Adopted 69th and 70th Supplemental Resolutions (Please see related Staff Summary) 	Unanimous	*
Proposed Changes to Pension Benefits	Approval	<ul style="list-style-type: none"> Approved increase to the minimum monthly allowance for a member survivor from \$250 to \$500 Approved an increase to the annual allowance payable to a surviving spouses of disability retirees from \$6,000 to \$9,000 Approved an increase in the maximum base amount on which the retiree cost-of-living adjustment is calculated from \$12,000 to \$13,000 effective July 1, 2016 	Unanimous	*
Approval of One New Member of the Wastewater Advisory Committee	Approval	<ul style="list-style-type: none"> Approved: Mr. James Pappas Mr. Pappas has 40 years of civil and environmental engineering experience 	Unanimous	*
PCR Amendments – October 2015	Approval	<p>The Board approved:</p> <ul style="list-style-type: none"> 6 title changes 6 grade changes Estimated Annual Impact: -\$102,832 to \$30,825 	Unanimous	*
Appointment of Information Technology Financial Manager, MIS	Approval	<ul style="list-style-type: none"> Appointed: Ms. Patricia Russo Annual Salary: \$85,215.36 (Unit 6, Grade 10) Effective: Date designated by Exec. Director 	Unanimous	
Supply and Delivery of Sodium Hypochlorite to Deer Island Treatment Plant, Bid WRA-4091	Contract Award	<ul style="list-style-type: none"> Awarded: Borden & Remington Corp. Purchase Order Contract: Not to exceed \$1,091,605.20 Term: Nov. 17, 2015 to Nov. 16, 2016 	Unanimous	*
Deer Island Treatment Plant Fire Alarm System Replacement Design and Engineering Services During Construction, Contract 6904	Contract Award	<ul style="list-style-type: none"> Awarded: RDK Engineers Amount: Not to exceed \$2,078,771 Term: 81 months from NTP 	Unanimous	*
Thermal/Power Plant Fuel Oil System Upgrade, Deer Island Treatment Plant, Contract 7061A	Contract Award	<ul style="list-style-type: none"> Awarded: J.F. White Contracting Co. Amount: \$4,550,000 Term: 540 calendar days from NTP 	Unanimous	*
Engineering Services to Conduct Feasibility Study for Section 56 General Edwards Bridge Crossing of the Saugus River, Contract 7500	Contract Award	<ul style="list-style-type: none"> Awarded: Weston & Sampson Engineers, Inc. Amount: Not to exceed \$246,998 Term: 18 months from NTP 	Unanimous	
Metropolitan Operations Paving, Contract OP-288	Contract Award	<ul style="list-style-type: none"> Awarded: Newport Construction Corp. Amount: \$1,127,070.50 Term: 730 days from NTP 	Unanimous	
Dental Insurance: Delta Dental of Massachusetts, Contract A591, Amendment 2	Contract Amendments /Change Orders	<ul style="list-style-type: none"> Authorized: Second option to renew contract Vendor: Delta Dental of Massachusetts Amount: Increased by \$355,000 Term: Extended from January 1, 2016 to December 31, 2016 	Unanimous	*
Delegated Authority Report – September 2015	Information	<ul style="list-style-type: none"> Please see related staff summary 	n/a	*
FY16 Year-to-Date Financial Update and Summary	Information	<ul style="list-style-type: none"> YTD expenses are lower than budget by \$6.7 million, or 3.9% Total revenues are higher than budgeted by \$445,000 = net variance of \$7.2 million YTD CIP spending in FY16 totals \$29.5 million or 2.6% higher than budget Without local assistance programs, the CIP is underspent by \$5.1 million or 25.5% 	n/a	*

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Industrial Pretreatment Annual Report to Environmental Protection Agency	Information	<ul style="list-style-type: none"> Industrial Waste Report #31 will be submitted to EPA on or before October 31, 2015 Report documents MWRA's efforts to control current permitted sewer users during FY15 	n/a	*
2014 Deer Island Outfall Monitoring Overview	Information	<ul style="list-style-type: none"> No adverse impacts were found in the discharge area in 2014, for 14th year of outfall monitoring Boston Harbor continues to see substantial improvements Deer Island Treatment Plant earned Platinum 8 Peak Performance Award for 2014 from National Association of Clean Water for 8 years of 100% permit compliance 	n/a	*
John J. Carroll Water Treatment Plant (CWTP)– Ten-Year Operation Status Report	Information	<ul style="list-style-type: none"> CWTP completed tenth year of operation on July 27, 2015 Ozone and UV treatment facilities have met all regulatory requirements Plant processes have been optimized to simplify control, making plant more reliable and efficient in the use of energy and chemicals 	n/a	

Administration and Finance
 Wastewater
 Water
 Personnel
 * Advisory Board position



MWRA Advisory Board Summary
of the
MWRA Board of Directors Meeting
Wednesday, October 14, 2015

A meeting of the Board of Directors of the Massachusetts Water Resources Authority was held on October 14, 2015 at the Charlestown Navy Yard. Present: Jennifer Wolowicz and Brian Peña, 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. Absent: Chairman Matthew Beaton, Gubernatorial Appointee.

Report of the Chair

In the absence of Secretary Beaton, Board Member John Carroll chaired the meeting. Mr. Carroll stated that he has been on the Board of Directors for a long time and that he continues to be impressed by the quality of staff and the quality of the Board. There are ten Board members that attended the Committee Meetings this morning; that is fantastic.

Report of the Executive Director

MWRA Executive Director Fred Laskey stated that he and MWRA Advisory Board Executive Director Joseph Favaloro continue their efforts for system expansion, with both attending the North Reading Town Meeting. In a positive development, the North Reading Town Meeting members voted to begin preliminary design.

Mr. Laskey reported that the Spot Pond project is nearing completion and is now in the testing phase. Staff hopes to dedicate the facility in November.

Valve replacements in the Winthrop Terminal have begun and there will be two Deer Island shutdowns next week, which is two of 50 planned shutdowns over the coming months.

There will be an important multi-agency (DCR, FEMA, MWRA, State Police, etc.) drill tomorrow at the Wachusett Reservoir where a simulation of a train derailment into the reservoir will take place.

Mr. Laskey noted that the Board of Directors voted to form an Other Post-Employment Benefits (OPEB) Trust, for which a meeting will be held on Monday.

Board Member Paul Flanagan said he would like to take a moment to thank the MWRA and its employees, who went beyond what state agencies do in regard to “Baby Doe (Bella Bond).” On behalf of the Town of Winthrop, we express our gratitude to Fred Laskey and all of the MWRA’s employees for their efforts on the logistics for the candle light ceremonies as well. The Authority did a great job.

Approvals

Approval of Letter of Credit and Direct Floating Rate Revolving Loan Agreements; Approval of the Sixty-Ninth and the Seventieth Supplemental Resolutions

The Board voted to approve the recommendation of the Selection Committee to award a Letter of Credit to support a principal amount not-to-exceed \$150,000,000 to TD Bank N.A. and a Direct Floating Rate Revolving Loan in a principal amount not-to-exceed \$100,000,000 to Bank of America N.A. to replace the 1994 Tax-Exempt Commercial Paper Notes; to adopt the Sixty-Ninth Supplemental Resolution authorizing the issuance of up to \$150,000,000 of Massachusetts Water Resources Authority Tax Exempt Commercial Paper Notes, Series 2015 and the supporting Issuance Resolution; and to adopt the Seventieth Supplemental Resolution authorizing the issuance of up to \$100,000,000 of Massachusetts Water Resources Authority Subordinated Tax Exempt Revolving Line of Credit, Series 2015.

Director of Finance Thomas Durkin stated that the MWRA has a Letter of Credit (LOC) for commercial paper from Bayerische Landesbank (BLB) but has received notice that BLB has decided to no longer provide LOCs and would not be extending their existing agreement, which expires on November 30, 2015.

MWRA Treasurer Matthew Horan stated that a Request for Qualifications and Proposals for Letters of Credit was issued. Two proposals were received and the Selection Committee recommended that both banks be used to provide added security for the bondholders.

Proposed Changes to Pension Benefits

The Board voted to: (1) approve the MWRA Employees' Retirement Board's vote of September 24, 2015 pursuant to Section 29 and 30 of Chapter 176 of the Acts of 2011 to accept an increase to the minimum monthly allowance contained in G.L. c. 32, §12(2)(d) for a member survivor allowance from \$250 to \$500; (2) approve the MWRA Employees' Retirement Board's vote of September 24, 2015 pursuant to Sections 27 and 28 of Chapter 131 of the Acts of 2010 to accept an increase to the annual allowance payable to surviving spouses of disability retirees under G.L. c. 32, § 101 from \$6,000 to \$9,000; and (3) approve the MWRA Employees' Retirement Board's vote of September 24, 2015 pursuant to Section 19 of Chapter 188 of the Acts of 2010 to accept an increase in the maximum base amount on which the retiree cost-of-living adjustment is calculated from \$12,000 to \$13,000 effective July 1, 2016.

Board Member Joseph Foti stated that he would like to commend Tom Durkin for doing a great job; this has been pending for a number of years and Tom was able to reach an agreement. This was a great compromise.

Mr. Laskey noted that there are requirements under the State Conflict of Interest Law that employees presenting here today are required to disclose that we are working on this because we may benefit from it in the future.

Approval of One New Member of the Wastewater Advisory Committee

The Board voted to approve the addition of one new member, Mr. James Pappas, to the Wastewater Advisory Committee.

Senior Program Manager Wendy Leo stated that the MWRA has been fortunate to have people that volunteer their time, noting that outgoing Wastewater Advisory Committee (WAC) Chairman Stephen Greene has been the Chair of WAC for about 20 years.

Ms. Leo noted that new member James Pappas will “beef up” the Committee with his engineering experience.

PCR Amendments – October 2015

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

MWRA Chief Operating Officer Michael Hornbrook noted that one of the PCR Amendments relates to a new Deputy Chief Engineer, which is a vacant, non-union position that will report to the Chief Engineer. This position will offer project management, set up and maintain budgets and drive the delivery of the capital program.

Further, two Program Manager, Electrical positions have been created to address more complex electrical issues, one for Deer Island and the other for off-island. There have been issues in getting and keeping talented personnel. A change in title and pay grade may address this issue. The MWRA needs to maintain these skill-sets.

Board Member Henry Vitale asked if the MWRA is required to post non-union positions. Mr. Hornbrook stated that it is not required. Mr. Laskey added that the MWRA usually posts positions above a certain level because it is always good to provide opportunities for employees. It is good practice to post and interview from within.

Mr. Vitale asked if union positions have to be posted. Director of Human Resources Karen Gay-Valente responded in the affirmative, noting that it is part of the collective bargaining agreement.

Appointment of Information Technology Financial Manager, MIS

The Board voted to approve the Executive Director’s recommendation to appoint Ms. Patricia Russo to the position of Information Technology Financial Manager, MIS (Unit 6, Grade 10), at an annual salary of \$85,215.36 to be effective on the date designated by the Executive Director.

Contract Awards

Supply and Delivery of Sodium Hypochlorite to Deer Island Treatment Plant: Borden & Remington Corp., Bid WRA-4091

The Board voted to approve the award of Purchase Order Contract WRA-4091 for the supply and delivery of sodium hypochlorite to the Deer Island Treatment Plant, to the lowest responsive bidder, Borden & Remington Corporation, and to authorize the Executive Director, on behalf of the Authority, to execute said purchase order contract in an amount not to exceed \$1,091,605.20 for a period of one year, from November 17, 2015 through November 16, 2016.

David Duest, Director of the Deer Island Treatment Plant, stated that sodium hypochlorite is a chemical that is used for compliance purposes for the NPDES permit – it is used in disinfection to control pathogens in DITP's effluent and for air permit compliance to control hydrogen sulfide (H₂S) emissions; 72% of the volume is used for NPDES permit compliance while 28% is used for odor control and air permit compliance.

Board Member Brian Peña asked if the MWRA does its own procurement for chemicals. Mr. Duest responded in the affirmative. Director of Administration Michele Gillen noted that the MWRA uses the state contract upon occasion, such as purchasing fuel; however, MWRA does better on its own in purchasing chemicals.

Deer Island Treatment Plant Fire Alarm System Replacement Design and Engineering Services During Construction: RDK Engineers, Contract 6904

The Board voted to approve the recommendation of the Consultant Selection Committee to select RDK Engineers to provide preliminary design, final design, and engineering services during construction for the Deer Island Treatment Plant Fire Alarm Replacement project, and to authorize the Executive Director, on behalf of the Authority, to execute Contract 6904 with RDK Engineers in an amount not to exceed \$2,078,771, for a term of 81 months from the Notice to Proceed.

Mr. Duest and Rick Adams, Engineering Services Manager, made a [presentation](#) on the Deer Island Treatment Plant Fire Alarm System Replacement Design and Engineering Services During Construction.

Mr. Adams stated that one year ago, staff provided an overview on the alarm system to the Board and detailed the difficulties in getting replacement parts. The alarm system is approximately 20 years old and one of the largest fire alarm systems in New England.

Board Member Jack Walsh asked why it takes \$2 million to design something. Mr. Adams stated that the price includes engineering services during construction. The project would be in two phases. Staff anticipates it will cost \$16 million for construction, excluding fiber optics.

Mr. Walsh asked how many false alarms there have been. Are there constant failures now? Mr. Adams stated that the MWRA has spare parts now but the main problem is fiber optics connection boards.

Board Member Kevin Cotter asked when the construction will be bid. Mr. Adams stated that the construction is probably two years away.

Mr. Walsh noted that this was not the lowest bid. Mr. Adams stated that the Selection Committee determined that the most value would be from this bidder. The “lowest” bidder was low in the dollar amount but a lot was allocated to project management and not to the technical side. The technical side must be the focus. CDM lacked fire alarm experience. RDK’s entire work team has that experience.

Mr. Flanagan asked if the Authority tries to stay away from proprietary systems. Mr. Adams said yes.

Board Member Austin Blackmon asked how expensive it is to replace fiber optics. Mr. Adams said it would cost \$2 million to \$3 million.

Mr. Vitale asked if the Authority has done business with RDK Engineers before. Mr. Adams stated that RDK worked mainly with HVAC; however, the company condensed in size over the years and is staffed first for fire alarm protection. RDK is well qualified for this job.

Thermal/Power Plant Fuel Oil System Upgrade, Deer Island Treatment Plant: J.F. White Contracting Co., Contract 7061A

The Board voted to approve the award of Contract 7061A, Thermal/Power Plant Fuel Oil System Upgrade, Deer Island Treatment Plant, to the lowest responsible and eligible bidder, J.F. White Contracting Co., and to authorize the Executive Director, on behalf of the Authority, to execute said contract in the bid amount of \$4,550,000 for a term of 540 calendar days from the Notice to Proceed.

Mr. Duest and Mr. Adams informed the Board on the [Thermal/Power Plant Fuel Oil System Upgrade](#). Mr. Duest said the new system will be fully redundant and will eliminate single points of failure.

Mr. Walsh asked if there was a reason that the other bidder was \$1 million higher. Mr. Adams said the other bidder’s numbers were reviewed and they were higher for equipment; which priced them out of this job.

Engineering Services to Conduct Feasibility Study for Section 56 General Edwards Bridge Crossing of the Saugus River: Weston & Sampson Engineers, Inc., Contract 7500

The Board voted to approve the recommendation of the Consultant Selection Committee to select Weston & Sampson Engineers, Inc. to provide Engineering Services to Conduct Feasibility Study for Section 56 General Edwards Bridge Crossing of the Saugus River, and to authorize the Executive Director, on behalf of the Authority, to execute Contract 7500 with Weston & Sampson Engineers, Inc. in an amount not to exceed \$246,998 for a term of 18 months from the Notice to Proceed.

Anandan Navanandan, MWRA Chief Engineer, and Geetha Mathiyalakan, Program Manager, E&C, gave a presentation on Engineering Services to Conduct a Feasibility Study for Section 56 [General Edwards Bridge Crossing](#) of the Saugus River.

Metropolitan Operations Paving: Newport Construction Corp., Contract OP-288

The Board voted to approve the award of Contract OP-288, Metropolitan Operations Paving, to the lowest responsible and eligible bidder, Newport Construction Corp., and to authorize the Executive Director, on behalf of the Authority, to execute said contract in the bid amount of \$1,127,070.50 for a term of 730 days from the Notice to Proceed.

Contract Amendments/Change Orders

Dental Insurance: Delta Dental of Massachusetts, Contract A591, Amendment 2

The Board voted to authorize the Executive Director, on behalf of the Authority, to exercise the second option to renew Contract A591 with Delta Dental of Massachusetts and approve Amendment 2 to increase the amount by \$355,000 and extend the term for twelve months from January 1, 2016 to December 31, 2016.

Mr. Walsh stated that he would like to see a better dental benefit plan; he said that he would like staff to find a better plan without increasing the expenses. Director of Human Resources Karen Gay-Valente noted that Blue Cross/Blue Shield and Delta Dental are the major players for dental insurance and the Authority has worked with both.

Mr. Blackmon asked if any other vendors were solicited or was this contract just extended. Ms. Gillen stated that there are only a limited number of vendors. Mr. Blackmon asked what causes the fluctuation in cost. Employment Manager Andrea Murphy said the fluctuations are caused by the number of employees and cost increases for the Authority's share; however, this year there was a 5% decrease.

Mr. Vitale asked what the cost allocation is for employees. Ms. Murphy responded that the MWRA pays 90% and the employee pays 10% for dental insurance.

Information

Delegated Authority Report – September 2015

Director of Administration Michele Gillen and Director of Procurement John Sabino provided the Board with a delegated authority report for September 2015.

Board Member Jack Walsh asked if the two fire pump controllers were scheduled to be replaced in the Authority's long-term plan. Chief Operating Officer Michael Hornbrook noted that a new fire system is on the Board's current agenda for approval today. The Authority is not able to get parts on the thermal side; these will continue to be used because they are pumps in the controls. Mr. Laskey stated some may be eliminated.

Mr. Duest stated that the controllers shut down power from one side of the facility and direct it to the other so that fire pumps can continue to operate.

FY16 Year-to-Date Financial Update and Summary

Director of Finance Thomas Durkin, Budget Director Kathy Soni and Budget Manager David Whelan provided the Board with an FY16 year-to-date Financial Update and Summary.

Mr. Vitale asked about the savings from the Chelsea Lease. Mr. Whelan stated that the savings is due to the escrow being budgeted too high.

Board Member Brian Peña asked if the budget accounts for fluctuations. Ms. Soni stated that after the Board approves the final budget in June, all of the divisions have input for operating processes and seasonality is taken into account.

Mr. Walsh questioned an increase in overtime; is that due to a reduced workforce. Mr. Hornbrook stated that the overtime is related to valve maintenance, specifically related to Lynn taking more water and the MWRA responding to a main break in Cambridge.

Industrial Pretreatment Annual Report to Environmental Protection Agency

MWRA Deputy Chief Operating Officer Carolyn Fiore and Toxic Reduction and Control (TRAC) Director John Riccio came before the Board to provide information on the thirty-first Industrial Pretreatment Annual Report to the Environmental Protection Agency (EPA).

Ms. Fiore stated that TRAC manages the pretreatment plan for the MWRA and is required to regulate the level of toxic substances discharged into the sanitary sewer system from commercial and industrial sources.

Mr. Riccio stated that TRAC met its inspection and monitoring requirements this year. A big issue this year was the Ebola scare and efforts to protect the MWRA's employees. Six hospitals in Massachusetts, five in the MWRA service area, have been designated to treat Ebola patients; the Authority amended their Sewer Use Discharge permits to include immediate notification and additional requirements related to disposal of this waste according to public health guidelines.

Mr. Walsh asked if the MWRA has tried to increase the penalties at all. Ms. Fiore stated that it is \$10,000 per violation, per day.

2014 Deer Island Outfall Monitoring Overview

Ms. Fiore, Director of Environmental Quality Betsy Reilley and Senior Program Manager Ken Keay gave an overview on [Deer Island Outfall Monitoring](#) during 2014.

Mr. Laskey noted that in the 1980s, 80%+ of the flounder population had liver tumor precursors. Annual testing of flounder in Boston Harbor, Cape Cod Bay, Nantasket Beach and the outfall site has found that liver disease continues to be low at all sites and there were no liver tumors.

Mr. Blackmon asked what the life expectancy of the fish is. Mr. Keay said the fish can live up to 12 to 14 years.

John J. Carroll Water Treatment Plant – 10-Year Operation Status Report

Director of Waterworks David Coppes and Manager of Transmission and Treatment Brad Palmer gave a ten-year operation status report on the [John J. Carroll Water Treatment Plant](#).

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.