



MASSACHUSETTS WATER RESOURCES AUTHORITY

Charlestown Navy Yard
100 First Avenue, Building 39
Boston, MA 02129

Frederick A. Laskey
Executive Director

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ADMINISTRATION, FINANCE & AUDIT COMMITTEE MEETING

Chair: A. Pappastergion

Vice-Chair: M. Gove

Committee Members:

J. Barrera

J. Carroll

K. Cotter

J. Foti

J. Hunt

V. Mannering

to be held on

Wednesday, April 11, 2012

Location: 100 First Avenue, 2nd Floor
Charlestown Navy Yard
Boston, MA 02129

Time: 10:00 a.m.

AGENDA

A. Information

1. Delegated Authority Report – March 2012
2. Deer Island Ambulance Services
3. Deer Island Wind Turbine/City of Boston
4. Update on Potential Chelsea Real Property Transactions
5. Update on MWRA's Non-Emergency Engine Upgrades Required by EPA National Emissions Standards Regulations.
6. FY12 Financial Update and Summary as of April 2012

B. Contract Awards

1. Integrated Financial, Procurement and Human Resources/Payroll Management System Maintenance and Support: Lawson Software, Inc.
2. Groundskeeping Services – Metropolitan Boston: UGL Services, Contract OP-183
3. Technical Assistant Consultant Services, Hazardous Materials, EnviroSense, Inc. Contract 596TA, and Geosphere Environmental Management, Inc., Contract 595TA

MASSACHUSETTS WATER RESOURCES AUTHORITY

Meeting of the
Administration, Finance and Audit CommitteeMarch 14, 2012

A meeting of the Administration, Finance and Audit Committee was held on March 14, 2012 at the Metropolitan Waterworks Museum in Boston. Chairman Pappastergion presided. Present from the Board were Messrs. Barrera, Carroll, Foti and Walsh. Among those present from the Authority staff were Fred Laskey, Steve Rensberg, Rachel Madden, Mike Hornbrook, Pam Heidell, Kathy Soni, Russ Murray and Bonnie Hale. The meeting was called to order at 10:30 a.m.

InformationDelegated Authority Report – February 2012

There was brief question and answer about some items on the report.

Staff highlighted the information contained in the following two updates and there was general discussion and question and answer:

- 2011 Annual Update on New Connections to the MWRA System
- FY12 Financial Update and Summary as of February 2012.

MIS Five Year Strategic Plan

Representatives of Westin Engineering provided a presentation and overview of the Plan, and answered questions. MWRA staff noted that the report was the consultant's independent assessment of MWRA's MIS capabilities and that it was up to staff to analyze the report and come back to the Board for approval of a plan to integrate the recommendations and move forward. There was detailed discussion and question and answer.

Approvals*Amendments to Capital Finance Management Policy

The Committee recommended approval of amendments to the Capital Finance Management Policy (ref. agenda item B.1).

The meeting adjourned at 11:55 a.m.

* Approved as recommended at March 14, 2012 Board of Directors meeting.

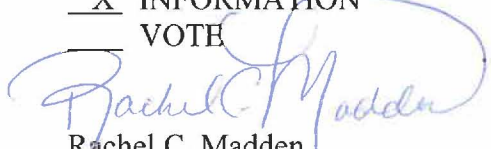
STAFF SUMMARY

TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director
DATE: April 11, 2012
SUBJECT: Delegated Authority Report – March 2012



COMMITTEE: Administration, Finance & Audit

X INFORMATION
VOTE



Rachel C. Madden
Director, Administration & Finance

Barbie Aylward, Administrator
Frank Renda, Data & Information Coordinator
Preparer/Title



Michele Gillen
Deputy Director, Administration & Finance

RECOMMENDATION:

For information only. Attached is a listing of actions taken by the Executive Director under delegated authority for the period March 1, 2012 through March 31, 2012.

This report is broken down into three sections:

- Awards of Construction, non-professional and professional services contracts and change orders and amendments in excess of \$25,000, including credit change orders and amendments in excess of \$25,000;
- Awards of purchase orders in excess of \$25,000; and
- Amendments to the Position Control Register, if applicable.

BACKGROUND:

The Board of Directors' Management Policies and Procedures, as amended by the Board's vote on October 14, 2009, delegate authority to the Executive Director to approve the following:

Construction Contract Awards:

Up to \$1 million if the award is to the lowest bidder; or up to \$500,000 if the award is to other than the lowest bidder.

Change Orders:

Up to 25% of the original contract amount or \$250,000, whichever is less, where the change increases the contract amount, and for a term not exceeding an aggregate of six

months; and for any amount and for any term, where the change decreases the contract amount. The delegations for cost increases and time can be restored by Board vote.

Professional Service Contract Awards:

Up to \$100,000 and one year with a firm; or up to \$50,000 and one year with an individual.

Non-Professional Service Contract Awards:

Up to \$250,000 if a competitive procurement process has been conducted, or up to \$100,000 if a procurement process other than a competitive process has been conducted.

Purchase or Lease of Equipment, Materials or Supplies:

Up to \$1 million if the award is to the lowest bidder; or up to \$500,000 if the award is to other than the lowest bidder.

Amendments:

Up to 25% of the original contract amount or \$250,000, whichever is less, and for a term not exceeding an aggregate of six months.

Amendments to the Position Control Register:

Amendments which result only in a change in cost center.

BUDGET/FISCAL IMPACT:

Recommendations for delegated authority approval include information on the budget/fiscal impact related to the action. For items funded through the capital budget, dollars are measured against the approved capital budget. If the dollars are in excess of the amount authorized in the budget, the amount will be covered within the five-year CIP spending cap. For items funded through the Current Expense Budget, variances are reported monthly and year-end projections are prepared at least twice per year. Staff review all variances and projections so that appropriate measures may be taken to ensure that overall spending is within the MWRA budget.

DATE OF AWARD	TITLE AND EXPLANATION	CONTRACT	AMENDMENT/CO	COMPANY	FINANCIAL IMPACT
03/06/12	SECTION 156 REHABILITATION - NORTH METROPOLITAN SEWER REMOVE AND REPLACE SAND BAGS, PUMPS AND STOP LOGS FROM SIPHON CHAMBER; COMPENSATE CONTRACTOR FOR TWO DAYS OF RENTAL COST OF EQUIPMENT; FURNISH AND INSTALL ADDITIONAL CURED-IN-PLACE LINER; FURNISH, INSTALL AND REMOVE A TEMPORARY BY-PASS PUMPING SYSTEM	7393	4	BARLETTA HEAVY DIVISION, INC.	\$105,379.00
03/08/12	ULTRAVIOLET DISINFECTION FACILITIES JOHN J. CARROLL WATER TREATMENT PLANT PERFORM ADDITIONAL VALVE AND PIPE SUPPORT WORK; FURNISH AND INSTALL A FIVE-INCH GAS LINE; PROVIDE A TEMPORARY LIQUID CARBON DIOXIDE TANK AND VAPORIZER SYSTEM; PERFORM ADDITIONAL WORK IN OZONE CONTACT TANKS; FLATTEN EXISTING CONCRETE SURFACES AT PERIMETER OF WALL OPENINGS; FURNISH AND INSTALL COPPER INSTRUMENTATION TUBING AND RECONNECT TO EXISTING LOCAL CONTROL PANEL AND VAPORIZER; PERFORM ADDITIONAL CONNECTION WORK AT THE FOUR SODIUM BISULFITE STATIONS; TEST RELOCATED TANK 1 WITH CARBON DIOXIDE IN LIEU OF HYDROSTATIC TESTING; FURNISH AND INSTALL LIQUID CARBON DIOXIDE ISOLATION AND RELIEF VALVES; FURNISH AND INSTALL TEMPORARY WATERPROOFING	6924	3	DANIEL O'CONNELL'S SONS, INC.	\$200,113.56
03/15/12	SOUTH DIKE TREE REMOVAL AT WACHUSETT RESERVOIR AWARD OF CONTRACT TO LOWEST RESPONSIVE BIDDER FOR REMOVAL OF EXCESS TREE GROWTH ON THE SOUTH DIKE OF WACHUSETT RESERVOIR TO MEET REGULATORY REQUIREMENTS FOR A TERM OF 90 CALENDAR DAYS	OP-182	AWARD	ALDORE TETREAUULT AND SONS, INC.	\$352,950.00
03/16/12	MONITORING AND MAINTENANCE OF INTRUSION ALARM SYSTEMS AWARD OF CONTRACT TO LOWEST RESPONSIVE BIDDER FOR MONITORING AND MAINTENANCE OF INTRUSION ALARM SYSTEMS AT 23 SITES FOR A TERM OF 730 CALENDAR DAYS	EXE-028	AWARD	ACC SYSTEMS CONTRACTOR, INC.	\$52,200.00
03/23/12	FUEL STORAGE TANK MAINTENANCE SERVICE AWARD OF CONTRACT TO LOWEST RESPONSIVE BIDDER FOR FUEL STORAGE TANK MAINTENANCE SERVICE FOR 50 TANKS LOCATED AT VARIOUS FACILITIES FOR A TERM OF 730 CALENDAR DAYS	OP-181	AWARD	PENNONI ASSOCIATES, INC.	\$559,496.00
03/27/12	ELEVATOR MAINTENANCE AND REPAIR SERVICE AT VARIOUS LOCATIONS DECREASE FOLLOWING BID ITEMS TO REFLECT ACTUAL QUANTITIES USED: PREVENTIVE MAINTENANCE; NON-EMERGENCY AND EMERGENCY REPAIR SERVICES; REPLACEMENT PARTS AND MARK-UP COSTS	OP-109	2	ASSOCIATED ELEVATOR COMPANIES, INC.	(\$270,894.12)

PURCHASING DELEGATED AUTHORITY ITEMS - MARCH 1 - 31, 2012

DATE OF AWARD	TITLE AND EXPLANATION	CONTRACT #	AMENDMENT	COMPANY	FINANCIAL IMPACT
03/02/12	ANNUAL SUPPLY OF EMPLOYEE CLOTHING AWARD OF A PURCHASE ORDER, TO THE LOWEST RESPONSIVE BIDDER, TO PROVIDE EMPLOYEE CLOTHING PER NEGOTIATED AGREEMENTS BETWEEN THE AUTHORITY AND THE COLLECTIVE BARGAINING UNITS	WRA-3389		ACTION APPAREL INC	\$100,784.80
03/06/12	SUPPLY AND DELIVERY OF SODIUM HYPOCHLORITE AWARD OF AMENDMENT #1 TO PURCHASE ORDER CONTRACT WRA-3305, FOR THE SUPPLY AND DELIVERY OF SODIUM HYPOCHLORITE TO VARIOUS WASTEWATER LOCATIONS, DUE TO MORE RAINFALL EVENTS THAN ANTICIPATED	WRA-3305	AMEND #1	UNIVAR USA, INC	\$26,011.44
03/06/12	HEAT EXCHANGER PLATES AWARD OF A PURCHASE ORDER, TO THE LOWEST RESPONSIVE BIDDER, FOR HEAT EXCHANGER PLATES FOR THE ADMINISTRATION AND LABORATORY BUILDING, REPLACING THE EXISTING PLATES THAT HAVE REACHED THE END OF THEIR USEFUL LIFE	WRA-3384		MOTION INDUSTRIES	\$32,080.95
03/06/12	ENGINEERING SCANNER/PRINTER/COPIER AWARD OF A PURCHASE ORDER, TO THE LOWEST RESPONSIVE BIDDER, FOR ONE OCE TDS750 MULTIFUNCTION SCANNER/PRINTER COPIER SYSTEM, FOR USE BY THE DEER ISLAND TECHNICAL INFORMATION CENTER, REPLACING AN EXISTING OBSOLETE UNIT	WRA-3396Q		OCE NORTH AMERICA, INC	\$39,625.00
03/06/12	ALGAE MONITORING SYSTEM AWARD OF A SOLE SOURCE PURCHASE ORDER FOR THE REPLACEMENT OF THE ALGAE MONITORING SYSTEM AS PART OF MWRA'S ALGAE MONITORING AND CONTROL PROGRAM			FLUID IMAGING TECHNOLOGIES, INC	\$47,550.00
03/06/12	CONTROL POWER TRANSFORMERS AWARD OF A SOLE SOURCE PURCHASE ORDER FOR TWO CONTROL POWER TRANSFORMERS TO BE HELD AS SPARES FOR THE NORTH MAIN PUMP STATION AND THE WINTHROP TERMINAL FACILITY			CONVERTEAM, INC	\$58,000.00
03/06/12	COMPUTER CENTER ENVIRONMENT SUPPORT SERVICES AWARD OF A THREE-YEAR PURCHASE ORDER CONTRACT, TO PROVIDE COMPUTER CENTER EMERGENCY RESPONSE AND PREVENTIVE MAINTENANCE SERVICES FOR THE AIR CONDITIONING, BATTERY POWERED UPS, POWER DISTRIBUTION AND FIRE PROTECTION SYSTEMS FOR THE CHELSEA COMPUTER CENTER	WRA-3348		ELECTRONIC ENVIRONMENTS CORPORATION	\$83,571.00
03/06/12	SPLIT MECHANICAL SEAL KITS AWARD OF A PURCHASE ORDER, TO THE LOWEST RESPONSIVE BIDDER, FOR TWO SPLIT MECHANICAL SEAL REBUILD KITS FOR THE NORTH MAIN PUMP STATION AT THE DEER ISLAND TREATMENT PLANT	WRA-3388		A.W. CHESTERTON COMPANY	\$85,630.00
03/06/12	CHILLERS AWARD OF A PURCHASE ORDER, TO THE LOWEST RESPONSIVE BIDDER, FOR THREE CHILLERS TO REPLACE EXISTING OBSOLETE UNITS AT THE DEER ISLAND TREATMENT PLANT	WRA-3393		STEBBINS & DUFFY	\$153,000.00
03/16/12	REPAIR SERVICES FOR TELOG EQUIPMENT AWARD OF A ONE-YEAR SOLE SOURCE PURCHASE ORDER FOR AS-NEEDED REPAIR SERVICES FOR MWRA'S TELOG MONITORING EQUIPMENT			TELOG INSTRUMENTS, INC	\$50,000.00
03/16/12	CHANNEL MONSTER GRINDER AND REPLACEMENT CUTTER CARTRIDGE AWARD OF A SOLE SOURCE PURCHASE ORDER FOR ONE REPLACEMENT CHANNEL MONSTER GRINDER CUTTER CARTRIDGE AND ONE NEW CHANNEL MONSTER GRINDER FOR THE BRAINTREE-WEYMOUTH PUMP STATION			JWC ENVIRONMENTAL	\$128,011.00
03/19/12	STAINLESS STEEL DRIVE CHAIN AWARD OF A PURCHASE ORDER, TO THE LOWEST RESPONSIVE BIDDER, FOR 9,000 FEET OF STAINLESS STEEL DRIVE CHAIN, AS PART OF THE ONGOING REHABILITATION PROJECT TO REPLACE ALL DRIVE CHAIN IN THE PRIMARY AND SECONDARY CLARIFIERS AT THE DEER ISLAND TREATMENT PLANT	WRA-3413		ALLIED LOCKE	\$254,790.00
03/21/12	REFRIGERATED WASTEWATER SAMPLERS AWARD OF A PURCHASE ORDER, TO THE LOWEST RESPONSIVE BIDDER, FOR FOUR REFRIGERATED WASTEWATER SAMPLERS FOR THE DEER ISLAND TREATMENT PLANT, TO REPLACE EXISTING OBSOLETE UNITS	WRA-3377		RUSSELL RESOURCES	\$46,749.92
03/21/12	CENTRIFUGE END RINGS ASSEMBLIES AND FRONT SEAL HOLDERS AWARD OF A PURCHASE ORDER, TO THE LOWEST RESPONSIVE BIDDER, FOR TWO CENTRIFUGE END RINGS, TWO END RING ASSEMBLIES AND SIX FRONT SEAL HOLDERS FOR THE CENTRIFUGES IN THE CENTRIFUGE THICKENER BUILDING AT THE DEER ISLAND TREATMENT PLANT	WRA-3404		ALFA LAVAL THERMAL, INC	\$87,199.36

PURCHASING DELEGATED AUTHORITY ITEMS - MARCH 1 - 31, 2012

DATE OF AWARD	TITLE AND EXPLANATION	CONTRACT #	AMENDMENT	COMPANY	FINANCIAL IMPACT
03/23/12	TEMPORARY METERING AWARD OF A PURCHASE ORDER, TO THE LOWEST RESPONSIVE BIDDER, FOR TEMPORARY METERING FOR THE EAST BOSTON AND ALEWIFE INTERCEPTORS TO PROVIDE UPDATED DATA FOR THESE SUBSYSTEMS	WRA-3394		EST ASSOCIATES	\$57,500.00
03/23/12	HAZARDOUS WASTE REMOVAL AND OIL/WATER SEPARATOR MAINTENANCE AT DEER ISLAND AWARD OF A TWO-YEAR PURCHASE ORDER CONTRACT, TO THE LOWEST RESPONSIVE BIDDER, FOR HAZARDOUS WASTE REMOVAL AND OIL/WATER SEPARATOR MAINTENANCE SERVICES AT THE DEER ISLAND TREATMENT PLANT	WRA-3406		UNITED INDUSTRIAL SERVICES	\$80,809.00
03/23/12	INVASIVE PLANTS CONTROL AT CHESTNUT HILL RESERVOIR AWARD OF A PURCHASE ORDER, TO THE LOWEST RESPONSIVE BIDDER, FOR INVASIVE PLANTS CONTROL AT THE CHESTNUT HILL RESERVOIR	WRA-3407		LYCOTT ENVIRONMENTAL, INC	\$92,500.00
03/23/12	GAS COMPRESSOR AWARD OF A PURCHASE ORDER, TO THE LOWEST RESPONSIVE BIDDER, FOR ONE GAS COMPRESSOR FOR THE DIGESTER SYSTEM AT THE DEER ISLAND TREATMENT PLANT, TO REPLACE AN EXISTING OBSOLETE COMPRESSOR	WRA-3392		ASSOCIATED ELECTRO-MECHANICS	\$112,758.19
03/23/12	ROLLER GATES OVERHAUL AWARD OF A PURCHASE ORDER, TO THE LOWEST RESPONSIVE BIDDER, FOR THE OVERHAUL OF 19 ROLLER GATES AT THE DEER ISLAND TREATMENT PLANT, AS PART OF AN ONGOING PROJECT TO OVERHAUL ALL OF DEER ISLANDS'S ROLLER GATES	WRA-3415		RODNEY HUNT COMPANY	\$276,505.00
03/23/12	SUPPLY AND DELIVERY OF CARBON DIOXIDE - JOHN J CARROLL WATER TREATMENT PLANT AWARD OF A ONE-YEAR PURCHASE ORDER CONTRACT ,TO THE LOWEST RESPONSIVE BIDDER, FOR THE SUPPLY AND DELIVERY OF CARBON DIOXIDE TO THE JOHN J CARROLL WATER TREATMENT PLANT	WRA-3416		PRAXAIR, INC	\$282,986.00
03/23/12	SUPPLY AND DELIVERY OF HYDROGEN PEROXIDE - DEER ISLAND AWARD OF A TWO-YEAR PURCHASE ORDER CONTRACT ,TO THE LOWEST RESPONSIVE BIDDER, FOR THE SUPPLY AND DELIVERY OF HYDROGEN PEROXIDE TO THE DEER ISLAND TREATMENT PLANT	WRA-3410		US PEROXIDE	\$819,400.00

STAFF SUMMARY

TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director
DATE: April 11, 2012
SUBJECT: Deer Island Ambulance Services



COMMITTEE: Administration, Finance & Audit

 INFORMATION
 X VOTE

John P. Vetere, Deputy COO
Preparer/Title


Division Director Approval

Since 1992, MWRA and the Town of Winthrop have coordinated ambulance response services with MWRA picking up the cost of the service as a part of the Memoranda of Understanding. The current four-year contract provided that MWRA pick up the roughly \$250,000 annual cost for a total cost to the MWRA of \$940,000. This contract expires in June. Because of changes in the reimbursement rates for ambulance services, it is now to Winthrop's advantage to procure these services directly. Winthrop has indicated to us that they will include comparable ambulance service to Deer Island in their contract for a one-time payment of \$250,000 to the Town. The payment will be used to defray the cost of a new fire truck the town has purchased. According to the Fire Chief said fire truck is the first responding equipment to Deer Island.

In assessing the situation, it is important to realize that ambulance calls to Deer Island are minimal, under 20 per year, so there is not the critical mass of business to allow us to procure separate ambulance service. Further, because of the distance between Boston EMS's location and Deer Island it is not practical to believe that Boston could provide the services.

Staff believe that Winthrop's proposal makes sense because after the one-time payment of \$250,000, the Authority will save \$250,000 annually, the level of ambulance service will be maintained, and the one-time payment will contribute to a new fire truck that will provide reliable service to the Island.

RECOMMENDATION:

To authorize the Executive Director to amend the Memorandum of Agreement with the Town of Winthrop to eliminate Part 2, the requirement that MWRA contract for ambulance services for both the Town of Winthrop and MWRA; and to further authorize the Executive Director to make a one-time payment of \$250,000 to the Town of Winthrop.

DISCUSSION:

Between 1992 and 1995, ambulance services were procured jointly by MWRA and Winthrop with costs shared equally for Basic Life Support (BLS). MWRA paid the full cost for Advance Life Support (ALS), since it was a critical component of MWRA's Comprehensive Health and Safety Plan for the Boston Harbor Project. By 1995, with construction of the two harbor tunnels underway, MWRA's need for ALS services increased significantly, and MWRA agreed to pay the full cost of ambulance services.

This provision has been included in the two successor agreements, and the average annual cost of these services since 2007 has been \$256,828, for a total of \$1.79 million. Continuing the concept of providing combined (Town of Winthrop and Deer Island) BLS, post Deer Island construction, continued to make economic sense for MWRA to ensure rapid response time to Deer Island for its operation and maintenance staff. The current Memorandum of Agreement expires in June 2015. By eliminating this requirement, MWRA would save \$750,000 over the remaining term of the agreement.

In light of this savings, the Town of Winthrop has proposed that MWRA provide a one-time payment to the Town of \$250,000 to cover the cost of debt service on a new fire rescue vehicle that will be used for Deer Island and Town coverage. The Town of Winthrop will also procure an ambulance service contract that will include ambulance coverage for Deer Island without further cost to MWRA.

BUDGET/FISCAL IMPACT:

If the proposed recommendation is approved, the FY13 Proposed Current Expense Budget will be reduced by \$250,000 and the future year's budgets will also reflect this reduction.

The \$250,000 one-time payment in FY12 would be paid out from the Current Expense Budget's Miscellaneous Revenue Account.

STAFF SUMMARY


TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director
DATE: April 11, 2012
SUBJECT: City of Boston Wind Turbine – Deer Island



COMMITTEE: Administration, Finance & Audit

X INFORMATION
 VOTE

John P. Vetere, Deputy COO
Preparer/Title


Michael J. Hornbrook
Chief Operating Officer

RECOMMENDATION:

For information only.

DISCUSSION:

MWRA staff have been in discussions with the City of Boston about the possibility of Boston siting a wind turbine on Deer Island. Deer Island is within the city limits of Boston.

Boston's plans to locate a wind turbine on Moon Island were recently abandoned as a result of opposition from Quincy. Moon Island is owned by Boston but lies within the city limits of Quincy. Boston has received a grant for the project and has received authorization for City bond funding for the project. With the Moon Island location no longer feasible, the City is looking for a new location.

MWRA recently received FAA approval to site a fourth turbine on Deer Island. However, at this time, MWRA does not have any grant funds available to subsidize another turbine.

While there are a number of issues to be resolved, the concept being discussed is fairly simple. MWRA would grant a license agreement or 8M permit to Boston for the small parcel of land (see attached photo) for an appropriate, negotiated value. Boston would enter into an agreement with NSTAR regarding the net metering of the electricity produced. Another issue being discussed is the possibility of MWRA assisting in the procurement and construction of the turbine and whether the new turbine becomes part MWRA's maintenance agreement for the two similar turbines already located on the Island.

There is the possibility that this matter could be dealt with under the Executive Director's delegated authority. Updates will be provided to the Board of Directors as developments occur.



Proposed Wind
Turbine Location


STAFF SUMMARY

TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director
DATE: April 11, 2012
SUBJECT: Update on Potential Chelsea Real Property Transactions




COMMITTEE: Administration, Finance & Audit

INFORMATION
 VOTE


Michael J. Hornbrook

Chief Operating Officer


Rachel C. Madden, Director
Administration and Finance

MSG
Michele S. Gillen, Deputy Director A&F
Preparer/Title

This staff summary provides an update on potential MWRA real property transactions in the City of Chelsea. Staff have discussed with the Massachusetts Department of Transportation ("MassDot") the possibility of a long-term agreement for use of MassDot land that abuts MWRA's Chelsea Facility (Attachment A) for nominal consideration. Staff have also discussed the potential sale of an approximately 32,939-square-foot-lot located at 285 Central Avenue, Chelsea (Attachment B), to the City of Chelsea for fair market consideration.

RECOMMENDATION:

For information only.

DISCUSSION:

MassDot Property:

MassDot owns an abandoned railroad line, a portion of which abuts MWRA's property at Griffin Way in Chelsea. MassDot has indicated that it is willing to execute a long-term license agreement allowing MWRA's use of that property for nominal consideration. Staff are working with MassDot to develop the license agreement. While the consideration is nominal, MWRA would have to do some initial site clean-up to make the space usable, install some security fencing, and be responsible for the long-term maintenance of the parcel.

MWRA's Policy for the Acquisition of Real Property allows the Executive Director to accept or execute a license agreement with both public and non-public entities for amounts up to \$250,000 (for other purchases, easements, or leases from public entities, the approval of the Board of Directors is required.)

This lot would supplement MWRA's existing outdoor storage space.

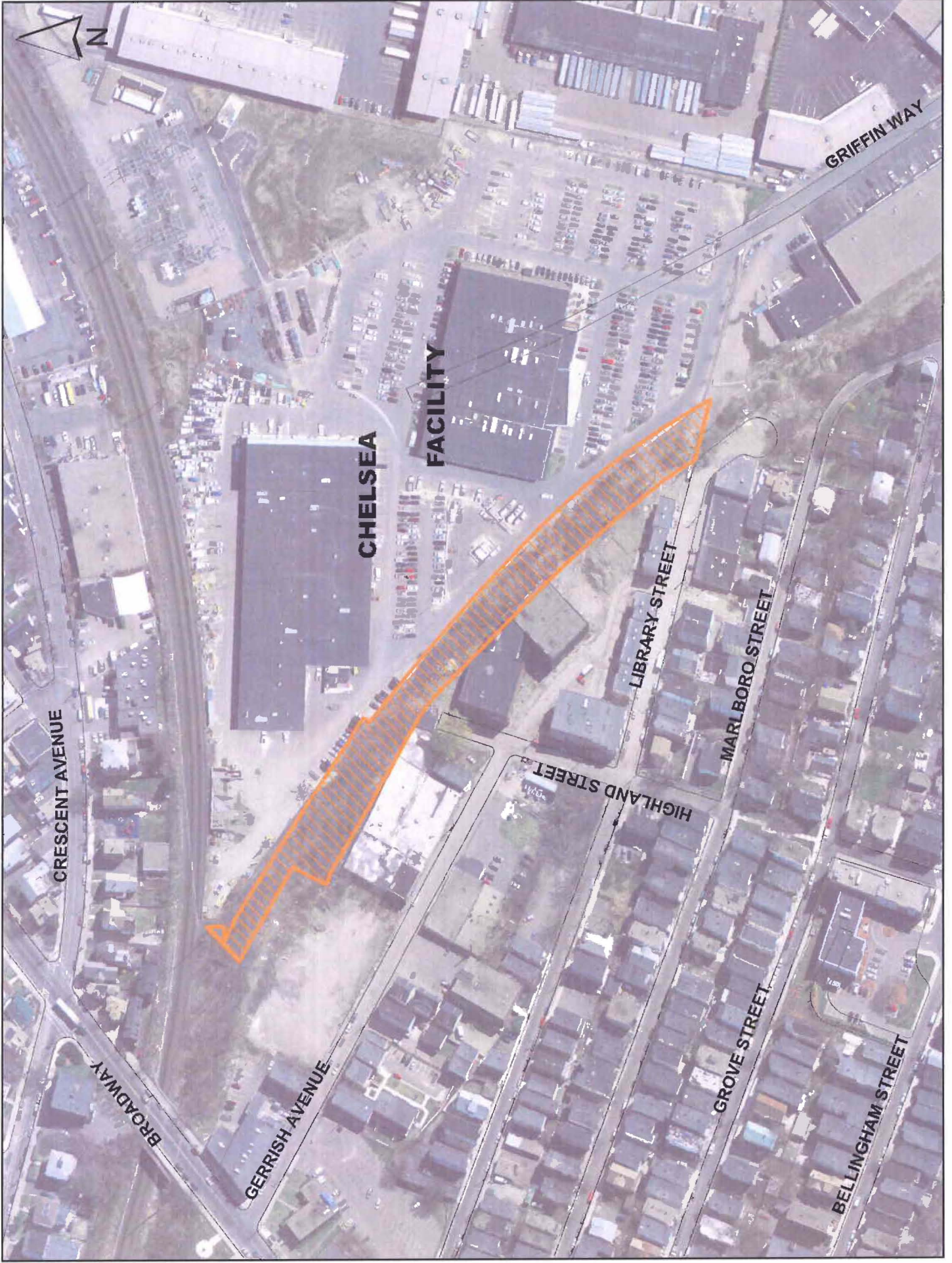
285 Central Avenue:

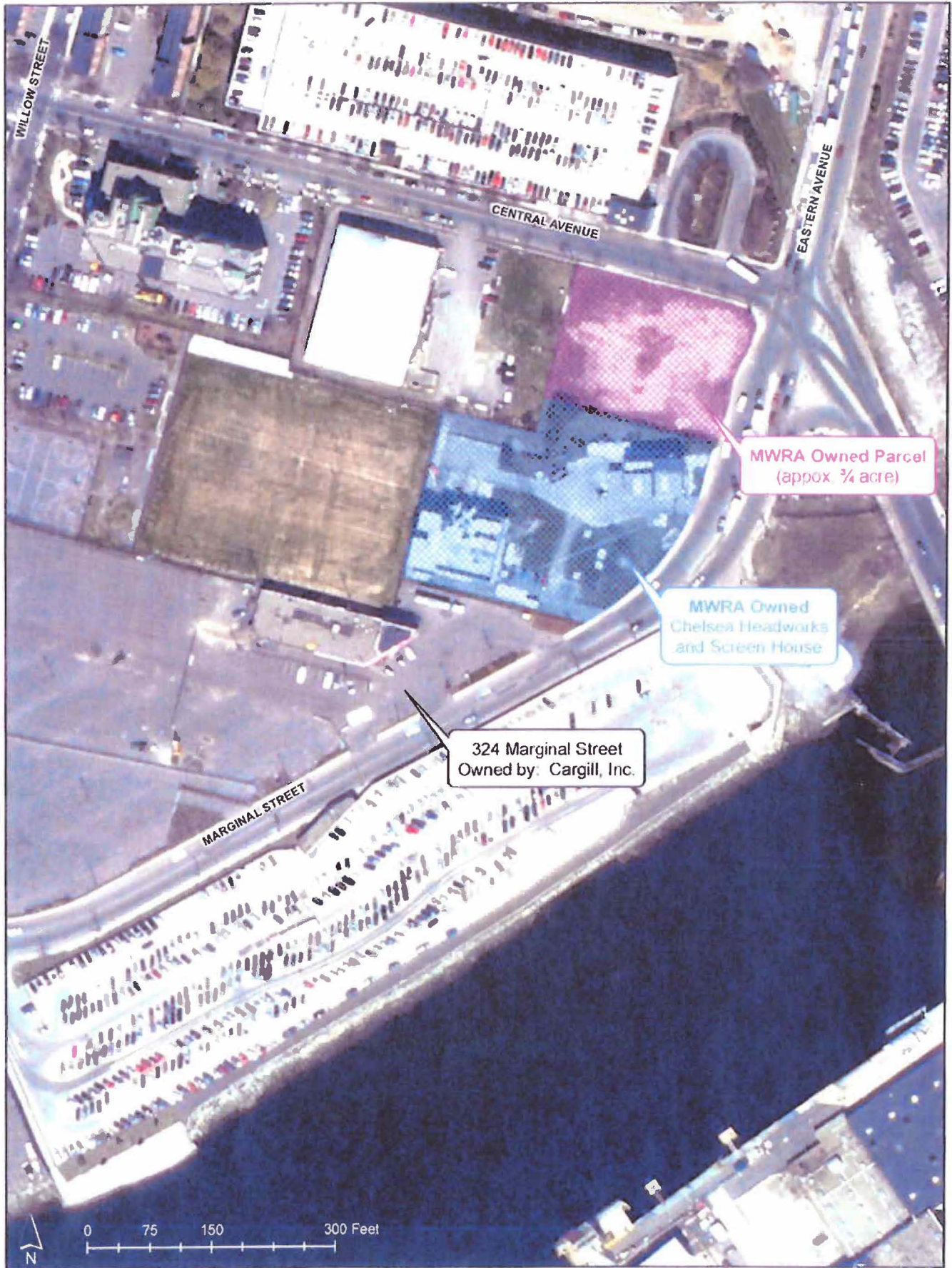
In 1987, MWRA acquired by eminent domain an approximately 10,622-square-foot-lot at 285 Central Avenue in Chelsea for the construction of the Chelsea Screen House facility. This taking resulted in a lawsuit alleging damages for both the taking and for severance damages for the remainder parcel, which resulted in a settlement agreement for the purchase of an additional 32,939-square-foot-parcel (the remainder parcel). While this parcel was not acquired for an operational, maintenance, or construction purpose, MWRA has, over the years, utilized it for passive storage, which can be accommodated on other MWRA property.

The City of Chelsea has indicated that it is interested in purchasing the property from MWRA at a mutually agreed upon fair market value based on appraisal. MWRA's policy for the Disposition of Real Property states that MWRA shall make every effort to ensure that all dispositions are priced at the fair market value of the property as established by appraisal, open competitive solicitation, market study, or other comparable method.

Staff and Chelsea are in agreement that both MWRA and the City of Chelsea should obtain independent property appraisals upon which to negotiate a final proposed purchase price. Should MWRA and the City agree on a fair-market purchase price, staff would return to the Board to declare the parcel surplus to MWRA's water and sewer system needs and to seek the Board's approval to sell the parcel to Chelsea at that mutually agreed upon fair-market value.

MWRA's Enabling Act also requires that it obtain the approval of the Legislature and the Governor for the disposition of real property. There is existing legislation (Chapter 15 of the Acts of 1996) authorizing and directing MWRA to convey that parcel to the City of Chelsea for park and recreation purposes. Chelsea no longer intends to utilize the parcel for that purpose and will instead pursue the commercial development of that site. As such, an amendment to Chapter 15 of the Acts of 1996 allowing conveyance at the fair market value as determined by appraisal based on the highest and best use is needed.





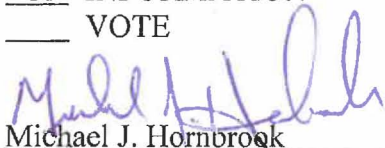
STAFF SUMMARY

TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director 
DATE: April 11, 2012
SUBJECT: Update on MWRA's Non-Emergency Engine Upgrades Required by EPA National Emissions Standards Regulations

COMMITTEE: Administration, Finance & Audit Committee

X INFORMATION
 VOTE

Leon E. Lataille, Environmental Manager
Richard P. Trubiano, Deputy Chief Operating Officer
Preparer/Title


Michael J. Hornbrook
Chief Operating Officer

This staff summary provides the Board with an update on the status of MWRA's compliance with 40 CFR, Part 63, Subpart 4Z of EPA's regulations (National Emissions Standards for Hazardous Air Pollutants promulgated on March 3, 2010) regarding reciprocating internal combustion engines. These National Emission Standards apply to all "non-emergency" diesel engines and require installation of oxidation catalysts (i.e. catalytic converters) and monitoring equipment, as well as implementation of maintenance plans, recordkeeping, and emissions testing. Per these regulations, MWRA must upgrade the diesel engines at the Carroll Water Treatment Plant, Prison Point CSO, and Cottage Farm CSO to meet these new emissions standards. These enhancements must be in place by May 2013 (or May 2014 if a one-year extension is approved).

RECOMMENDATION:

For information only.

DISCUSSION:

MWRA staff have been evaluating the impacts of the National Emissions Standards regulations since their promulgation in 2010. MWRA has not yet provided initial notifications to EPA regarding applicability of the new regulations to MWRA's facilities due to questions regarding:

- the possible emergency designation for diesel pump engines at Prison Point and Cottage Farm; and
- evaluation of the cost/benefit of the use of the generators at the Carroll Water Treatment Plant for peak shaving (versus their use for only providing back-up power).

These issues are discussed in more detail on the following page.

John Carroll Water Treatment Plant (JCWTP)

There are four back-up diesel generators at the JCWTP. MWRA staff use these units both for back-up power and for peak shaving of purchased electricity use. Per the new federal regulations, these generators must meet the new standards which would not be necessary if they were to be used for back-up power generation only. Staff estimate that the construction/installation cost for the new emission control upgrades is approximately \$300,000. The peak shaving annual savings realized by MWRA is approximately \$80,000 per year. Therefore, the rough payback period for the necessary capital cost investment is approximately four years. Staff recommend that MWRA should move forward with these upgrades at JCWTP and plan to submit the required Initial Notification Form to EPA.

It should be noted that EPA is considering amending the regulations to provide an allocation of up to 100 hours per year for emergency generators to include peak shaving, as well as exercising. It is likely that the JCWTP's generators could be operated to stay below a 100-hour limit, but this allowance is not yet in the regulations. Therefore, staff will proceed with facility planning and preliminary design of the upgrades (which will be stopped if the regulations are amended).

Prison Point CSO and Cottage Farm CSO

There are seven diesel engines in total at Prison Point and Cottage Farm, which are used to power pumps to discharge combined sewage during wet-weather events. Staff attempted to get a variance from the regulations at these two facilities based on the argument that they should be given an "emergency-use exemption" (i.e., based on the fact that CSO discharge constitutes an emergency use to keep sewage from backing up into homes and on roads and to provide treatment prior to discharge). However, EPA has formally determined that these diesel engines do not meet this exemption (see Attachment 1).

Staff are developing the project plan (design and construction schedule) for engine emissions control upgrades at these facilities. The estimated construction/installation cost for the required emissions control upgrades at these facilities is approximately \$350,000.

It should be noted that the manufacturer of these diesel engines no longer produces parts (staff are trying to identify sources and procure as many spare parts as may currently be available). The procurement and conduct of planning, design, and construction/installation services for new engines (and all supporting equipment such as motor control centers, pump drives and possibly back-up generators and electric transfer systems) cannot be completed by the May 2013 emissions compliance deadline. MWRA will request a one-year extension from EPA but staff estimate that the new engines will not be in place for at least another five years. Therefore, MWRA would be required to expend the \$350,000 to improve the generators for only a relatively brief period of time.

If MWRA does not move forward with the emissions control upgrades for Cottage Farm and Prison Point, EPA could bring enforcement action against MWRA with penalties. Therefore, staff are moving forward with planning and design for the needed upgrades and regulatory notifications.

It should also be noted that the plan for regulatory-required stack testing at Prison Point and Cottage Farm will require negotiations with EPA. As indicated in a letter to EPA, staff have identified issues with the air emissions compliance testing of the Cottage Farm and Prison Point units due to the need to operate them at full capacity during stack testing. This does not always happen during wet weather operation and cannot be simulated at these facilities.

Next Steps

- As noted above, following discussion with the Board, staff will submit the Initial Notification Forms for JCWTP, Prison Point, and Cottage Farm to EPA.
- Work on the design of the emissions upgrades will continue. When completed in June 2012, deliverables will include a preliminary design, estimated installation schedule, and cost estimate update.
- MWRA will request the one-year extension to May 2014 for completion of the JCWTP, Prison Point, and Cottage Farm upgrades.
- Planning and preliminary design funds for the longer-term pump engine replacement projects at Cottage Farm and Prison Point will be added into the Capital Improvement Program, Interception and Pumping Facility Asset Protection project.

All other MWRA diesel generators and pump engines are designated as emergency back-up power for power outage use and are not used for peak shaving). Although they are covered under the regulation, no facility upgrades are required, only record keeping and maintenance plans.


BUDGET/FISCAL IMPACT:

Total construction/installation costs for the required upgrades at JCWTP and the two CSO facilities are estimated at \$650,000. This project will be funded from the Capital Improvement Program.

ATTACHMENT:

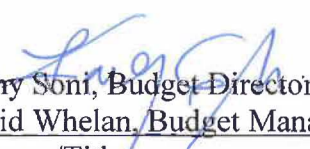

Attachment 1 - October 12, 2011 EPA Response to MWRA's Request for Applicability

STAFF SUMMARY

TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director 
DATE: April 11, 2012
SUBJECT: FY12 Financial Update and Summary as of March 2012

COMMITTEE: Administration, Finance & Audit

INFORMATION
 VOTE


Kathy Soni, Budget Director

David Whelan, Budget Manager
Preparer/Title


Rachel C. Madden
Director, Administration and Finance

RECOMMENDATION:

For information only. This staff summary provides a financial update and variance highlights through March, comparing actual spending to the FY12 budget, and a preliminary year-end projection.

DISCUSSION:

Total year-to-date expenses are lower than budget by \$3.7 million or 0.8% mainly due to lower direct expenses of \$3.2 million, indirect expenses of \$580,000, and higher total non-rate revenues of \$1.3 million for a net variance of \$5.0 million.

The month of March debt service savings were \$2.0 million, mostly related to the continued low short-term rates, coupled with savings related to the State Revolving Fund (SRF) borrowing delay. At the end of March, the defeasance account balance is \$13.1 million and should these favorable trends continue the balance is projected to be \$17.9 million by year-end.

Beyond debt service savings, staff projects a surplus of approximately \$5.2 million at year-end of which \$3.2 million is for lower direct expenses, \$367,000 for lower indirect expenses, and \$1.6 million is for greater than budgeted revenues. Staff will continue to refine the year-end projections each month as more actual spending information becomes available and update the Board accordingly.

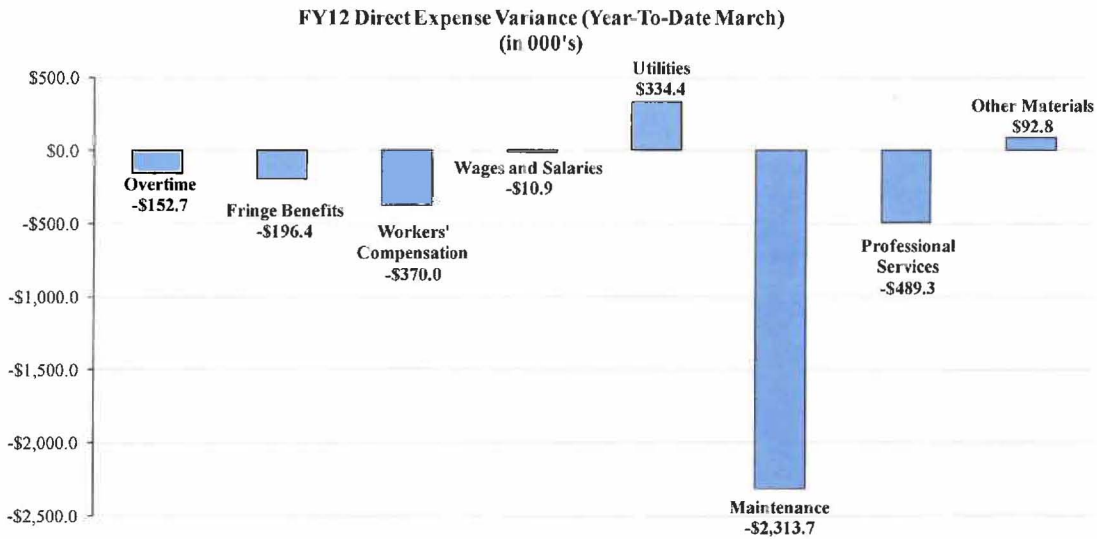
Please refer to Attachment 4 for a more detailed comparison by line item.

Total year-to-date expenses were lower than budget by \$3.7 million or 0.8% as indicated below.

	FY12 Budget (March)	FY12 Actual (March)	\$ Variance	% Variance
Direct Expenses	\$149.5	\$146.4	-\$3.2	-2.1%
Indirect Expenses	\$32.4	\$31.8	-\$0.6	-1.8%
Debt Service	\$270.2	\$270.2	\$0.0	0.0%
Total	\$452.1	\$448.4	-\$3.7	-0.8%

Direct Expenses

Direct expenses totaled \$146.4 million, \$3.2 million or 2.1% less than budget.



The primary reasons for year-to-date underspending on direct expenses is lower spending for maintenance, professional services, workers' compensation, fringe benefits, and overtime. The underspending is offset by greater than budgeted spending for utilities and other materials.

Maintenance

Maintenance is underspent by \$2.3 million or 11.5% year-to-date of which \$1.5 million is for services and \$800,000 is for materials. Staff estimate that maintenance spending will be approximately \$1.8 million underspent by year-end.

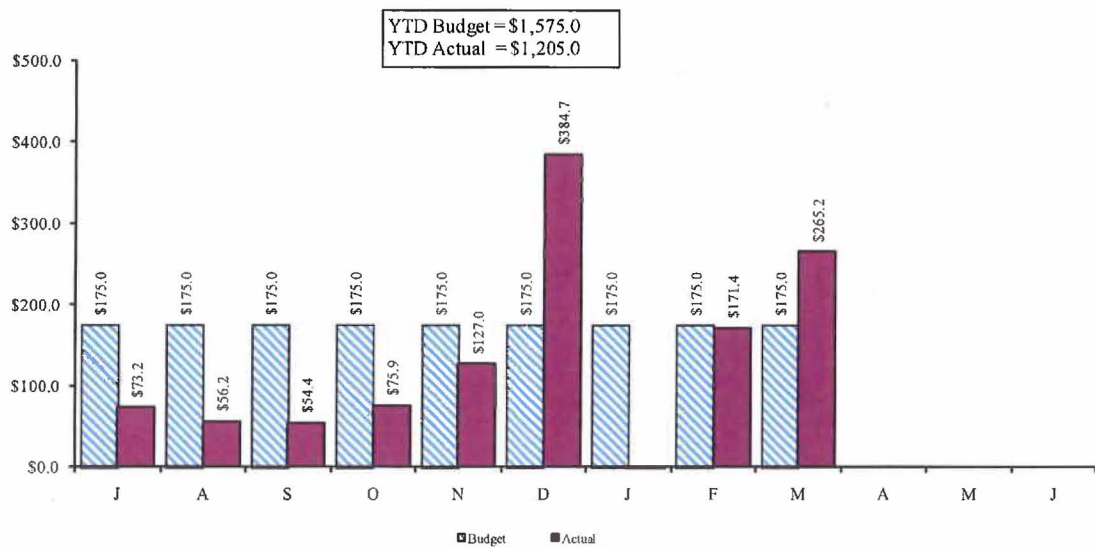
Professional Services

Professional Services are underspent by \$489,000 or 11.7% mainly due to lower Harbor Monitoring activities and lower than projected use of as-needed engineering services.

Workers' Compensation

Workers' Compensation is lower than budget by \$370,000 or 23.5% year-to-date. This year, contrary to the experience of FY11, both the reserves (\$219,000) and the actual payments (\$151,000) are trending below budget.

FY12 Workers' Compensation Spending (Year-To-Date March)
(in thousands)



# of Open Claims-Lost Time	43	40	41	42	44	51	49	48	46			
# of Open Claims-Medical Only	38	47	57	55	52	56	51	52	54			

Fringe Benefits

Fringe Benefits are underspent by \$196,000 or 1.5% mainly due to lower than budgeted health insurance, unemployment insurance, and medicare costs.

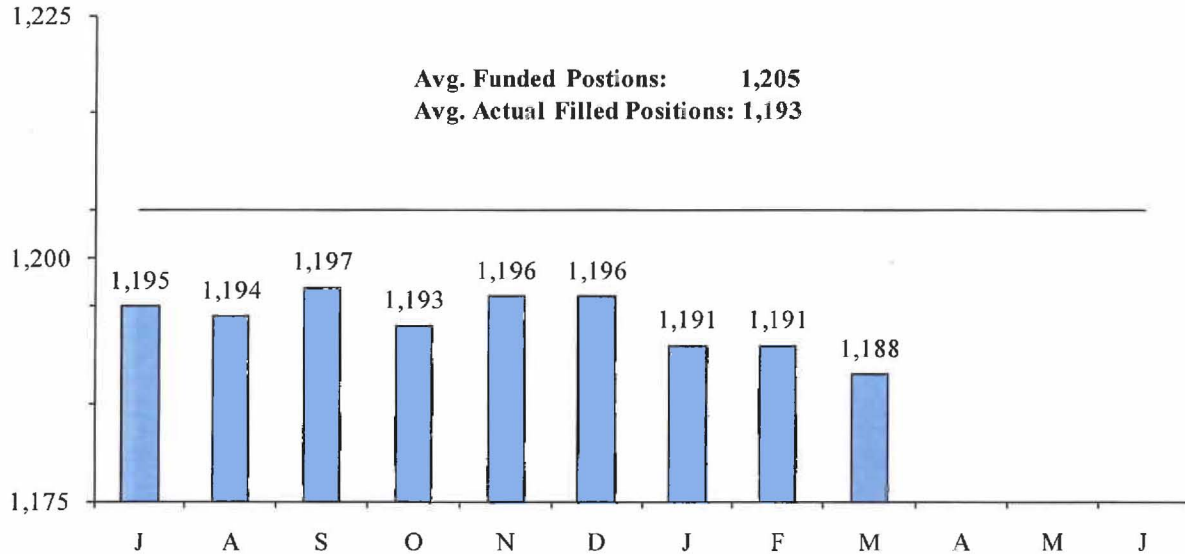
Overtime

Overtime is underspent by \$153,000 or 5.8% mainly due lower than projected snow removal and managements' curtailment on non-emergency overtime due to higher spending on emergency overtime during the Fall.

Wages and Salaries

Regular Pay is underspent by \$72,000 or 0.1% as a result of lower than budgeted filled positions offset by unbudgeted retroactive pay adjustments for recently settled collective bargaining agreements. Year-to-date, average actual filled positions has been 1,193 versus the 1,205 positions funded, or 12 positions lower.

FY12 MWRA Headcount Trend



Utilities

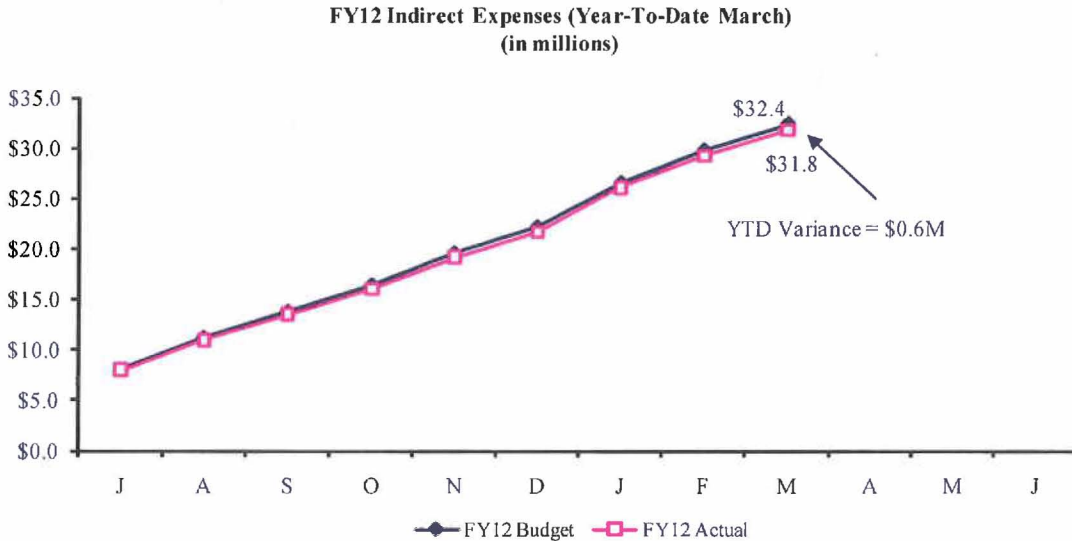
Utilities are higher than budget by \$334,000 or 2.0% mainly due to higher electricity pricing and water usage at Deer Island offset by lower spending for natural gas and diesel fuel in Field Operations.

Other Materials

Other Materials are higher than budget by \$93,000 or 3.7% mainly due to the timing of vehicle purchases offset by lower spending mainly for equipment and furniture, computer hardware, and postage.

Indirect Expenses

Indirect Expenses through March total \$31.8 million, \$580,000 or 1.8% less than budget.



The majority of the year-to-date underspending on Indirect Expenses is for Insurance of \$241,000 mainly due to lower claims and Watershed Reimbursements of \$137,000 for an FY11 overaccrual.

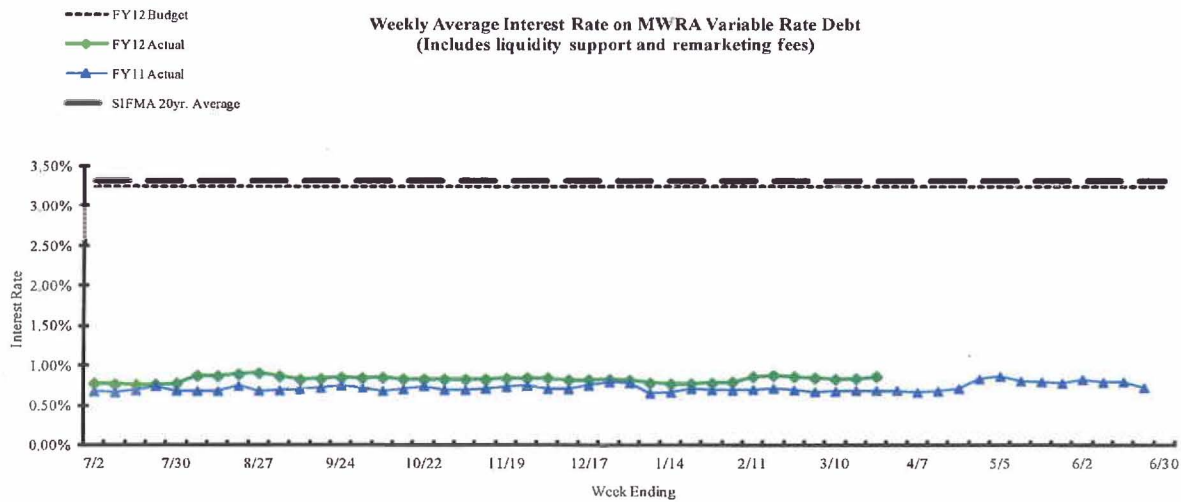
Debt Service Expenses

Debt Service Expenses through March totaled \$270.2 million. Debt Service Expenses are at budget level after the approved transfer of an additional \$2.0 million of year-to-date savings to the defeasance account in March. The defeasance account balance now stands at \$13.1 million. The intent in establishing this account is to allocate the funds for a targeted defeasance in FY12 which will result in rate relief in the next few years.

It should be noted that the favorable variance in March of \$2.0 million was comprised of variable rate debt savings of \$1.1 million, State Revolving Fund (SRF) savings of \$552,000 due to delayed borrowing, and \$341,000 for last fall's refunding.

Debt Service expenses include the principal and interest payment for fixed debt, the variable subordinate debt, and the State Revolving Fund (SRF) obligation. Also, included are the commercial paper program for the local water pipeline projects, current revenue for capital, and the Chelsea facility lease payment.

The graph on the following page reflects the variable rate trend by month over the past year in comparison with FY10 and FY11 Actuals and the FY12 Budget for the same period.



Revenue

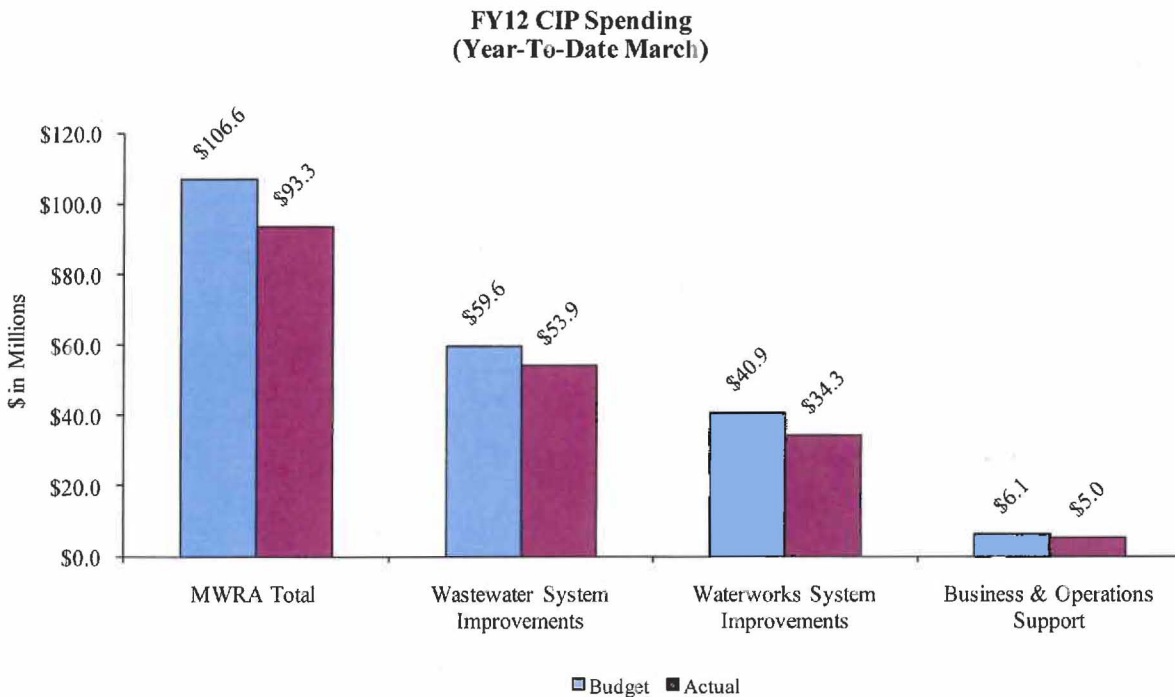
Total Revenue and Income through March is \$464.5 million, \$1.3 million or 0.3% higher than budget and is mainly due to higher investment income of \$723,000 due to lower level of liquidity requirements, which allowed for higher long-term investments and non-rate revenue of \$552,000 due to a variety of smaller items such as Verizon and NSTAR credits for prior period adjustments and revenue from the disposal of obsolete equipment.

FY12 Capital Improvement Program

Spending through March totaled \$93.3 million, \$13.3 million or 12.5% lower than budget. After accounting for programs which are not directly under MWRA's control, most notably the Local Water Pipeline program, the Inflow and Infiltration (I/I) program, and the community managed Combined Sewer Overflow (CSO's) projects, the variance is \$9.1 million or 8.5%.

Underspending was reported in all three programs: Wastewater of \$5.8 million, Waterworks of \$6.5 million, and Business and Operations Support of \$1.0 million.

CIP Spending By Program:



\$ in Millions	Budget	Actuals	\$ Var.	% Var.
Wastewater System Improvements				
Interception & Pumping	5.6	5.4	-0.2	-2.8%
Treatment	24.7	17.1	-7.5	-30.5%
Residuals	0.5	0.0	-0.5	-100.0%
CSO	26.5	29.3	2.8	10.6%
Other	2.4	2.0	-0.4	-17.3%
Total Wastewater System Improvements	\$59.6	\$53.9	-\$5.8	-9.6%
Waterworks System Improvements				
Drinking Water Quality Improvements	12.5	10.5	-2.1	-16.5%
Transmission	15.2	14.0	-1.2	-8.0%
Distribution & Pumping	7.0	10.5	3.6	50.7%
Other	6.1	-0.7	-6.8	-110.9%
Total Waterworks System Improvements	\$40.9	\$34.3	-\$6.5	-16.0%
Business & Operations Support	\$6.1	\$5.0	-\$1.0	-17.1%
Total MWRA	\$106.6	\$93.3	-\$13.3	-12.5%

The main reasons for year-to-date underspending are:

1. Wastewater Treatment of \$7.5 million - due to lower award and delay for North Main Pump Station Variable Frequency Drive Construction and project delays such as the Digester Module 1 & 2 Pipe Replacement, As-needed Design Contracts, Clarifier Flushing System and Process Information Control System (PICS) Replacement offset by overspending for the Primary and Secondary Clarifier Rehabilitation.
2. Local Water Pipeline Assistance Program of \$6.8 million – due to lower than anticipated requests for funding from communities. The underspending for the Local Water Pipeline Assistance Program is projected to be \$10 million by year-end.
3. Drinking Water Program of \$2.1 million – mainly due to lower than budgeted award for the Spot Pond Design/Build contract.
4. Water Transmission of 1.2 million – mainly due to delays in Long-Term Redundancy, Quabbin Transmission System, and timing of Watershed land purchases offset by greater than budgeted spending for Dam Projects Modifications and Repairs and Lower Hultman Rehabilitation activities due to accelerated schedule and contractor progress.

The year-to-date underspending is offset by overspending of \$3.6 million in Water Distribution and Pumping program mainly due to greater than budgeted spending for Northern Intermediate High Redundancy & Storage – Reading/Stoneham Interconnections and Lynnfield Pipeline and \$2.8 million in the Wastewater Combined Sewer Overflow (CSO) program mainly due to the timing of payments for the Brookline Sewer Separation.

Construction Fund Balance

The construction fund balance stood at \$64 million as of March 2012. Commercial Paper availability stands at \$206 million to fund construction projects.

Attachment 1 – Variance Summary March 2012

Attachment 2 – Current Expense Variance Explanations

Attachment 3 – Capital Improvement Program Variance Explanations

Attachment 4 – FY12 Final versus FY12 Preliminary Year-End Projection

ATTACHMENT 1

	March 2012 Year-to-Date					
	Period 9 YTD Budget	Period 9 YTD Actual	Period 9 YTD Variance	%	FY12 Approved	% Expended
	EXPENSES					
WAGES AND SALARIES	\$ 64,378,698	\$ 64,367,828	\$ (10,870)	0.0%	\$ 90,319,013	71.3%
OVERTIME	2,627,106	2,474,357	(152,749)	-5.8%	3,508,630	70.5%
FRINGE BENEFITS	13,343,654	13,147,230	(196,424)	-1.5%	17,954,076	73.2%
WORKERS' COMPENSATION	1,575,000	1,204,994	(370,006)	-23.5%	2,100,000	57.4%
CHEMICALS	6,730,401	6,730,068	(333)	0.0%	9,047,275	74.4%
ENERGY AND UTILITIES	16,843,590	17,177,952	334,362	2.0%	22,654,931	75.8%
MAINTENANCE	20,205,491	17,891,753	(2,313,738)	-11.5%	29,470,020	60.7%
TRAINING AND MEETINGS	151,400	124,394	(27,006)	-17.8%	251,550	49.5%
PROFESSIONAL SERVICES	4,195,486	3,706,180	(489,306)	-11.7%	5,892,441	62.9%
OTHER MATERIALS	2,497,080	2,589,832	92,752	3.7%	4,765,483	54.3%
OTHER SERVICES	16,969,422	16,944,001	(25,421)	-0.1%	23,323,074	72.6%
TOTAL DIRECT EXPENSES	\$ 149,517,328	\$ 146,358,589	\$ (3,158,738)	-2.1%	\$ 209,286,493	69.9%
INSURANCE	\$ 1,714,403	\$ 1,473,203	\$ (241,200)	-14.1%	\$ 2,285,870	64.4%
WATERSHED/PILOT	19,182,205	19,049,637	(132,568)	-0.7%	25,576,274	74.5%
BEC _o PAYMENT	2,888,752	2,685,610	(203,142)	-7.0%	3,965,500	67.7%
MITIGATION	1,146,525	1,120,934	(25,591)	-2.2%	1,528,700	73.3%
ADDITIONS TO RESERVES	146,600	146,600	-	0.0%	195,467	75.0%
RETIREMENT FUND	7,340,438	7,363,170	22,732	0.3%	7,340,438	100.3%
POST EMPLOYEE BENEFITS	-	-	-	---	-	---
TOTAL INDIRECT EXPENSES	\$ 32,418,923	\$ 31,839,154	\$ (579,769)	-1.8%	\$ 40,892,249	77.9%
DEBT SERVICE	\$ 270,443,817	\$ 270,443,817	\$ -	0.0%	\$ 367,979,918	73.5%
DEBT SERVICE ASSISTANCE	(262,500)	(262,500)	-	0.0%	-	---
TOTAL DEBT SERVICE	\$ 270,181,317	\$ 270,181,317	\$ -	0.0%	\$ 367,979,918	73.5%
TOTAL EXPENSES	\$ 452,117,568	\$ 448,379,060	\$ (3,738,508)	-0.8%	\$ 618,158,660	72.5%
REVENUE & INCOME						
RATE REVENUE	\$ 442,275,000	\$ 442,275,000	\$ -	0.0%	\$ 589,700,000	75.0%
OTHER USER CHARGES	4,957,611	5,049,990	92,379	1.9%	7,142,495	70.7%
OTHER REVENUE	4,004,281	4,463,675	459,394	11.5%	4,872,342	91.6%
RATE STABILIZATION	818,835	818,835	-	0.0%	1,091,780	75.0%
INVESTMENT INCOME	11,207,363	11,930,128	722,765	6.4%	15,352,043	77.7%
TOTAL REVENUE & INCOME	\$ 463,263,091	\$ 464,537,628	\$ 1,274,538	0.3%	\$ 618,158,660	75.1%

ATTACHMENT 2
Current Expense Variance Explanations

Total MWRA	FY12 Budget March YTD	FY12 Actuals March YTD	FY12 Actual vs. FY12 Budget		Explanations
			\$	%	
<u>Direct Expenses</u>					
Wages & Salaries	64,378,698	64,367,828	(10,870)	0.0%	Underspending due to lower than budgeted filled positions offset by unbudgeted retroactive pay adjustments for COLA increases. As of March there were 1,188 filled positions, 17 positions lower than the 1,205 funded positions.
Overtime	2,627,106	2,474,357	(152,749)	-5.8%	Underspending mainly due to lower than projected snow removal and managements' curtailment on non-emergency overtime due to higher spending for emergency overtime during the Fall.
Fringe Benefits	13,343,654	13,147,230	(196,424)	-1.5%	Lower spending for Health Insurance of \$129k, Unemployment Insurance of \$26k, Medicare of \$19k, and Dental of \$11k.
Worker's Compensation	1,575,000	1,204,994	(370,006)	-23.5%	Lower spending for reserve requirements of \$219k and compensation and medical payments of \$151k.
Chemicals	6,730,401	6,730,068	(333)	0.0%	Lower spending mainly for Activated Carbon of \$117k, Soda Ash of \$97k, Carbon Dioxide of \$87k, Sodium Hydroxide of \$49k, Hydrofluosilicic Acid of \$42k and Other of \$40k, offset by higher Nitrazyme of \$165k for Framingham Extension Relief Sewer, Sodium Hypochlorite of \$131k, Ferric Chloride of \$104k and Liquid Oxygen of \$54k.
Utilities	16,843,590	17,177,952	334,362	2.0%	Higher Electricity of \$303k mainly for transportation charges at DITP and higher Water usage of \$211k at DITP and FOD. Overspending offset by lower spending for Natural Gas of \$151k.
Maintenance	20,205,491	17,891,753	(2,313,738)	-11.5%	Maintenance Services are underspent by \$1.5 million and Materials are underspent by \$800k.

ATTACHMENT 2
Current Expense Variance Explanations

Total MWRA	FY12 Budget March YTD	FY12 Actuals March YTD	FY12 Actual vs. FY12 Budget		Explanations
			\$	%	
Training & Meetings	151,400	124,394	(27,006)	-17.8%	Underspending in most divisions due to timing.
Professional Services	4,195,486	3,706,180	(489,306)	-11.7%	Underspending for Lab & Testing of \$263k mainly for Enquad's Harbor Outfall Monitoring program, Engineering of \$118k, Security of \$69k, and Legal of \$30k.
Other Materials	2,497,080	2,589,832	92,752	3.7%	Higher spending for Vehicle Purchase/Replacement of \$171k due to timing, offset by lower spending for Equipment Furniture of \$47k due to lab equipment delays, Computer Hardware of \$37k, and Postage of \$34k.
Other Services	16,969,422	16,944,001	(25,421)	-0.1%	Lower spending for Other Services of \$205k for delayed GPS installation, Mem/Dues of \$80k, Health/Safety of \$65k, and Space Lease/Rentals of \$42k offset by higher spending for Sludge Pelletization of \$310k, for 4.6 tons/day or 4% higher year-to-date quantities, Police Details of \$48k, and Grit & Screenings of \$18k.
Total Direct Expenses	149,517,328	146,358,589	(3,158,738)	-2.1%	
Indirect Expenses					
Insurance	1,714,403	1,473,203	(241,200)	-14.1%	Underspending for Payments/Claims of \$205k and Premiums of \$37k.
Watershed/PILOT	19,182,205	19,049,637	(132,568)	-0.7%	Lower Watershed Reimbursement due to FY11 overaccrual.
HEEC Payment	2,888,752	2,685,610	(203,142)	-7.0%	Lower spending mainly for O&M Charges and Special Projects of \$196k and Capacity Charges of \$7k.
Mitigation	1,146,525	1,120,934	(25,591)	-2.2%	
Addition to Reserves	146,600	146,600	-	0.0%	
Pension Expense	7,340,438	7,363,170	22,732	0.3%	
Post Employee Benefits	-	-	-		
Total Indirect Expenses	32,418,923	31,839,154	(579,769)	-1.8%	

ATTACHMENT 2
Current Expense Variance Explanations

Total MWRA	FY12 Budget March YTD	FY12 Actuals March YTD	FY12 Actual vs. FY12 Budget		Explanations
			\$	%	
Debt Service					
Debt Service	270,443,817	270,443,817	-	0.0%	Debt Service Expenses year-to-date are at budget level after the transfer of an additional \$2.0 million to the defeasance account in March. The defeasance account balance is \$13.1 million.
Debt Service Assistance	(262,500)	(262,500)	-	0.0%	
Total Debt Service Expenses	270,181,317	270,181,317	-	0.0%	
Total Expenses					
Total Expenses	452,117,568	448,379,059	(3,738,507)	-0.8%	
Revenue & Income					
Rate Revenue	442,275,000	442,275,000	-	0.0%	
Other User Charges	4,957,611	5,049,990	92,379	1.9%	Mostly due to higher D.I. water usage of \$97k.
Other Revenue	4,004,281	4,463,675	459,394	11.5%	Higher Permit Fees of \$159k, Revenue Energy of \$156k, Miscellaneous Revenue of \$139k, and Equipment Disposal of \$109k, offset by lower Hydro-power of \$88k and Penalties of \$37k.
Rate Stabilization	818,835	818,835	-	0.0%	
Investment Income	11,207,363	11,930,128	722,765	6.4%	Higher than budgeted Investment Income due to changes in liquidity requirements which allowed higher long-term investments.
Total Revenue	463,263,090	464,537,628	1,274,538	0.3%	
Net Revenue in Excess of Expenses	11,145,522	16,158,569	5,013,045		

ATTACHMENT 3
Capital Improvement Program Variance Explanations

	FY12 Budget YTD March	FY12 Actuals YTD March	YTD Actuals vs. Budget		Explanations
			\$	%	
Interception & Pumping (I&P)	\$5,593,393	\$5,434,189	(\$159,203)	-2.8%	Underspending for Chelsea Creek Upgrades Design/Construction Administration contract of \$444,000, Braintree-Weymouth Relief Facilities Design 2/Construction Services/Resident Inspection contract of \$285,000, and delay in North System Hydraulic Study of \$213,000. Offset by overspending due to contractor progress on Interception and Pumping Section 156 Rehabilitation Design/Build contract of \$1.5M
Treatment	\$24,653,244	\$17,140,843	(\$7,512,400)	-30.5%	Underspending due to lower than budgeted award and delays for the North Main Pump Station VFD Replacement Construction \$1.5M; Digester Modules 1 & 2 Pipe Replacement of \$1.2M; As-needed Design contracts of \$1.0M; Clarifier Flushing System of \$889,000; Process Information Control System (PICS) Replacement construction of \$806,000; Miscellaneous VFD Replacements of \$500,000; HVAC Equipment Replacement Design/Engineering Services During Construction of \$486,000; Switchgear Replacement-Construction of \$449,000; Electrical Equipment Upgrades-Construction 4 of \$437,000; Gravity Thickener Improvements of \$345,000; and Expansion Joint Repair - Construction 2 of \$308,000. Offset by overspending for Primary and Secondary Clarifier Rehabilitation of \$1.5M mainly due to timing; Transformer Replacement of \$238,000; and Digester Sludge Pump Replacement of \$168,000.
Residuals	\$476,382	\$0	(\$476,382)	-	Underspending due to delay in award of Residuals Technology contract.
CSO	\$26,541,553	\$29,346,958	\$2,805,405	10.6%	Overspending primarily due to Brookline Sewer Separation of \$3.0M mainly due to timing, North Dorchester Bay of \$994,000 due to timing and unanticipated work; and Cambridge Sewer Separation of \$944,000 due to contractor progress offset by underspending in CSO Support of \$1.1M mainly for favorable renegotiation of the North Dorchester temporary easement.
Other Wastewater	\$2,376,112	\$1,964,297	(\$411,814)	-17.3%	Underspending on Inflow and Infiltration (I/I) due to loan repayments being greater than budgeted and community requests for grants and loans being less than budgeted.
Total Wastewater	\$59,640,684	\$53,886,288	(\$5,754,395)	-9.6%	


ATTACHMENT 3
Capital Improvement Program Variance Explanations

	FY12 Budget YTD March	FY12 Actuals YTD March	YTD Actuals vs. Budget		Explanations
			\$	%	
Drinking Water Quality Improvements	\$12,512,569	\$10,454,172	(\$2,058,396)	-16.5%	Underspending primarily due to Spot Pond Storage Facility Design/Build of \$1.5M due to lower than budgeted award; Carroll Plant Technical Assistance of \$262,000, Spot Pond Early Construction Water Connection of \$208,000, and Quabbin Ultraviolet Design/Construction Administration/Resident Inspection of \$185,000. Offset by overspending due to contractor progress for Carroll Plant Ultraviolet Disinfection Construction of \$185,000, and Carroll Plant Ancillary Modifications Construction 2 of \$178,000.
Transmission	\$15,228,987	\$14,003,414	(\$1,225,572)	-8.0%	Underspending on Long Term Redundancy of \$1.3M due to Sudbury Aqueduct MEPA Review schedule change of \$635,000 and study work being less than budgeted of \$366,000; Quabbin Transmission System's Oakdale Phase 1A Electrical Construction of \$500,000; Watershed Land acquisition of \$483,000 due to timing; and Quabbin Aqueduct/Winsor Station of \$316,000. Offset by overspending for the Hultman rehabilitation work of \$1.1M due to contractor progress and acceleration of the project and Dam Projects of \$846,000 mainly for contractor progress on the Dam Safety Modifications & Repairs contract for Foss and Weston Reservoirs.
Distribution & Pumping	\$6,998,204	\$10,549,096	\$3,550,892	50.7%	Overspending due to Northern Intermediate High Redundancy & Storage of \$2.0M mainly for Reading/Stoneham Interconnections due to progress and unanticipated work of \$ 2.2M; Lynnfield Pipeline of \$1.3M due to timing; and Valve Replacement of \$343,000 mainly for contractor progress.
Other Waterworks	\$6,132,515	(\$666,049)	(\$6,798,564)	-	Underspending on Local Water Pipeline Assistance Program due to community requests for loans being less than budgeted by \$8.0M offset by repayments being less than anticipated by \$1.6M; and Central Monitoring of \$425,000 mainly due to schedule change for Winsor Dam Communication Line Replacement.
Total Waterworks	\$40,872,275	\$34,340,633	(\$6,531,641)	-16.0%	
Business & Operations Support	\$6,059,489	\$5,026,200	(\$1,033,288)	-17.1%	Underspending due to As-Needed Design contracts of \$449,000 and Business Systems Plan of \$365,000 offset by Alternative Energy projects of \$95,000 mainly for work scheduled in FY11 for Charlestown Wind Turbine construction project completed in FY12.
Total MWRA	\$106,572,448	\$93,253,122	(\$13,319,325)	-12.5%	

ATTACHMENT 4
FY12 Preliminary Projection vs FY12 Final Budget

TOTAL MWRA	FY12 Approved Budget	FY12 Preliminary Projection	Change FY12 Preliminary Projection vs FY12 Approved Budget	
			\$	%
EXPENSES				
WAGES AND SALARIES	\$ 90,319,013	\$ 89,784,413	\$ (534,600)	-0.6%
OVERTIME	3,508,630	3,564,213	55,583	1.6%
FRINGE BENEFITS	17,954,076	17,852,992	(101,084)	-0.6%
WORKERS' COMPENSATION	2,100,000	1,722,000	(378,000)	-18.0%
CHEMICALS	9,047,275	9,047,275	-	0.0%
ENERGY AND UTILITIES	22,654,931	22,934,056	279,125	1.2%
MAINTENANCE	29,470,020	27,704,770	(1,765,250)	-6.0%
TRAINING AND MEETINGS	251,550	260,247	8,697	3.5%
PROFESSIONAL SERVICES	5,892,441	5,592,981	(299,460)	-5.1%
OTHER MATERIALS	4,765,482	4,704,073	(61,409)	-1.3%
OTHER SERVICES	23,323,074	22,880,721	(442,353)	-1.9%
TOTAL DIRECT EXPENSES	\$ 209,286,493	\$ 206,047,741	\$ (3,238,751)	-1.5%
INSURANCE	\$ 2,285,866	\$ 2,025,376	\$ (260,490)	-11.4%
WATERSHED/PILOT	25,576,274	25,586,600	10,326	0.0%
HEEC PAYMENT	3,965,499	3,865,499	(100,000)	-2.5%
MITIGATION	1,528,705	1,511,645	(17,060)	-1.1%
ADDITIONS TO RESERVES	195,467	195,467	-	0.0%
RETIREMENT FUND	7,340,438	7,340,438	-	0.0%
POSTEMPLOYMENT BENEFITS			-	
TOTAL INDIRECT EXPENSES	\$ 40,892,249	\$ 40,525,025	\$ (367,224)	-0.9%
DEBT SERVICE (before offsets)	\$ 368,329,918	\$ 366,884,405	\$ (1,445,513)	-0.4%
VARIABLE RATE DEBT		(16,454,320)	(16,454,320)	N/A
DEFEASANCE ACCOUNT	-	17,899,833	17,899,833	N/A
BOND REDEMPTION			-	
DEBT SERVICE ASSISTANCE	(350,000)	(350,000)	-	0.0%
TOTAL DEBT SERVICE	\$ 367,979,918	\$ 367,979,918	\$ -	0.0%
TOTAL EXPENSES	\$ 618,158,659	\$ 614,552,684	\$ (3,605,975)	-0.6%
REVENUE & INCOME				
RATE REVENUE	589,700,000	\$ 589,700,000	\$ -	0.0%
OTHER USER CHARGES	7,142,494	7,142,494	-	0.0%
OTHER REVENUE	4,872,342	5,516,714	644,372	13.2%
RATE STABILIZATION	1,091,781	1,091,781	-	0.0%
INVESTMENT INCOME	15,352,043	16,252,043	900,000	5.9%
TOTAL REVENUE & INCOME	\$ 618,158,660	\$ 619,703,032	\$ 1,544,372	0.2%
VARIANCE		\$ 5,150,346	\$ 5,150,346	

STAFF SUMMARY

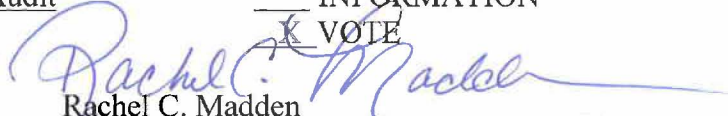
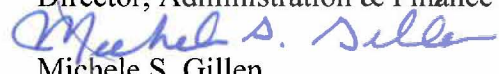
TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director 
DATE: April 11, 2012
SUBJECT: Integrated Financial, Procurement and Human Resources/Payroll Management System Maintenance and Support
Lawson Software, Inc.

COMMITTEE: Administration, Finance, & Audit

INFORMATION

X VOTE

Janice B. Watts, Buyer
Russell J. Murray, MIS Director
Joseph S. Barrett, Custom Support Manager
Preparer/Title


Rachel C. Madden
Director, Administration & Finance

Michele S. Gillen
Deputy Director, Administration & Finance

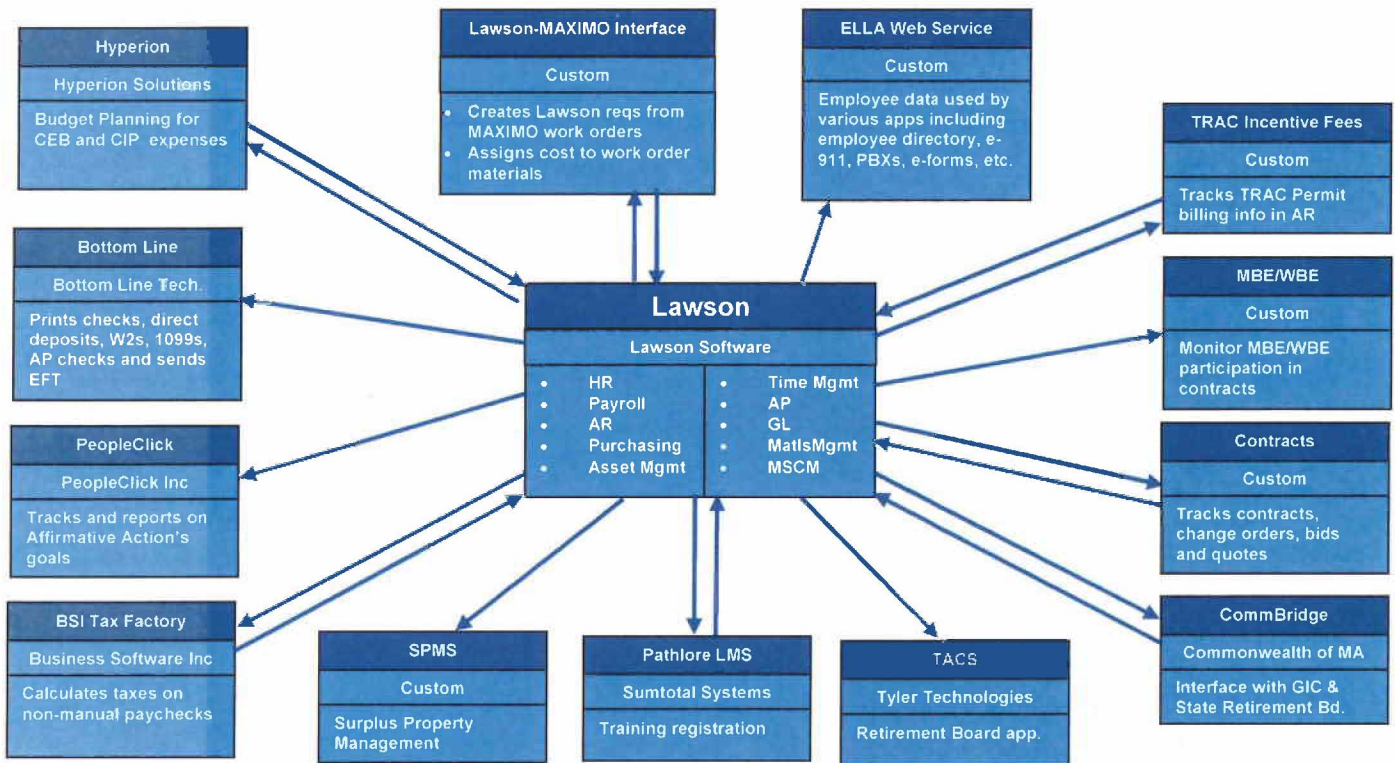
RECOMMENDATION:

To approve the award of a sole source purchase order contract for the annual maintenance and support of the integrated financial, procurement and human resources/payroll management system to Lawson Software, Inc., and to authorize the Executive Director to execute said purchase order contract in an amount not to exceed \$372,945.75 for a period of one year, from June 1, 2012 through May 31, 2013.

DISCUSSION:

On March 24, 1999, the Board of Directors approved Contract 6362 with Lawson Software to implement an integrated financial and procurement management. In May 2000, implementation of a Human Resources/Payroll module was included as part of the Lawson program. Lawson supports numerous MWRA functional areas including Human Resources, Payroll, Finance, Procurement, and Materials Management. This support is achieved through 13 different application modules. Along with the core system functions, Lawson also serves as the hub for "system-of-record" data used by numerous other applications. The illustration on the next page details the various programs which interface with Lawson.

Lawson Dependent Systems



As part of the normal maintenance of all applications they are typically required to receive periodic upgrades to enhance functionality, introduce new technology, and maintain vendor support. The last Lawson upgrade was completed in May 2009 and was required to maintain vendor support. The 2009 upgrade was significant and introduced new infrastructure software, as well as requiring a new hardware platform. Currently, MWRA is in the process of completing an upgrade from version 9.0 to version 9.0.1. This upgrade is also required to maintain vendor support. This upgrade is expected to be completed by the end of the FY12. In order to ensure that MWRA has the customer support necessary to maintain the Lawson system, staff recommend this one year purchase order.

This maintenance and support agreement is an essential tool to protect the MWRA's Lawson software investment. The Lawson support agreement includes:

- Access to upgrades, updates, corrections and documentation; "How To" assistance, remote diagnosis, priority case queuing, e-mail notifications, Lawson Global Support, hot topics web discussion groups and electronic self-service case logging, tracking and management.
- Access to support engineers twelve hours a day, five days a week and twenty-four hour, seven day a week support for critical issues.

Under the terms of this new agreement with Lawson, MWRA will realize \$200,840 in cost savings for support in FY13, which is funded in FY12's CEB, versus the previous contract terms. The following table details the savings anticipated over the next few fiscal years.

	Fiscal Year			Total
	2013	2014	2015	
Under the Terms of the Current Agreement	\$ 573,786	\$ 591,000	\$ 626,460	\$ 1,791,246
Under the Term of the New Agreement	\$ 372,946	\$ 387,864	\$ 403,378	\$ 1,164,188
Projected Annual Savings	\$ (200,840)	\$ (203,136)	\$ (223,082)	\$ (627,058)

These savings are a result of a few different factors including MWRA's ongoing efforts to reduce the use of customized applications and use more off-the-shelf products wherever possible. The cost associated with this new agreement also includes new Lawson modules that will allow MWRA to continuing the transition from customized applications to these new off-the-shelf programs and still meet MWRA's specific needs. These new modules offer more functionality and integration with other Lawson modules. The purchase of these off-the-shelf modules and eventual elimination of existing customized applications is consistent with the recommendations in the MIS 5-Year Strategic Plan. Finally, Lawson has also provided incentives that have significantly reduced licensing costs.

Staff have thoroughly reviewed the sole source nature of this procurement. Lawson Software is the manufacturer of this software and while there are third party vendors who provide support for various applications, they do not have the ability to change standard code or provide upgrades or fixes to the application. This ability is important to MWRA to ensure that it is able to maximize its use of Lawson.

Renewal of the annual maintenance agreement ensures that MWRA will receive vendor support, product patches, version releases and software upgrades. Non-renewal of the maintenance agreement places the MWRA at risk since no further support will be provided on the existing applications. Therefore, staff recommend that MWRA renew the annual maintenance agreement with the existing vendor to provide ongoing support to the Lawson System.

BUDGET/FISCAL IMPACT:

There are sufficient funds available in the FY12 CEB for this renewal.

MBE/WBE PARTICIPATION:

Lawson Software, Inc. is not a certified Minority- or Woman-Owned business.

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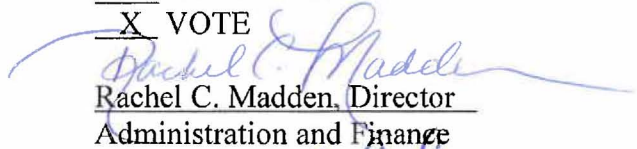
STAFF SUMMARY

TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director
DATE: April 11, 2012
SUBJECT: Groundskeeping Services – Metropolitan Boston
UGL Services
Contract OP-183



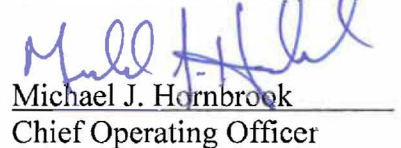
COMMITTEE: Administration, Finance and Audit

INFORMATION
X VOTE



Rachel C. Madden, Director
Administration and Finance

Stephen Cullen, Director W.W. Operations & Maintenance
John P. Vetere, Deputy Chief Operating Officer
Preparer/Title



Michael J. Hornbrook
Chief Operating Officer

RECOMMENDATION:

To approve the award of Contract OP-183, Groundskeeping Services – Metropolitan Boston, to the lowest responsive bidder, UGL Services, and authorize the Executive Director, on behalf of the Authority, to execute said contract in the bid amount of \$300,720 for a contract term of 670 calendar days from the Notice to Proceed.

DISCUSSION:

Contract OP-183 will provide grounds maintenance at 51 MWRA water and wastewater locations spread across the metropolitan Boston area.

MWRA has been contracting grounds maintenance work for a number of years because it is the most cost-effective way to have these services completed. Contracted work includes basic grounds maintenance tasks, such as mowing and trimming at weekly or bi-weekly frequencies. It also includes fall clean-ups that will entail removing leaves, dead branches, and other debris, inspecting the property for pests and/or diseases, and mulching planting beds. Two of MWRA's pipeline easements, Section 22 in Quincy and Section 89 in Woburn, will be mowed once each year. In addition, several of the steep slopes on Dams 1,2,6,7 and 8 at the Fells Reservoir will be regularly cut and vegetation that could affect their structural integrity will be removed.

The contract also includes 200 hours (\$6,400) for the provision of additional services on an as-needed basis to allow MWRA to address grounds maintenance needs that occasionally arise but are not specifically identified in the scope of work, such as treating for unanticipated insects,

pests, diseases, or invasive plants. These service hours do not represent a firm commitment of cost; hours will only be used when services are specifically identified and payment will be made upon satisfactory completion. It should be further noted that although the remainder of the contract is a lump sum amount, the contractor will be required to provide a schedule of values for invoicing purposes. During the contract term, if items of work cannot be completed (e.g., a skipped mowing due to inclement weather), the contractor will not be paid for that item and it will be deducted via change order at the completion of the contract.

Procurement Process

Contract OP-183 was advertised and bid as a non-professional services contract. Bids were received and opened on March 6, 2012 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>
The Groundskeeper, Inc.	\$138,731*
Apple D'Or Maintenance	\$179,400*
Leahy Landscaping, Inc.	\$290,692*
UGL Services	\$300,720
Greenscape Land Design, Inc.	\$306,142
<i>Staff Estimate</i>	<i>\$325,000</i>
Shady Tree Landscaping, Inc.	\$453,600

*Following the bid opening, staff noted that several of the bids were significantly lower than the estimate. The contract term was established as 670 calendar days, which encompasses two complete growing seasons. Staff contacted the lowest three bidders, Groundskeeper, Inc., Apple D'Or Maintenance, and Leahy Landscaping, Inc., and each firm indicated that it had made a significant error in its bid, including only one year of service. Subsequently, all three firms requested permission from MWRA to withdraw their bids. MWRA staff confirmed that substantial mechanical errors had been made and these firms were permitted to withdraw their bids.

Staff's estimate for this contract was developed based on past experience with contracted landscape and lawn maintenance contracts, factoring in additional work tasks, and added facilities, and a projected inflationary increase. UGL Services' bid is 7.5% below staff's estimate. Staff interviewed a representative from UGL Services who demonstrated a clear understanding of the scope of work and affirmed that the bid price included all work items. Based on the interview and a review of UGL Services' bid price, staff are of the opinion that the bid price is reasonable and complete.

References were checked and found to be favorable. UGL Services meets the requirements for experience. UGL has successfully performed groundskeeping work at Deer Island under separate, competitively bid contracts for approximately six years. MWRA staff have reported the company's performance as excellent.

Staff are of the opinion that UGL Services possesses the skill, ability, and integrity necessary to perform the work under this contract and is qualified to do so.

Therefore, staff recommend the award of Contract OP-183 to UGL Services as the lowest responsive bidder.

BUDGET/FISCAL IMPACT:

Sufficient funds for this contract have been included in the Operations Division's FY12 Current Expense Budget. Appropriate funding will be included in subsequent CEB requests for the remaining term of the contract.

MBE/WBE PARTICIPATION:

There were no MBE or WBE participation requirements established for this contract due to the limited opportunities for subcontracting.

APB.3
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4/11/12

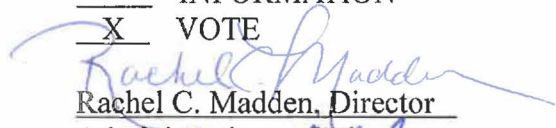
STAFF SUMMARY

TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director
DATE: April 11, 2012
SUBJECT: Technical Assistant Consultant Services, Hazardous Materials
EnviroSense, Inc., Contract 595TA; and Geosphere Environmental
Management, Inc., Contract 596TA



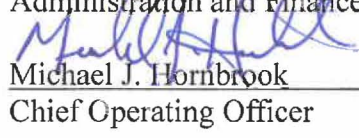
COMMITTEE: Administration, Finance and Audit

 INFORMATION
 X VOTE



Rachel C. Madden, Director
Administration and Finance

Leon E. Lataille, Environmental Manager
Marcel R. Brady, Asst. Mgr., Contract Administration
Preparer/Title



Michael J. Hornbrook
Chief Operating Officer

RECOMMENDATION:

To approve the recommendation of the Consultant Selection Committee to select EnviroSense, Inc., and Geosphere Environmental Management, Inc., to provide Technical Assistance Consulting Services for hazardous materials assessment and abatement, and to authorize the Executive Director, on behalf of the Authority, to execute Contract 595TA with EnviroSense, Inc. and Contract 596TA with Geosphere Environmental Management, Inc., each for a total amount not to exceed \$450,000, with a contract term of three years, and to authorize a Notice to Proceed for the first year of each contract for an amount not to exceed \$150,000.

Further, to authorize the Executive Director to approve separate Notices to Proceed, if recommended by staff, to commence the second- and third-year terms of each contract, for the same yearly not-to-exceed amounts.

DISCUSSION:

The purpose of these technical assistance contracts is to make available, on an as-needed, technical assistance basis, hazardous materials assessment services for small, unanticipated or emergency projects.

Over the years, because of the significant demand for task order work involving hazardous materials, MWRA typically awards separate contracts to the two highest ranked firms in the procurement process. Staff are of the opinion that this two-contract approach has been successful in ensuring the availability of qualified expertise in this important and environmentally sensitive discipline at all times.

Some examples of the type of work that is likely to be addressed under these contracts include:

- preparation and implementation of spill prevention plans required at certain MWRA facilities under the Clean Water Act;
- management of hazardous materials clean-up work by Licensed Site Professionals;
- support for MWRA staff as they plan, design, and construct rehabilitated infrastructure projects;
- develop and implement response actions in accordance with the Massachusetts Contingency Plan; and
- ground water monitoring.

Procurement Process

A one-step Request for Qualifications/Proposals (RFQ/P) process was utilized. These hazardous materials contracts often involve ensuring regulatory compliance and remediation of complex site conditions. In the procurement process, proposers were required to meet minimum threshold qualifications requirements in specific areas of experience and expertise. Respondents were required to confirm in their cover letters that they met the technical threshold requirements, and further, that they currently employ at least one Licensed Site Professional and one Massachusetts-Licensed professional engineer.

The RFQ/P did not include a detailed scope of work on which proposers could submit a cost proposal because tasks will vary depending on the nature and circumstances of the requested work. Instead, firms were required to provide Single Hourly Rates for each person, within each labor classification, for the current year and each of the two successive years of the contract, if extended, along with laboratory and drilling costs. Each Single Hourly Rate is the billable rate of each specific employee for each hour spent on a task order and is inclusive of all direct labor costs, indirect costs, and profit. In addition, proposers were required to complete a sample cost exercise based on the average level of effort for all task orders completed for past hazardous materials contracts over the last three years. The cost exercise was the sole basis for determining the lowest cost proposals.

This RFQ/P was advertised and issued in February 2012; nine proposals were received by the March 16, 2012 deadline.

On March 26, 2012, the Selection Committee met and carefully examined all nine proposals. Based on the proposals, the Selection Committee determined that all but two firms were qualified to perform the work under this contract. Vertex Environmental Services, Inc.'s proposal included no previous experience in human health risk assessment relating to hazardous building materials, including PCBs and experience with the development and implementation of PCB abatement plans under the Environmental Protection Agency's Toxic Substances Control Act regulations. EnviroBusiness also did not meet the same requirements and further, failed to provide a subconsultant for drilling services.

On March 27, 2012, the Selection Committee met again to review the remaining seven proposers' sample cost exercises; the results are presented on the following page.

<u>Firms</u>	<u>Sample Cost Exercise</u>	<u>Rank</u>
EnviroSense, Inc.	\$14,974.00	1
Geosphere Environmental Management, Inc.	\$15,282.00	2
Shaw Environmental & Infrastructure, Inc.	\$16,034.00	3
Weston & Sampson	\$16,289.00	4
SAK Environmental, Inc.	\$17,006.00	5
GZA GeoEnvironmental, Inc.	\$19,453.90	6
Common Sense Environmental, Inc.	Non-responsive	

EnviroSense, Inc. was first-ranked. This firm is one of the incumbent consultants for hazardous materials and its sample cost exercise was the lowest of all proposers. Staff report that EnviroSense has provided outstanding past performance on MWRA work. The firm successfully completed task orders on schedule and within budget. The firm proposed a highly qualified project team with excellent experience performing complex Massachusetts Contingency Plan and hazardous building materials work, as well as possessing the requisite knowledge of environmental regulations. The firm's proposal included an excellent decision-making flow chart that supported a detailed technical and management approach to anticipated task order work.

Geosphere Environmental Management, Inc. was the second-ranked firm. This firm is also an incumbent consultant for hazardous materials and its cost exercise was the second lowest of all proposals. Geosphere's proposal included a well-qualified project team with excellent experience in environmental regulations and expertise in the Massachusetts Contingency Plan, NPDES permitting, spill prevention, control and countermeasure plans, hazardous building materials assessments, including asbestos, lead paint and PCBs, and hazardous waste management. The firm's proposal demonstrated significant experience on previous related projects and a thoughtful technical and management approach to anticipated task order work.

The Selection Committee determined that Common Sense Environmental, Inc.'s sample cost exercise was incomplete and non-responsive. The firm failed to identify individuals or provide single hourly rates for labor categories "Engineer" and "Clerical" as clearly required in the RFQ/P. As a result, the Selection Committee members were in agreement that they could not fairly or accurately compare this firm's sample cost exercise with the others.

The Selection Committee was in agreement that the remaining firms, while qualified and having met the threshold requirements, submitted proposals that were not as competitively priced as the two selected firms.

BUDGET/FISCAL IMPACT:

The FY12 Capital Improvement Program Budget contains \$900,000 for Hazardous Materials Services. Therefore, adequate funds are available for these contracts.

MBE/WBE PARTICIPATION:

No MBE or WBE participation requirements were established for this project because of limited opportunities for subcontracting.



MASSACHUSETTS WATER RESOURCES AUTHORITY

Charlestown Navy Yard
100 First Avenue, Building 39
Boston, MA 02129

Frederick A. Laskey
Executive Director

Telephone: (617) 242-6000
Fax: (617) 788-4899
TTY: (617) 788-4971

WASTEWATER POLICY & OVERSIGHT COMMITTEE MEETING

Chair: J. Foti
Vice-Chair: J. Walsh
Committee Members:
J. Carroll
M. Gove
J. Hunt
A. Pappastergion
M. Turner

to be held on

Wednesday, April 11, 2012

Location: 100 First Avenue, 2nd Floor
Charlestown Navy Yard
Boston, MA 02129

Time: Immediately following AF&A Comm.

AGENDA

A. Approvals

1. Approval of FoxRock Research Realty, LLC Sewer Connection in Hingham

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MASSACHUSETTS WATER RESOURCES AUTHORITY

Meeting of the
Wastewater Policy and Oversight Committee

March 14, 2012

A meeting of the Wastewater Policy and Oversight Committee was held on March 14, 2012 at the Metropolitan Waterworks Museum in Boston. Chairman Foti presided. Present from the Board were Messrs. Barrera, Carroll, Pappastergion and Walsh; Mr. Cotter joined the meeting in progress. Among those present from the Authority staff were Fred Laskey, Steve Remsberg, Mike Hornbrook, Carl Leone, Dave Kubiak, and Bonnie Hale. The meeting was called to order at approximately 11:55 a.m.

Information

I/I Local Financial Assistance Program Update

Staff provided a review of the program update.

Approvals

*Final CSO Annual Progress Report 2011

The Committee recommended approval of the submittal of the final report to the Federal District Court (ref. agenda item B.1).

Contract Awards

The Committee recommended approval of the following three contract awards:

*Alewife Brook CSO Improvements Design, Construction Administration and Resident Inspection Services: Fay, Spofford & Thorndike, LLC, Contract 6952
(ref. agenda item C.1).

(Mr. Cotter joined the meeting.)

*Brookline Overflow Conduit/MWR010 CSO Cleaning: National Water Main Cleaning Company, Contract 7077C
(ref. agenda item C.2).

*Aeration Efficiency Improvement - Clinton Wastewater Treatment Plant: R.H. White Construction Co., Inc., Contract 7278
(ref. agenda item C.3).

The meeting adjourned at approximately 12:05 p.m.

* Approved as recommended at March 14, 2012 Board of Directors meeting.

W.A.1
IV A.1
4/11/12

STAFF SUMMARY

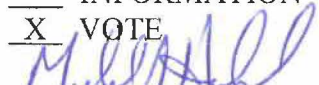
TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director
DATE: April 11, 2012
SUBJECT: Approval of FoxRock Research Realty, LLC Sewer Connection in Hingham



COMMITTEE: Wastewater Policy & Oversight

 INFORMATION
 X VOTE

Pamela Heidell, Policy and Planning Manager
Preparer/Title


Michael J. Hornbrook
Chief Operating Officer

RECOMMENDATION:

To approve an increase in wastewater discharged to MWRA via the Weymouth sewer system for 105 Research Road in Hingham, as set forth in FoxRock Research Realty, LLC's application to MWRA and in accordance with MWRA Policy #OP.11, *Admission of New Community to MWRA Sewer System and Other Requests for Sewer Service to Locations Outside MWRA Sewer Service Area*, and subject to final approval of the Governor and General Court.

Further, to authorize the Executive Director, on behalf of the Authority, to execute a Sewer Connection Agreement with FoxRock Research Realty, LLC, substantially in the form shown in Attachment A, to increase the sewer flow from 2,025 gallons per day, as previously approved, to up to 5,336 gallons per day, subject to an additional entrance fee payment of \$12,750.00 and inflow removal.

DISCUSSION:

In 2004, the Board approved a connection to MWRA's sewer system by an office/warehouse use at 105 Research Road in Hingham via the Weymouth sewer system, and authorized a discharge up to 2,025 gallons per day (gpd). FoxRock Research Realty, LLC (FoxRock), the current owner of the property, now seeks MWRA's approval for a wastewater discharge of 5,336 gpd from 105 Research Road (see attached Figure 1). A formal application to MWRA was submitted in February 2012.

The increased wastewater discharge of 3,311 gpd is associated with the renovation, reuse, and expansion of the existing warehouse facility at 105 Research Road by FoxRock for use by the South Shore Educational Collaborative (SSEC). SSEC provides specialized educational and residential programs and services for students and adults diagnosed with a wide range of intellectual, educational, emotional, social, physical, and/or medical challenges. SSEC will serve 152 students between pre-kindergarten through 6th grades, 228 students between 7th and 12th grades, and 70 adults. The wastewater to be discharged is typical sanitary wastewater. SSEC seeks to open in July 2013, after construction/retrofits of the buildings at 105 Research Road are complete.

FoxRock considered other wastewater management alternatives prior to its application to MWRA. Due to a high groundwater table and unsuitable soils near the surface, and the site's location within a tributary area of public surface water supply, FoxRock deemed replacement of the pre-2004 on-site sewage disposal system to be imprudent. FoxRock also considered the Town of Hingham's intent to sewer an Industrial Park area in southwest Hingham. The Town's proposed Industrial Park sewer district encompasses the 105 Research Road site, and studies are underway to determine the suitability of a site for a treatment plant. Given the status of Hingham's sewer plan implementation, FoxRock concluded that the treatment plant and sewer system could not be constructed by the Town in time for the 2013 school year and the slated opening of the SSEC's new facility. In a letter to MWRA, the Town of Hingham's Office of Selectman indicated it had no objection to the proposed increase in wastewater discharge from the SSEC, while also stating that all properties in the Industrial Park Area district benefitted by Hingham's proposed treatment plan would be subject to a betterment assessment.

The characteristics of the projected school population and the provisions of 310 CMR Section 15.00 (Title 5) were used to estimate the total wastewater discharge of 5,336 gpd, which represents an increase of 3,311 gpd of wastewater more than the 2,025 gpd previously approved. An increase of 3,311 gpd was used as the basis for determining the revised entrance fee due MWRA for any increase in flow, as well as inflow reduction requirements. The additional/revised entrance fee owed MWRA is \$12,750.00. The entrance fee will be due within 30 days of execution of a Sewer Agreement between MWRA and FoxRock.

Pursuant to OP.11, a four-to-one (4:1) verifiable reduction in inflow within the MWRA transporting community or further downstream is required by MWRA. An increase of 3,311 gpd results in the need for an approximate inflow reduction of 13,244 gpd to satisfy MWRA requirements. The Town of Weymouth's Department Public Works, which is in support of the project, is requiring FoxRock to mitigate sewer discharges by a 6:1 inflow/infiltration ratio or pay a \$17/gpd mitigation fee that Weymouth is to use for mitigation of flow. Weymouth has indicated that its 6:1 I/I ratio does include the MWRA's 4:1 inflow reduction requirement. Weymouth has provided a list of private sump pumps currently connected to the Weymouth sewer system and not in compliance with MWRA regulations. FoxRock, through its consultant, is required to remove and redirect the flows of 12 sump pumps from Weymouth's sewer system, and to fund and coordinate the proposed sump pump removal in response to MWRA's inflow reduction requirements. Removal of 12 sump pumps equates to an estimated inflow removal of 14,400 gpd, pursuant to Massachusetts DEP Policy *Managing Infiltration and Inflow in MWRA Community Sewer Systems Policy No. BRP09-01*. In this policy, DEP determined that a flow credit of 1,200 gpd per sump pump is reasonable, with sump pump removal credit contingent upon elimination of sump pump connections to the sewer system through a permanent, hard-piped connection to an alternative means of discharge, such as a discharge to the ground, through a separate storm drain service connection, or by other means which ensure that sumps pumps will not discharge to the sewer system.

In the event that FoxRock is unable to coordinate and complete the removal of twelve sump pumps connected to the Weymouth system due to lack of homeowner cooperation, FoxRock will be required to propose alternative inflow removal projects and to submit a Revised Inflow Removal Report to MWRA and the MWRA Advisory Board for approval. The Revised Inflow Removal Report shall identify projects to achieve a verifiable removal of 13,244 gallons of inflow to meet MWRA's 4:1 inflow reduction requirement. Inflow removal and verification

must occur prior to the proposed increase in discharge and must be documented in an Inflow Removal Completion Report submitted to MWRA and the Advisory Board.

MWRA's inflow reduction requirements are intended to mitigate any increase in wastewater discharge. The impact of an increased wastewater discharge of 3,311 gpd is too small a quantity of flow to be measurable by hydraulic modeling. Previous modeling of 100 times this flow indicated a 0.05-foot increase in the hydraulic grade line at the location where the Weymouth flows come into MWRA's system. MWRA has recorded sanitary sewer overflows (SSOs) at Nut Island in Quincy during rare extreme storms. The required inflow removal should result in no increase to the frequency or volume of any SSOs at Nut Island. Letters of support from both the Town of Weymouth's mayor and DPW director state that the proposed increase in sewer flow of 3,311 gpd will not cause any impact to Weymouth's sewer system.

FoxRock is undertaking further mitigation to offset any increase in interbasin transfer. To offset the difference between the amount of wastewater discharge approved by the Water Resources Commission in 2002 (under a Request for Determination of Insignificance under the Interbasin Transfer Act) and the increased wastewater discharge proposed by FoxRock, FoxRock has proposed to fund water conservation measures as part of the Aquarion Water Company Water Balance Program to conserve water resources in Hingham. On June 16, 2011, the Massachusetts Water Resources Commission voted to allow FoxRock to proceed with proposed offsets to obviate the need for an increase in interbasin transfer.

When 105 Research Road's connection to MWRA was approved in 2004, approvals by the Legislature, the Governor, the Towns of Hingham and Weymouth, and the Advisory Board, as well as the Water Resources Commission, were obtained prior to the MWRA Board's approval. Whereas legislation approving connections to MWRA's system frequently provides the flexibility for an applicant to increase its discharge to MWRA without additional legislative authorization provided any increase is approved by MWRA and the Advisory Board, the 2003 Act *Authorizing the Town of Weymouth to Grant Access To Its Sewer System And To Assess Charges*, specifically stated that the discharge from the property to the sewer system shall not exceed a maximum of 2,025 gpd. This limitation in the 2003 legislation requires the Applicant to seek legislative approval for an increase in flow. A bill is currently being considered by the Legislature and the proposed legislation provides for a discharge of 5,400 gpd, unless an additional amount is approved by MWRA pursuant to all applicable policies of the MWRA. Should MWRA's Board approve the increase in flow, the increased discharge to MWRA and execution of a Sewer Connection Agreement will be contingent upon approval of the bill by the Governor and the General Court.

On March 15, 2012, MWRA's Advisory Board approved the increased discharge from 105 Research Road to the MWRA system through the Town of Weymouth, subject to inflow reduction, payment of an entrance fee, and final approval by the Governor and General Court. A copy of the MWRA Advisory Board's letter is attached as Exhibit A to the Agreement.

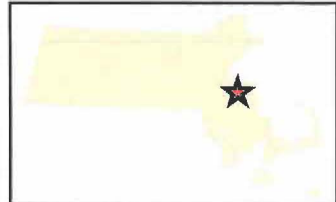
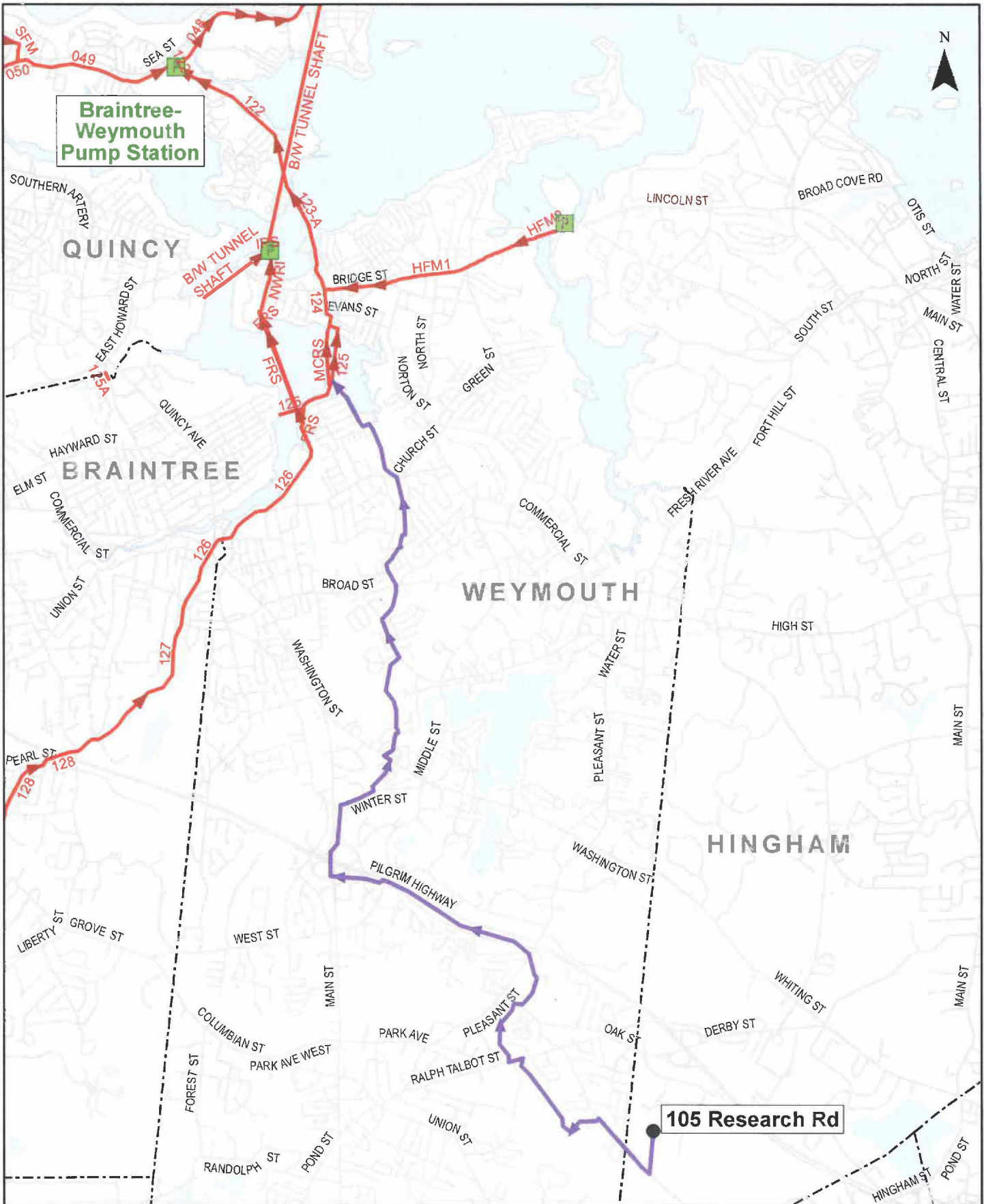
The relationship between MWRA and FoxRock will be governed by a Sewer Connection Agreement that sets forth appropriate terms and conditions related to the aforementioned entrance fee, inflow reduction requirements, limitations on further connections, maintenance responsibilities, compliance with MWRA regulations, and annual reporting requirements.

BUDGET/FISCAL IMPACT:

Should the Board approve the connection, and should the Governor and the General Court approve the aforementioned legislation, a Sewer Connection Agreement will be executed consistent with the guidelines of MWRA Policy #OP.11. FoxRock will be invoiced \$12,750 following execution of the Sewer Connection Agreement.

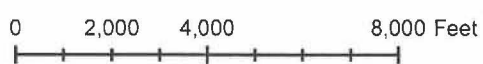
ATTACHMENT:

Attachment A - Sewer Connection Agreement with FoxRock Research Realty, LLC



- Pump Stations
- MWRA Sewers
- Locally Owned Sewers

Figure 1



SEWER CONNECTION AGREEMENT
BETWEEN
MASSACHUSETTS WATER RESOURCES AUTHORITY
AND
FOXROCK RESEARCH REALTY, LLC

PARTIES

This Sewer Connection Agreement (“Agreement”) is entered into by and between Massachusetts Water Resources Authority (“MWRA”) and FoxRock Research Realty, LLC (“FoxRock” or “Applicant”), working on behalf of the South Shore Educational Collaborative School to renovate, reuse, and expand an existing warehouse facility located at 105 Research Road, Hingham, MA (hereafter collectively referred to as the “Parties”).

This Agreement sets forth the terms and conditions under which MWRA agrees to receive, transport, treat, and dispose of sanitary wastewater from the property at 105 Research Road in the Town of Hingham (“Hingham”), and under which the Applicant agrees to pay for the transport, treatment, and disposal of its wastewater, through a local connection located in and owned by the Town of Weymouth (“Weymouth”), to the MWRA wastewater transport, disposal and treatment systems.

RECITALS

- R.1 The Massachusetts Legislature created MWRA in December 1984 to use, operate maintain and improve the waterworks and sewerage systems serving the greater metropolitan Boston area. Operating pursuant to its enabling act under chapter 372 of the Acts of 1984 (the “Enabling Act”), MWRA provides wastewater collection, transport, treatment and disposal services for specified member communities, including Weymouth.
- R.2 On October 11, 2006, the MWRA Board of Directors approved revisions to System Expansion Policy OP-11, Admission of New Community to MWRA Sewer System and Other Requests for Sewer Service to Locations Outside MWRA Sewer Service Area (“OP-11”). The Policy sets forth the procedures by which MWRA may accept the discharge of wastewater from communities and to all parties seeking sewer services for locations outside the MWRA sewer service area as set forth in section 8 (c) of the MWRA Enabling Act.
- R.3 On February 11, 2004, the MWRA Board of Directors approved an application for the connection by FoxRock at 105 Research Road for a flow of 2,025 gallons per day (gpd). Pursuant to the provisions of OP-11, and MWRA’s enabling act, approvals by the Legislature, the Governor, the Towns of Hingham and Weymouth, and the Advisory Board were obtained prior to the Board of Director’s approval.

- R.4 Chapter 149 of the Acts and Resolves of 2003, An Act Authorizing the Town of Weymouth to Grant Access To Its Sewer System And To Assess Charges Therefore, provides that the MWRA may provide sewer services to the 105 Research Road property upon the condition that the discharge from the property to the sewer system shall not exceed a maximum of 2,025 gallons per day. This limitation in the 2003 legislation requires the Applicant to seek legislative approval for an increase in flow.
- R.5 On June 15, 2004, MWRA entered into a Sewer Connection Agreement with Research Road LLC that limited the approved discharge from 105 Research Road to 2,025 gallons per day and that required any succeeding owners or operators to be bound by all terms and conditions of the Agreement, unless and until a new or modified Agreement was obtained.
- R.6 On February 20, 2012 the Applicant submitted a request to increase the previously approved wastewater discharge of 2,025 gpd by 3,311 gpd for a total wastewater discharge of 5,336 gpd, and notified the MWRA that the new wastewater volume is associated with the renovation, reuse, and expansion of the existing warehouse facility at 105 Research Road for the South Shore Educational Collaborative (SSEC)'s future use as a school. SSEC will serve 152 students between pre-kindergarten through 6th grades, 228 students between 7th and 12th grades, and 70 adults. The provisions of 310 CMR Section 15.00 (Title 5) provide: (i) estimated wastewater discharge volumes for an Elementary School with Cafeteria but no gymnasium or showers of 8/gpd/person; and (ii) estimated wastewater discharge volumes for a Secondary School with Cafeteria but no gymnasium or shower of 15/gpd/person; and estimated wastewater discharge volumes for additional adults of 10/gpd/person. Based upon the projected school population and the provisions of 310 CMR Section 15.00, total wastewater discharges from SSEC will not exceed 5,336 gallons per day.
- R.7 In 2002, the Water Resources Commission approved a wastewater discharge of 2,025 gallons for 105 Research Road under a Request for Determination of Insignificance under the Interbasin Transfer Act. To offset the difference between the amount of wastewater discharge approved by the WRC in 2002 and the increased wastewater discharge proposed by the Applicant on behalf of SSEC in 2012, the applicant has proposed to fund water conservation measures as part of the Aquarion Water Company Water Balance Program to conserve water resources in Hingham. On June 16, 2011 the Massachusetts Water Resources Commission voted to allow FoxRock to proceed with proposed offsets to obviate the need for an increase in interbasin transfer. Offset credits were determined to be consistent with the Water Resources Commissions' *Offsets Policy Regarding Proposed Interbasin Transfers*, effective October 11, 2007.
- R.8 The wastewater to be discharged is typical sanitary wastewater.

- R.9 On September 14, 2011, the Town of Weymouth Department Public Works, representing the transporting community, consented to the increase in flow of 3,311 gallons per day, and required mitigation of flow. On September 14, 2011 Weymouth Mayor Susan M. Kay also determined that the additional flow will not cause any impact on the Weymouth system. On September 27, 2011 the Town of Hingham Office of Selectman provided a letter of support for an increase of 3,311 gallons per day over the volume of flow currently permitted under the sewer connection agreement between MWRA and Research Road LLC.
- R.10 OP-11 requires a four-to-one (4:1) verifiable reduction in inflow. The proposed wastewater discharge will increase by 3,311 gallons per day, over the 2,025 gallons per day previously approved and mitigated for. The increase in 3,311 gallons per day results in the need for an approximate reduction of 13,244 gallons per day to meet MWRA's inflow removal requirement. Weymouth and the Applicant coordinated to develop the projects necessary to achieve a 4:1 verifiable reduction in inflow. Weymouth provided a list of private sump pumps currently connected to the Weymouth sewer system and not in compliance with MWRA regulations that require redirection. The Applicant, through its consultant, is required to remove and redirect the flows of 12 sump pumps from Weymouth's sewer system, and to fund and coordinate the proposed sump pump removal. Removal of 12 sump pumps equates to an estimated inflow removal of 14,400 gallons per day, pursuant to Massachusetts DEP Policy *Managing Infiltration and Inflow in MWRA Community Sewer Systems Policy No. BRP09-01*. In this policy, DEP determined that a flow credit of 1,200 gallons per day per sump pump is reasonable, with sump pump removal credit contingent upon elimination of sump pump connections to the sewer system through a permanent, hard-piped connection to an alternative means of discharge, such as a discharge to the ground, through a separate storm drain service connection, or by other means which ensures that sumps pumps will not discharge to the sewer system.
- R.11 On March 15, 2012, the MWRA Advisory Board approved the increased discharge from 105 Research Road to the MWRA system through the Town of Weymouth, subject to certain conditions incorporated herein as obligations of the Applicant, including but not limited to legislative approval to allow for a discharge of up to 5,336 gallons per day, unless an additional amount is approved by MWRA. The MWRA Advisory Board letter is attached as Exhibit A to this Agreement.
- R.12 On April 11, 2012, MWRA's Board of Directors approved the increase in discharge from 105 Research Road to the MWRA sewer system through Weymouth, contingent upon legislative approval, completion of inflow removal of at least 13,244 gallons per day currently reaching Weymouth and MWRA transport infrastructure, and subject to all other MWRA and MWRA Advisory Board conditions, as set forth in the Staff Summary to the Board of Directors dated April 11, 2012.

- R.13 Consistent with the guidelines set forth in MWRA's Policy and approval of the connection by the MWRA Advisory Board and the MWRA Board of Directors, the Applicant agrees to pay MWRA an entrance fee of \$12,750.00 for the increase in discharge of 3,311 gallons per day.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing recitals and of the mutual consideration, promises and undertakings described below, the Parties agree as follows:

1. Costs. All costs and expenses incident to the installation, maintenance, repair and replacement of the connection shall be borne by the Applicant. The Applicant hereby agrees to indemnify, defend and hold MWRA harmless for any loss or damage caused to MWRA's sewer system that directly arises out of the negligent acts or omissions of the Applicant or its agents or employees in connection with the construction of the connection, but the foregoing indemnity shall not apply to the extent any such loss or damage is caused solely by the acts or omissions of the MWRA, the Town of Weymouth or the Town of Hingham, or any of their respective agents.
2. Repair and Maintenance. Repair and maintenance of the approved connection and all costs of same shall be the responsibility of the Applicant. Under no circumstances shall any costs for the repair and maintenance of this connection (pipeline) be or become the responsibility of MWRA.
3. Compliance with Approved Plans. The discharge (calculated as an average daily discharge) authorized herein shall be maintained in accordance with the terms and conditions of this Agreement, MWRA Sewer Use Regulations, the State Plumbing Code, applicable regulations of the Massachusetts Department of Environmental Protection, as such regulations as may be applicable, as amended from time to time. The discharge of any wastewater different in composition or nature from, or at a level in excess of that identified and authorized in this Agreement may result in the imposition of fines and/or penalties. Groundwater, stormwater, surface water, roof and surface runoff shall not be discharged to the sewer system and the pipeline constructed to serve and connect to 105 Research Road shall be operated and maintained to minimize, to the maximum extent possible, all inflow and infiltration into the municipal and MWRA sewer systems.
4. Entrance Fee. The Applicant shall pay MWRA an entrance fee of \$12,750 not later than 30 days after the date on which this Agreement is executed.
5. User Charges. The Applicant shall pay Weymouth sewer use charges in accordance with the provisions of its agreement with Weymouth.
6. Infiltration/Inflow Reduction. The Applicant agrees to be responsible for inflow removal projects that will realize at least a 4:1 reduction in inflow in the MWRA

wastewater system, said projects to be fully completed, implemented and operational prior to any increase in the level of discharges from the connection to the Weymouth system. For the purposes of inflow reduction requirements, a wastewater generation rate and maximum daily flow of 3,311 gpd is used. The Applicant shall fund and coordinate the removal of 12 sump pumps from the Weymouth system, and shall cause all flows originating from those sump pumps to be hard-piped and directed to permitted overland flow, or to a cistern, or to the storm drainage system of Weymouth. Removal and redirection of the flows from 12 sump pumps equates to an estimated inflow removal of 14,400 gallons per day, pursuant to DEP Policy *Managing Infiltration and Inflow in MWRA Community Sewer Systems Policy No. BRP 09-01*. Within 60 days of completion of the work, the Applicant shall submit an Inflow Removal Completion Report to the MWRA Advisory Board and the MWRA verifying that at least 12 sump pumps have been removed and detailing the method(s) by which the flows have been re-directed away from sewer infrastructure to permitted outfall locations. Inflow removal and verification must occur prior to the increase in discharge from the connection to the Weymouth system. The existing agreement between MWRA and Research Road LLC shall remain in full force and effect as to the limits upon discharges until such time as all inflow removal and verification has occurred. Thereafter, the increased discharge limits of this Agreement shall become effective and the prior agreement and its lower limits shall cease to be of any force or effect. In the event that despite the Applicant's good faith efforts, it is unable to coordinate and complete the removal of twelve (12) sump pumps from the Weymouth system as called for herein, the Applicant shall be required to submit a Revised Inflow Removal Report to MWRA and the MWRA Advisory Board for their approval. The revised Inflow Removal Report shall identify projects to achieve a verifiable removal of 13,244 gallons or more of inflow. Within 60 days of completion of the work, the Applicant shall submit an Inflow Removal Completion Report to the MWRA Advisory Board and the MWRA verifying that the inflow removal work described in the approved Revised Inflow Removal Report has been completed. Inflow removal and verification must occur prior to the increase in discharge from the connection to the Weymouth system.

7. Amendment, Termination. MWRA shall have the right to unilaterally and immediately terminate this Agreement if it is determined either (i) that the Applicant has, or any of its successors have, allowed a change in use to occur that results in a significant change in the nature of composition of wastewater or significantly increases the volume of wastewater being discharged from the property above the amounts permitted under this Agreement or (ii) that Applicant entered into this Agreement by a misrepresentation of fact(s) known to it or any of its managers, employees, agents or consultants or by a failure to fully disclose all relevant facts to MWRA. This Agreement may be terminated by MWRA subject to the default, notice and cure provisions of paragraph 8 hereof upon the occurrence of any other violation of or the failure to comply with and failure to cure any default of material term or condition of this Agreement or for any violation of any terms and conditions of any permit issued by MWRA. This

Agreement may be amended only by a writing executed by both parties hereto and then only after all necessary approvals, if any, to its amendment have been obtained.

8. Default by Applicant. Except as otherwise provided in paragraph 7 hereof, if the MWRA determines that the Applicant is in violation of any of the terms and conditions of this Agreement in any material respect, then the MWRA shall give the Applicant written notice thereof. Upon receipt of such written notice, the Applicant shall have thirty (30) days to cure such breach unless the parties expressly agree that the time to cure may extend over a longer period not to exceed ninety (90) days, but only so long as the Applicant is making good faith efforts to cure such breach in an expeditious and diligent matter. In the event that the Applicant fails to cure such breach or default within such time period, MWRA shall have the right to take such action and enforce the provisions of this Agreement including the right to disconnect.
9. Property Rights. This Agreement does not convey and shall not be construed as conveying any property rights in either real or personal property, nor does it authorize or relieve Applicant from any liability or responsibility for injury to private property or any invasion of personal rights. Nor does this Agreement authorize any violation of federal, state or local laws or regulation. Nor shall this Agreement constitute a waiver of the necessity of obtaining any local approvals required by law for the discharge authorized herein to MWRA's sewer system. Notwithstanding the foregoing, the terms and conditions herein contained shall inure to the benefit of and be binding upon the parties hereto, their respective successors and assigns, and all rights and obligations hereunder shall run with the Property.
10. Change in Use or Ownership. Applicant shall have no right to assign this Agreement. Prior to any change in control or ownership of either the parcel identified herein as 105 Research Road or of the entity FoxRock, the Applicant shall notify the successor of the existence of this Agreement in writing, a copy of which notice will be promptly delivered to the MWRA. Successors to Applicant shall be bound by all the terms and conditions of this Agreement unless and until a new or modified Agreement is executed. In each instance of any change in ownership, the Applicant or its successor shall be obligated to provide MWRA with a writing signed by the successor in interest which states unconditionally that said successor agrees to be bound to each of the terms of this Agreement.
11. Compliance with MWRA's Regulations. The Site shall be subject to and shall at all times comply with all applicable MWRA regulations at 360 CMR 2.00 and 10.000 and with the Policy, as the same may be amended from time to time. It shall be the obligation of Applicant and any successor to Applicant to take all actions necessary to remain in compliance with the said regulations and policies at all times.

12. Other Connections. The 105 Research Road connection approved hereunder includes service only to the structures permitted by law to occupy the lot upon which it is situated. Neither Applicant, nor any successor thereto nor anyone acting by or through Applicant shall consent to, or be a party to or otherwise allow any additional connections without the prior written approval of MWRA having the authority to grant such approvals.
13. Approved Discharge. Applicant is approved to discharge up to 5,336 gallons per day, calculated as an annual average day per calendar year from 105 Research Road. Any expansion of the permitted uses of the property resulting in an increase beyond the approved discharge will require further review and approval by MWRA and will require a new or modified agreement reflecting, but not limited to, revised entrance fee and inflow reduction requirements.
14. Annual Reporting. Applicant shall annually provide MWRA with a report of estimated wastewater generation from 105 Research Road no later than January 31 of each year beginning in 2013 unless other arrangements are made with MWRA for filing the report. The annual report shall be based upon water usage, as measured by water meters, as well as other supporting information and other reasonable means for determining wastewater discharges as developed by the Applicant in cooperation with the Town of Weymouth.
15. Notices. Any notices under this Agreement shall be sent by Certified Mail Return Receipt Requested or hand delivered, and shall be addressed as specified below:

If to the Applicant, addressed to:
FOXROCK – please provide name and address

If to MWRA, addressed to:

Executive Director (with a copy to Chief Operating Officer)
Massachusetts Water Resources Authority
100 First Avenue
Charlestown, MA 02129

The Parties shall each be responsible for promptly notifying the other of any change of address by sending a notice thereof in the manner provided in this paragraph.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives.

MASSACHUSETTS WATER RESOURCES AUTHORITY

Frederick A. Laskey
Executive Director

Date: _____

FOXROCK RESEARCH REALTY LLC

John Cummings,
Construction Manager

Date: _____



March 19, 2012

Frederick A. Laskey
Executive Director
Massachusetts Water Resources Authority
100 First Avenue
Boston, MA 02129

Dear Mr. Laskey:

On March 15, 2012, the MWRA Advisory Board unanimously approved an increase in flow to a previously approved connection for FoxRock Research Realty, LLC located at 105 Research Road in Hingham, Massachusetts to tie into the MWRA wastewater system via a connection to the Weymouth system.

Presentations regarding the proposal were made to the Executive Committee at their February 10, 2012 meeting and the full Advisory Board at the February 16, 2012 meeting. The motion below was unanimously approved by the Executive Committee on March 9, 2012 and the full Advisory Board on March 15, 2012:

To approve an expansion request under MWRA Policy # OP.11, Requests for Sewer Service to Locations Outside the MWRA Sewer Service Area, subject to final approval of the Governor and General Court, at the request of FoxRock Research Realty, LLC to increase the sewer flow from 2,025 gallons per day (GPD) to 5,336 GPD on a Previously Approved Connection from a 2" Force Main in Hingham Connecting to the Sewer Collection System in the Town of Weymouth.

Consistent with the requirement of MWRA Policy # OP.11, the applicant will remove a four to one reduction of inflow from the local Weymouth wastewater system (13,244 GPD) through the removal of 12 sump pumps from the Local Weymouth Sewer System.

The applicant will pay an additional connection fee of \$12,750, consistent with the guidelines set forth in MWRA Policy # OP.11.

Additionally, consistent with established policies, the applicant will provide the MWRA Advisory Board with a Final Flow Removal Report verifying that 13,244 gallons per day of inflow has been removed from the Weymouth system.

Please provide this letter to members of the MWRA Board of Directors for their consideration.

Sincerely,

Katherine H. Dunphy, Chairman
MWRA Advisory Board

cc: Pam Heidell | MWRA
Donald Rose | Coler & Colantonio
Bonnie E. Hale | MWRA, Assistant to the MWRA Board of Directors



MASSACHUSETTS WATER RESOURCES AUTHORITY

Charlestown Navy Yard
100 First Avenue, Building 39
Boston, MA 02129

Frederick A. Laskey
Executive Director

Telephone: (617) 242-6000
Fax: (617) 788-4899
TTY: (617) 788-4971

WATER POLICY AND OVERSIGHT COMMITTEE MEETING

Chair: J. Hunt
Vice-Chair: V. Mannering
Committee Members:
J. Barrera
J. Carroll
J. Foti
M. Gove
A. Pappastergion
J. Walsh

to be held on

Wednesday, April 11, 2012

Location: 100 First Avenue, 2nd Floor
Charlestown Navy Yard
Boston, MA 02129

Time: Immediately following Wastewater Comm.

AGENDA

A. Information

1. Update on Public Access on Water Supply Lands
2. Water System Redundancy/Improvement Projects Update
3. Coordination of Southern Extra High System Redundancy Project and Tri-Town System Expansion

B. Contract Amendments/Change Orders

1. Sections 18, 50 & 51 Rehabilitation: The Dow Company, Inc., Contract 6394, Change Order 4

MASSACHUSETTS WATER RESOURCES AUTHORITY

Meeting of the
Water Policy and Oversight Committee

March 14, 2012

A meeting of the Water Policy and Oversight Committee was held on March 14, 2012 at the Metropolitan Waterworks Museum in Boston. Member Barrera presided. Present from the Board were Messrs. Carroll, Cotter, Foti, Pappastergion and Walsh. Among those present from the Authority staff were Fred Laskey, Steve Remsberg, Mike Hornbrook, Carl Leone, John Vetere, and Bonnie Hale. The meeting was called to order at 12:15 p.m.

Information

Local Pipeline and Water System Assistance Program Update

Staff provided a brief summary of the program update.

Approvals

*Draft Policy and Guidelines for Authorized Public Access to Water Supply Lands under the Care and Control of MWRA

Consideration of this item was referred to the full Board meeting (ref. agenda item B.1).

Contract Awards

**Upper Hultman Aqueduct Interconnections: Barletta Engineering Corp., Contract 6205

The Committee recommended approval of the contract award (ref. agenda item C.1).

Contract Amendments/Change Orders

**Ultraviolet Disinfection Facilities, Carroll Water Treatment Plant: Daniel O'Connell's Sons, Inc., Contract 6924, Change Order 4

The Committee recommended approval of Change Order 4 (ref. agenda item D.1).

The meeting adjourned at 12:20 p.m.

* Approved as amended at March 14, 2012 Board of Directors meeting.

** Approved as recommended at March 14, 2012 Board of Directors meeting.

WA.1
4/11/12

STAFF SUMMARY


TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director
DATE: April 11, 2012
SUBJECT: Update on Public Access on Water Supply Lands



COMMITTEE: Water Policy and Oversight

X INFORMATION
VOTE

Thomas H. Lindberg, Community Relations Manager
Preparer/ Title


Kevin A. McCluskey
Director of Public Affairs

RECOMMENDATION:

For information only.

DISCUSSION:

At the March 14, 2012 meeting, the Board of Directors approved the Policy and Guidelines for Authorized Public Access to Water Supply Lands under the Care and Control of MWRA. Attached is a copy of those Guidelines, which includes the amendments requested by the Board.

Subsequent to the Board's vote, representatives of the Town of Framingham and various staff from MAPC and MWRA joined Mr. Barrera on March 30, 2012 for a site walk and meeting to discuss the first steps of implementation, which will focus on a pilot trail area along the Weston Aqueduct.

The group walked the entire length of the proposed pilot trail area on the 12 foot wide top of the aqueduct, beginning on the westbound side of Elm Street and continuing to the intersection of Water Street and Potter Road in Framingham. In the meeting that followed, it was agreed that:

- MWRA will work with the Framingham Conservation Commission and Economic Development representatives on the 8M permit, and MWRA will provide draft permit conditions within two weeks. That milestone has been met, and discussion will continue on the details of the 8M permit.
- The Town will work with the Framingham DPW on any street crossing striping that may be required. A smaller group will meet to resolve issues regarding the condition of existing gates for planned openings at street crossings, as well as uniform signage. The pilot trail will be governed by a "carry in, carry out" litter policy, consistent with other local land under the jurisdiction of the Framingham Conservation Commission.

The group will continue to focus on an announcement of the pilot trail effort by Secretary Sullivan at a press conference in the near term to be held at the Bradford Street entrance of the pilot trail. The event will be inclusive of other interested parties from the communities who will also benefit from the new policy. It was also agreed that MAPC would take the lead in coordinating potential linear links to abutting communities along each aqueduct right of way.

The announcement event will be coordinated with a community meeting that same evening with abutters and other interested parties. MWRA will have staff present at the community meeting.

ATTACHMENT:

Final Policy and Guidelines for Authorized Public Access to Water Supply Lands under the Care and Control of MWRA

GOAL: To protect and preserve existing lands under the care and control of MWRA for water supply purposes, while authorizing and permitting public access consistent with good water supply practices. MWRA recognizes the importance of enhancing public access and public involvement in its facilities as a means of improving its own performance in facilities maintenance and building support from its ratepayers.

POLICY: It is the policy of MWRA to work with communities, open space and environmental stakeholders, and the public to authorize site specific public access upon Commonwealth lands under the care and control of MWRA. This public access policy refers to the MWRA controlled aqueduct right-of-ways of the Weston Aqueduct, Sudbury Aqueduct, and the Cochituate Aqueduct , along with the lands surrounding the MWRA's Weston and Norumbega distribution reservoirs. This policy does not refer to sections of these aqueducts for which an easement over private property is held by MWRA and the Commonwealth of Massachusetts.

The completion of MWRA's Integrated Water Supply Improvement Program (IWSIP) identified the need to plan for the management of lands and facilities (aqueducts, distribution facilities, and reservoirs) that were required to remain part of the regional water system, but whose status was now down-graded to emergency back-up. These facilities would continue to be managed and maintained by MWRA, however, since scarce staff resources are now directed to properly managing the new facilities, the opportunity to work more closely with host communities and non-profits to continue to protect the water supply land has always been a planning and operations goal.

MWRA, in cooperation with MAPC and the communities in Metro-west, published a study in July 1998 on the feasibility of authorizing public access to retired aqueduct right-of-ways. The Beals and Thomas Study identified portions of aqueduct right-of-ways where MWRA controlled lands could be incorporated into local open space plans. The report included discussion of the types of appropriate uses (walking, running, hiking) and the legal, jurisdictional and management decisions that would be required to establish such a policy. Biking could be permitted, as long as the existing soils covering the top of and side slopes of the aqueduct (generally 3-5 feet) pipeline are protected from erosion. Stone dust or gravel or other treatments may be required.

In the intervening years, MWRA has established formal agreements with a few host communities in the form of 8(m) permits and an MOA. It is important to note that each location has unique characteristics and therefore requires the necessary flexibility to address those characteristics, which will be accomplished by customizing the terms of MWRA's required 8(m) permit to be issued for each location.

MWRA has identified the following as required standards:

General Public Access Permit Conditions

I. MWRA Protections

MWRA retains care, custody and control of all lands and structures for the purpose of supplying potable water to communities in its service area. No public access activity can supersede this legislative mandate.

As it has with both the Deer Island and Nut Island public access areas, MWRA will work with the permittees and other stakeholders to develop a standardized signage plan that includes information to help educate the public about the water system and its important history, and to inform the public about rules and limitations applicable to use of public access areas. MWRA will have the right to approve of the design, dimensions and wording of any proposed signage.

MWRA has the right to review and approve in advance all of the permittee's work, including plans and specifications.

MWRA may enter upon any permitted location to carry out inspection, maintenance, repair and replacement of its property at any time and without prior approval of the permittee.

MWRA may revoke its 8(m) permit at any time, and the permit is not assignable or transferable.

Permitted activity shall not create additional maintenance responsibilities for MWRA. Permittees will be required to perform all necessary maintenance duties to the satisfaction of MWRA.

Each 8(m) permit shall provide for mutually agreeable release and indemnification terms which will protect MWRA from any and all claims, suits, and causes of action including loss, damage or destruction of property, for personal injury or death of any consultant, contractor, employee or agent of either the permittee or by any entity acting by or through the permittee, and from any member of the public. Permittee shall not charge any fee whatsoever for the right of the public to access or use any part of the land areas subject to MWRA's care, custody and control.

MWRA will maintain the right to impose without advance notice any emergency closure procedures to any permitted public access area in the event of a water supply emergency.

II. Permittee Requirements

Permittee shall develop and submit to MWRA for its approval a comprehensive Use and Access Plan which shall describe all principal uses of the area intended by the Permittee.

Permittee shall develop and submit to MWRA for its approval a Safety and Emergency Response Plan in conjunction with local police and fire departments, including police patrols when necessary.

Permittee shall be formed as a legal entity having the authority to agree to and to be bound by the terms of MWRA's 8(m) permit for the location to which public access is to be granted. MWRA's 8(m) permit will be issued in the name of that legal entity.

Permittee shall bear all costs and expenses of operation and maintenance of the areas subject to MWRA's 8(m) permit, and permittee shall not incur any expenses for the account of or in the name of MWRA.

Permittee will not, without the advance written approval of MWRA, clear, trim or cut any trees, shrubs or other natural growth on the permitted property. Permittee shall completely repair any damage resulting from trail use that compromises MWRA interests in the land.

Permittee shall be responsible for the development and operation of any trail system, including coordination with abutting property owners and other stakeholders.

Permittee shall cooperate with surrounding municipalities or other public entities in developing a regional passive recreational plan for MWRA lands in the area. All such plans shall require the advance review and approval by MWRA.


Permittee shall be responsible for collection and removal of trash and other debris.

No motor operated vehicles (e.g., dirt bikes, ATVs, etc.) will be permitted anywhere within any area subject to MWRA's 8(m) permit.

Permittee shall post signage acknowledging the trail as MWRA land, including phone numbers for emergency contact, and highlighting the rules and regulations governing public access to and use of the land. MWRA will have the right to approve of the design, dimensions and wording of any proposed signage.

STAFF SUMMARY

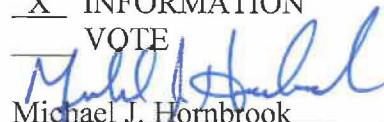
TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director
DATE: April 11, 2012
SUBJECT: Water System Redundancy/Improvement Projects Update



COMMITTEE: Water Policy & Oversight

X INFORMATION
VOTE

A. Navanandan, Director, Construction
Jae R. Kim, Chief Engineer
Preparer/Title


Michael J. Hornbrook
Chief Operating Officer

RECOMMENDATION:

For information only. Staff also will provide a presentation to the Board on the status of six ongoing water construction projects.

DISCUSSION:

MWRA has six construction projects underway or nearly completed with a total awarded value of approximately \$137 million that will provide much needed redundancy and water quality improvements to MWRA's regional water system. The following is a list of the contracts followed by a summary of each contract and its status.

- Contract 6975 - Hultman Aqueduct Interconnections, CP-6A
- Contract 6924 - John J. Carroll WTP UV Disinfection Facilities
- Contract 6457 - Spot Pond Storage Facility Design Build
- Contract 7261 - Stoneham/Reading Connection
- Contract 6584 - Lynnfield/Saugus Pipeline
- Contract 7194 - Dam Repairs – Sudbury, Wachusett Open Channel Lower, Chestnut Hill, Weston and Foss Reservoir Dams

Contract 6975 – Hultman Aqueduct Interconnections, CP-6A

Work includes:

- Interconnecting the Hultman Aqueduct with the MetroWest Water Supply Tunnel and Norumbega Covered Storage Facility;
- Two pressure relief overflow structures to protect the Hultman Aqueduct;
- Inspection and rehabilitation of 13.6 miles of the Hultman Aqueduct;
- Two new master meters; and
- Repair or replacement of community connections, air relief structures, blow-off manholes, access hatches, and culverts.

Construction work is currently proceeding to place 2.2 miles of the lower Hultman in service 28 months earlier than the original schedule (May 2012 compared to September 2014). This will provide two main feeds to the metropolitan area from Shaft 4 in Southborough (a total distance of approximately 13 miles) reducing the risk of only having the single MetroWest Tunnel in service during the summer 2012 peak demand period.



The contractor has completed all rehabilitation work in the lower Hultman and has installed all equipment required for disinfection and dechlorination at Shaft 5. The contractor plans to start the continuous feed of chlorinated water into the lower Hultman to disinfect it on Monday April 9, 2012. Disinfection and water quality testing will be completed to place the lower Hultman and Branchline in service before the high demand season begins.

The remaining work on this contract includes installation of a new 84-inch butterfly valve near the Branchline connection to Valve Chamber W1 feeding the Loring Road Covered Storage Tanks in Weston and is scheduled to be complete by September 1, 2012. The reinforcement of the 84-inch couplings in the pipe between Shaft W and Valve Chamber W1 at Loring Road is scheduled to be completed during September 2012 (if water demands allow, this reinforcement work will be completed this spring.) Remaining work also includes the replacement of WASM valves in River Road and the rehabilitation of about 900 feet of the 84-inch Branchline, which will start October 1, 2012 and be completed by March 31, 2013. The final punchlist and landscaping work will be completed by May 31, 2013.

The construction contract was awarded in the amount of \$47,542,388 and the work is 83% complete.

It should be noted that the Board recently awarded a separate construction contract, Contract 6205, Hultman Aqueduct Interconnections on March 14, 2012 in the amount of \$5,763,850, to rehabilitate approximately 9,600 linear feet of the Upper Hultman Aqueduct from Shaft C of the Cosgrove Tunnel in Marlborough to Shaft 1 of the Southborough Tunnel. Also included in the contract is the replacement of ten large diameter valves at Shaft 4 in Southborough.

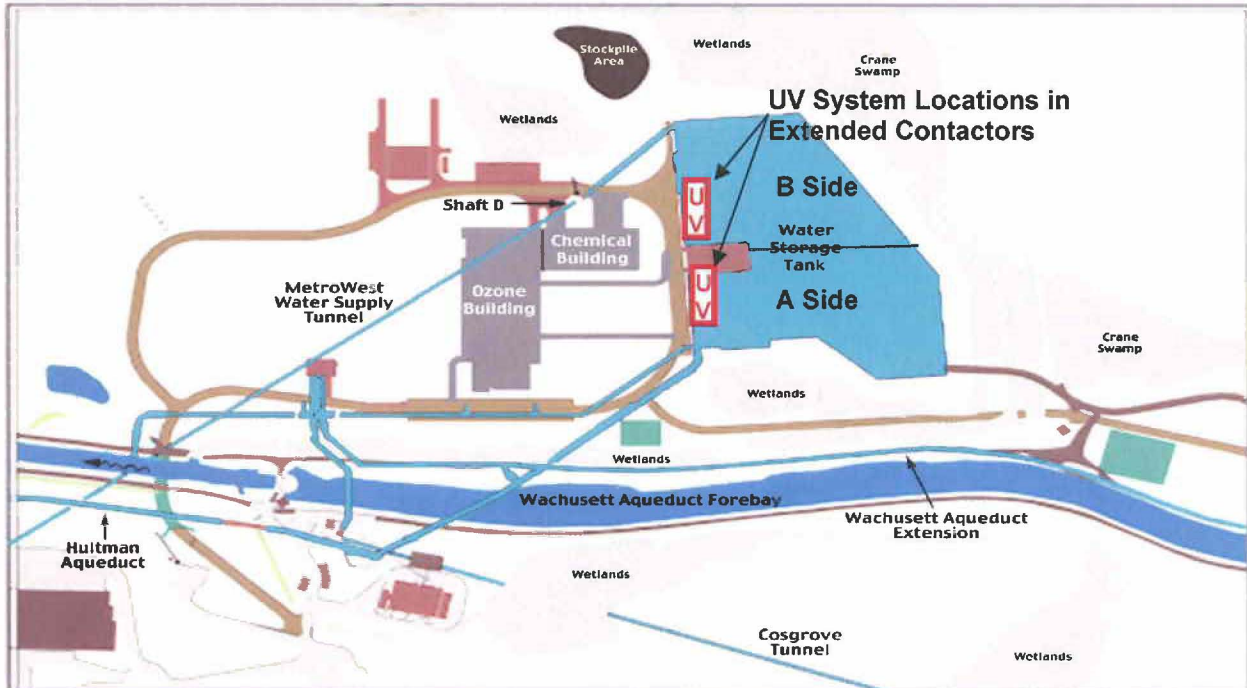
Contract 6924 – John J. Carroll WTP UV Disinfection Facilities

Work includes:

- Addition of ultraviolet disinfection to comply with the Long-Term 2 Enhanced Surface Water Treatment Rule. The UV system will be installed in the area of the John J. Carroll WTP storage tank that had been used previously for ozone contact (see figure on the following page).

Construction work is on schedule. On March 29, 2012, the contractor completed the work for Milestone 2, which was required to be completed by April 7, 2012 to allow full plant operation during the high demand summer season.

Demolition work is complete on the A-side UV Room and is nearly completed on the B-side. The contractor is currently performed concrete work in both the A- and B-side UV Rooms. The baffle walls have been completed on A-side, and work has started on the concrete walls to isolate this room from the water passages. Coring has been completed for the six 48-inch UV laterals. Coring has been completed on the B-side laterals and work on the baffle walls has started.



The six UV reactors for the A-side will be tested at the factory in May 2012 and are scheduled to be delivered to the site in late-June/early-July. The A-side 120-inch stainless steel header, which connects to the six 48-inch laterals in which the UV Reactors are installed, is expected to be installed in June 2012.



The construction contract was awarded in the amount of \$29,413,382 and the work is 20% complete.

Contract 6457 – Spot Pond Storage Facility Design/Build

Work includes:

- A 20-million-gallon drinking water storage facility and pump station at the former Boston Regional Medical Center site near Spot Pond in Stoneham; and
- A Microwave radio system and a fiber optic communication system between Gillis Pump Station, the proposed facility, and a new radio tower and shelter at Fells Covered Storage Facility.

This contract was awarded as a Design/Build contract. Design coordination meetings are ongoing. The 50% design package was submitted in March 2012 and the 100% design package is expected in May 2012. Site fencing, erosion control measures (gravel, swaddles, silt fence, catch basin silt sacks), and temporary access driveways have been installed to support site preparation activities.

The construction contract was awarded in the amount of \$49,361,000. Major excavation for the storage tank and pump station will begin in April 2012.

Contract 7261 –Stoneham/Reading Connection

Work includes:

- 2,200 feet of 36-inch, ductile-iron pipe between Reading and Stoneham (to be connected to the future Northern Intermediate High redundant pipeline when completed), which will be available as an emergency connection until the long-term redundant pipeline is available; and
- Connection for MWRA's mobile pumping unit.



The 2,200-foot 36-inch pipeline between the Town of Reading and the Town of Stoneham is now available as an emergency connection between the two towns. The 36-inch water main was pressure tested and disinfected during the month of March 2012.

Currently the contractor is in the process of completing restoration work, such as paving, re-setting granite curb, and the installation of wheelchair ramps, which are anticipated to be completed by the end of April 2012.

The construction contract was awarded in the amount of \$2,123,000 and the work is 99% complete.

Contract 6584 – Lynnfield/Saugus Pipeline

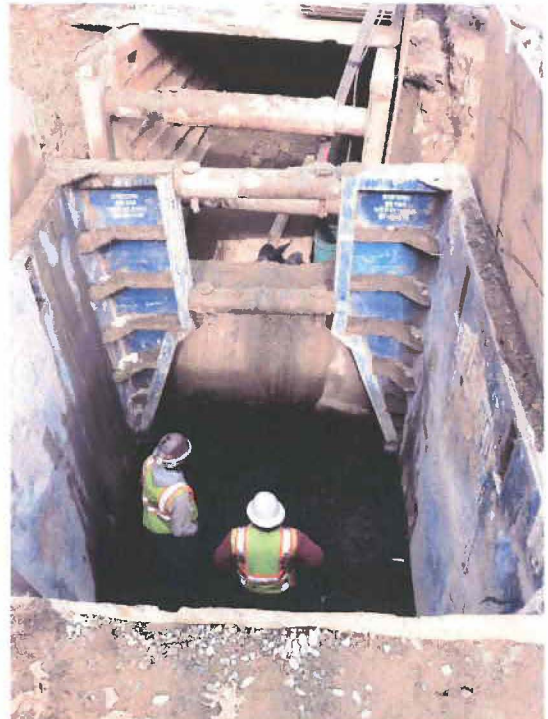
Work includes:

- 6,500 feet of MWRA 36-inch and 24-inch water main in Route 1 in Saugus;
- Replacement of Revenue Meter 169 – Lynnfield Water District; and
- 6,000 feet of Town of Saugus 12-inch water main in Route 1 Saugus (Cost Sharing)

The contractor has worked through most of the winter moratorium (mostly day shift, with MassDOT permission, on work within shoulder of Route 1 right of way). MWRA and the contractor are working together to meet the Substantial Completion date by using multiple crews laying pipe concurrently on Route 1 for the entire peak construction season 2012.

Winter work included the new meter vault installation at Lynnfield Water District Pump Station, as well as difficult work in the Walnut Street lobe area involving crossing under a 42-inch, reinforced-concrete pipe drain and three 36-inch butterfly valves with manholes, and blow-off valves and manhole. Some of the most challenging work remains to be completed, including two highway crossings, pipe-jacking under a bottomless culvert, more ledge excavation, and three pipeline activations.

The construction contract was awarded in the amount of \$4,924,400 and the work is 49% complete.



Contract 7194 – Dam Repairs – Sudbury, Wachusett Open Lower Channel, Chestnut Hill, Weston and Foss Reservoir Dams

Work includes:

- A parapet wave wall at Weston Reservoir to contain the Spillway Design Flood; and
- Rip rap resetting or replacement, mitigation of erosion features, and remediation of mortar loss at Foss, Weston, Chestnut Hill, Sudbury, and the Wachusett Open Lower Channel dams.

The work at Foss Dam, including: cleaning, re-pointing and grouting the dam spillway, training wall, and gatehouse, and removing trees and brush from the earthen dam, was nearly completed when work stopped for the winter. The contractor will re-start work at Foss Dam during the second week of April 2012 and will perform gate house repair work and restore grass areas that

were used for lay-down and equipment construction access. All construction work for this phase at Foss Dam is expected to be substantially complete by the end of April 2012. The construction contract at Foss Dam originally included a flood control structure (fusegates and a parapet wall) to prevent waves from overtopping the dam. This work is being deleted from the contract. A study is underway to perform additional hydraulic modeling of the reservoir and downstream conditions to determine the feasibility of reducing the spillway design flood and potentially reducing the need for spillway modifications to the Foss Dam.



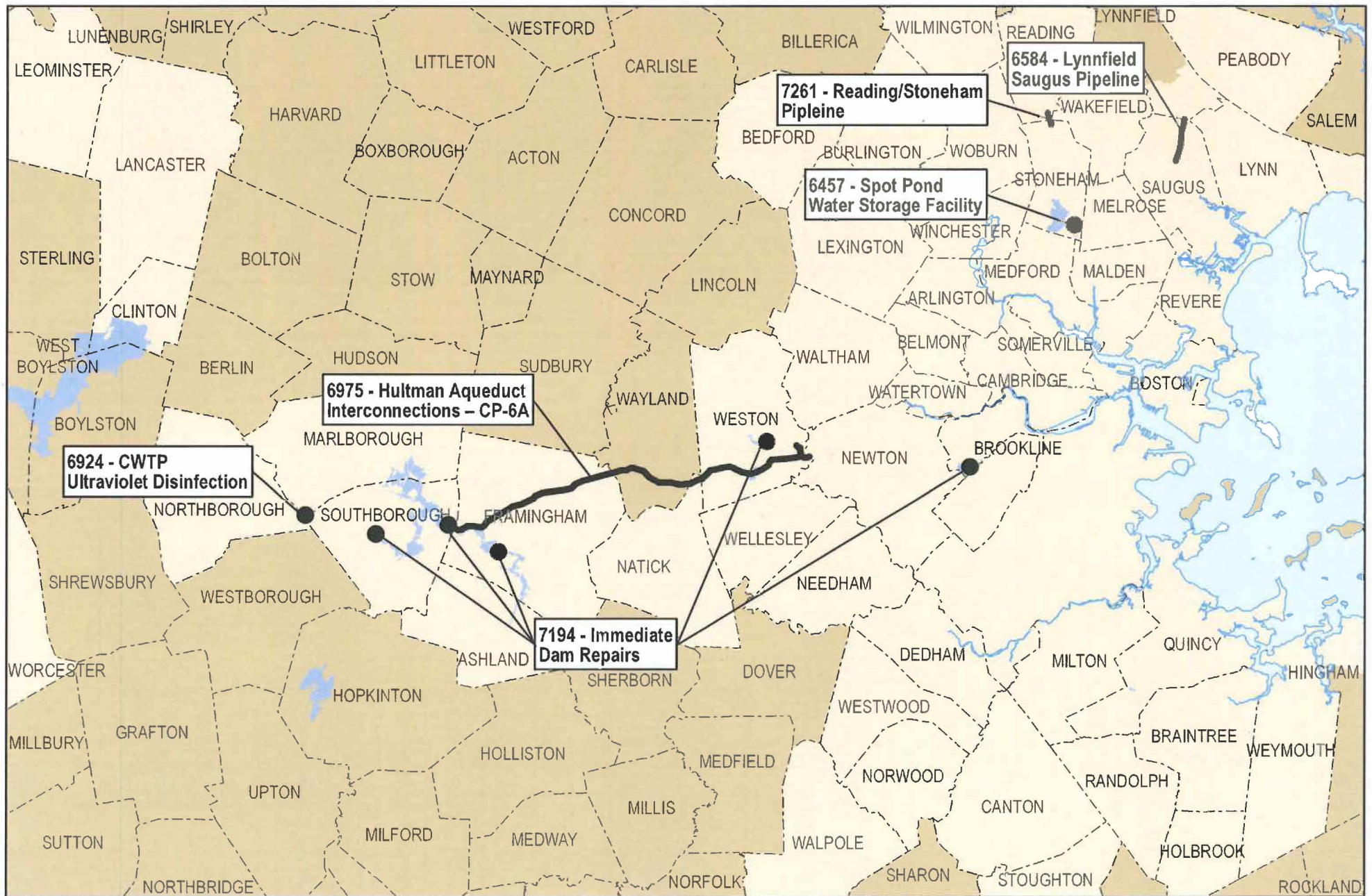
Work at Weston Reservoir was also completed in fall 2011 to remove trees growing on the dam and the exposed earthen slopes were stabilized with grass. A parapet wall was also constructed to prevent wave run-up water from overtopping the dam. Work stopped at Weston Reservoir in mid-December for the winter and resumed again in mid-March, including concrete staining of the parapet wall, installation of the security fence, final grading, installation of a dense-graded walkway, and final site clean-up.

The work at Weston Reservoir is expected to be substantially completed by the end of April 2012.

Work at Chestnut Hill and Sudbury Reservoirs, and at Wachusett Open Lower Channel will start the second and third weeks of April 2012. This work includes removing vegetation growing in dam spillway joints, re-pointing spillway joints, resetting training wall capstones, and replacing missing rip-rap at Sudbury Dam. The spillway, capstones, and training walls at Wachusett Open Lower Channel will be re-pointed, the training walls will be grouted, the antique wrought iron fence will be temporarily removed, repaired, painted, and reinstalled. Work at Chestnut Hill Reservoir includes repair of rip-rap along both sides of Gatehouse No. 2, filling depressions along the crest of the dam, and restoring and seeding areas next to walkways along Beacon Street. Staff expect that all of the work at Chestnut Hill, Wachusett Open Lower Channel, and Sudbury Reservoir will be substantially complete by the end of June 2012.

The construction contract was awarded in the amount of \$3,443,440 and the work is 69% complete.


It should be noted that the Executive Director, under delegated authority, recently approved the award of a separate construction contract, Contract OP-182, South Dike Tree Removal, in the amount of \$352,950, to clear trees, stumps, and underbrush to protect and stabilize the Wachusett Reservoir's South Dike and to comply with dam safety regulations.



0 2.5 5 10 Miles

Construction Project Locations


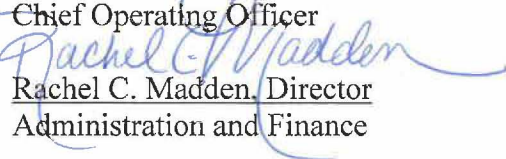
STAFF SUMMARY

TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director 
DATE: April 11, 2012
SUBJECT: Coordination of Southern Extra High System Redundancy Project and Tri-Town System Expansion

COMMITTEE: Water Policy & Oversight

X INFORMATION
VOTE

Pamela Heidell, Policy & Planning Manager
Fred Brandon, Senior Program Manager
Kathy Soni, Budget Director
Preparer/Title


Michael J. Hornbrook
Chief Operating Officer

Rachel C. Madden, Director
Administration and Finance 4/11

This staff summary provides an update to the Board regarding options for water system expansion to Tri-Town (Braintree, Randolph, and Holbrook). In conjunction with the dialogue with the Tri-Town communities a variety of options were considered. The MWRA Advisory Board recommended options of longer entrance fee payback periods coupled with interest forgiveness. MWRA evaluated the option of paying for the connections to MWRA's system in the context of overall transmission redundancy for the Southern Extra High service area and expansion of the water system to the south. Modifying the way the entrance fee is assessed and paying for the new water system connection would make MWRA more financially attractive.

RECOMMENDATION:

For information only. Staff have reached a point in the discussions with Tri-Town when it would be helpful to gage what flexibility there may be to revise MWRA's policy on entrance fees and other costs in situations where communities might join MWRA as full-time members. Multi-year, interest-free payment plans and delaying payments may be one economic impetus for communities weighing water supply options. Analysis also shows that if new communities are to become fully served by MWRA, MWRA would recoup the cost of investment in a financially acceptable timeframe if it builds connecting pipelines to annex new communities to its water system.

DISCUSSION:

Braintree, Randolph, and Holbrook comprise Tri-Town, a regional drinking water supply shared by the three communities. Braintree operates its own water treatment plant and a second water treatment plant serves the Randolph-Holbrook Joint Water Board. Both treatment plants are aging and a single, new regional treatment facility has been proposed, as has a reservoir dredging

project to increase reservoir storage capacity and improve the reservoir's system safe yield. Development of the Tri-Town treatment and dredging plan has stalled, due in part to disagreement between the towns on cost-sharing arrangements for the capital program.

A recent letter from the Department of Environmental Protection to the Tri-Town Water Board notes that the towns' withdrawals have and continue to exceed the Tri-Town's reservoir system safe yield, and that, on occasion, withdrawals have exceeded the authorized withdrawal volumes under the Massachusetts Water Management Act. DEP staff suggested that there be a Master Plan to address the immediate and long-term water needs of the Tri-Town communities. Tri-Town's Chair responded to DEP, stating that in parallel with discussions and advancement of treatment plant design and steps to strengthen safe yield, Tri-Town has considered other alternatives, including the MWRA. While Tri-Town has indicated that it believes the life cycle cost of the MWRA alternative is higher than that of building a new treatment plant, the Tri-Town communities have indicated that they would like to talk further with MWRA staff.

Specific proposals from MWRA have been requested by Tri-Town. In this context, the terms of the entrance fee payment and opportunities to integrate a pipeline supplying Tri-Town with a pipeline routing alternative that would provide redundancy to MWRA's Southern Extra High system (as well as facilitating service to future potential communities to the south) are presented for discussion in this staff summary.

Entrance Fee

Pursuant to the current version of MWRA Operating Policy #10, *Admission of New Community to Water System*, an entrance fee to cover the new community's fair share of the costs of the waterworks system shall be paid to MWRA. Using the current formula, the MWRA entrance fee is approximately \$5.0 million dollars per mgd, and is based on a combination of average and peak monthly demand. The approximate entrance fees for Tri-Town communities, both individually and collectively, are as follows based on the demands assumed below (and the assumption that the Tri-Town communities' ratio of average and peak monthly demands are similar to MWRA) :

Holbrook	Entrance Fee for 0.7 mgd	=	\$3,509,000
Randolph	Entrance Fee for 2.5 mgd	=	\$12,532,000
Braintree	Entrance Fee for 3.4 mgd	=	\$17,043,000
TOTAL Tri-Town	Entrance Fee for 6.6 mgd	=	\$33,084,000

OP#10 states that entrance fees must be paid up front in one lump sum payment, unless otherwise approved by the Board of Directors, or if paid over a period of time, the entrance fee payment schedule shall reflect an interest rate equivalent to the average cost of MWRA's fixed rate debt, plus an additional 25 basis points. Past entrants to the MWRA system have either paid the entrance fee up front (Reading) or have paid the entrance fee back over twenty years at interest rates of 4.43% (Stoughton) and 4.67% (Wilmington), or over five years at an interest rate of 5.09% (Dedham-Westwood Water District).

In FY11 and FY12, the MWRA Advisory Board and Executive Committee adopted recommendations that MWRA explore financial incentives, including but not limited to offering a grace period before payment, allowing a multi-year payment plan, or waiving interest on said payment plan to attract new communities. In March 2012, the MWRA Advisory Board staff prepared a document for Braintree that is included as Attachment 1. The following are approximate Tri-Town entrance fee payments associated with scenarios consistent with the spirit of the Advisory Board’s recommendations.

Scenario 1 - 25 years of equal payments at 0% interest¹

		Annual Payment
Holbrook	0.7 MGD	\$140,000
Randolph	2.5 MGD	\$501,000
Braintree	3.4 MGD	\$682,000
Tri-Town	6.6MGD	\$1,323,000

Scenario 2 – Includes a 3-year grace period, before payment¹

		Year 1 – 3 Annual Payment	Year 4 – 25 Annual Payment
Holbrook	0.7 MGD	\$0	\$159,000
Randolph	2.5 MGD	\$0	\$570,000
Braintree	3.4 MGD	\$0	\$775,000
Tri-Town	6.6 MGD	\$0	\$1,504,000

In addition to Tri-Town’s entrance fee payments of \$1.32 million annually if paid over 25 years, or \$1.5 million in years 4-25 if paid over 22 years, MWRA would also receive significant revenues from Tri-Town communities in annual water assessments. At the current rate of \$2,761 per million gallons, each 1 mgd sold equates to approximately \$1 million/year, resulting in an initial annual assessment of \$6.67 million to Tri-Town communities (based on an estimated average flow of 6.6 mgd).

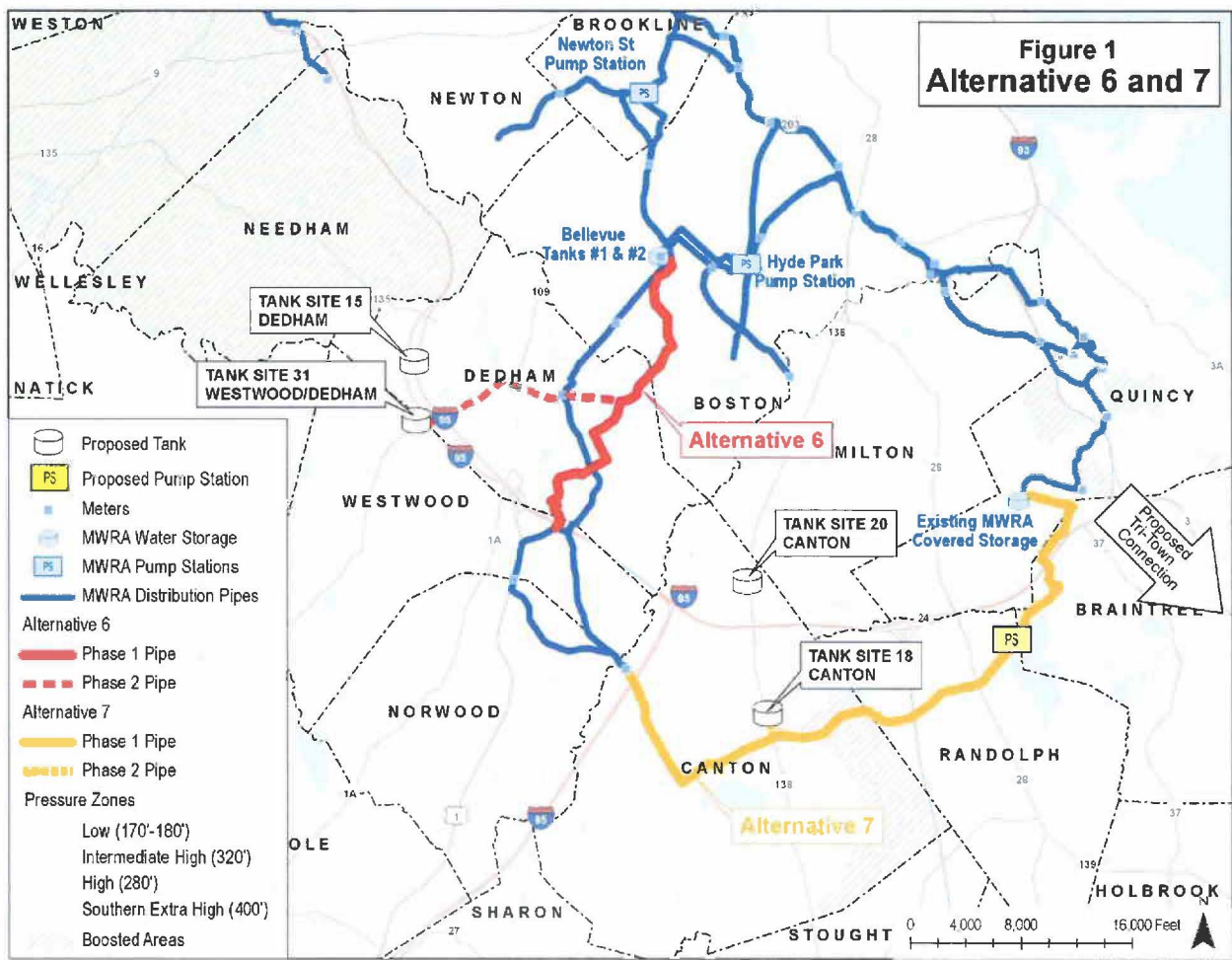
CONNECTION TO THE MWRA SYSTEM

Under current MWRA policy, pursuant to OP#10, the applicant community must pay all costs of providing the pipe connection to MWRA’s regional water system. However, should the Tri-Town communities join as full-time members, MWRA would have the opportunity to consider integration of a pipeline supplying Tri-Town and other potential communities to the south with a pipeline routing alternative that would provide redundancy to MWRA’s Southern Extra High (SEH) system (which services five south shore communities, as well as portions of Brookline, Milton, and Boston).

¹ The total Tri-Town demand is slightly different than the Tri-Town demand used by the Advisory Board, due to revised demand numbers of Randolph and Holbrook as provided in a recent report by Holbrook’s consultant and (also due to rounding).

The SEH service area has been identified as being deficient in distribution storage and lacking redundant distribution pipelines. Five communities in the southern portion of the service area are served by a single 36-inch-diameter transmission main, which is five miles long. An ongoing concept planning study (called the Southern Extra High Distribution Storage and Redundancy Plan) initially evaluated eleven alternatives to supply the SEH service area, and narrowed possible supply solutions for the SEH system down to two. Both provide redundancy to existing MWRA customers, but one alternative does not specifically incorporate the addition of the Tri-Town communities, whereas the second alternative allows for water service to Tri-Town. Both have two phases – provision of redundancy followed by addition of storage.

The two phases of the non-Tri-Town alternative includes a redundant pipeline coming from the Bellevue Tanks through West Roxbury and Dedham, followed by additional pipeline construction to access a proposed storage tank site; this is shown in Figure 1 as Alternative 6. The alternative serving Tri-Town (shown in Figure 1 as Alternative 7) is a pipeline loop that requires more pipeline and a pump station for redundancy, followed by less pipeline construction to access a proposed future storage tank site.



A cost comparison of the two alternatives was provided in a January 18, 2012 staff summary to the Board.

	Redundancy	Storage	Total Project (With Storage)
Service to Tri-Town (Alt.7)	\$67.1 million	\$22 million	\$89.1 million
No Service to Tri-Town (Alt.6)	<u>\$29.8 million</u>	<u>\$40 million</u>	<u>\$69.8 million</u>
Difference	\$37.3 million		\$19.3 million

In sum, the additional costs for the Alternative 7 pipeline loop that provides both redundancy for SEH and that also allows for service to Tri-Town are \$37.3 million for Phase 1, and \$19.3 million for Phase 1 plus Phase 2 (includes distribution storage). The total entrance fee for Tri-Town will be \$33,084,000.

The difference in Phase 1 costs based on total debt service between these alternatives is equivalent to approximately seven years of water revenue from Tri-Town (based upon a projected revenue stream commencing with \$6,651,249 in FY12). If MWRA's future goal of more distribution storage in the SEH is considered and Phase 2 of the SEH Redundancy and Storage project proceeds, the difference in costs (based on total debt service) between these alternatives is equivalent to approximately four years of water assessments to Tri-Town.

It should also be noted that Holbrook has asked MWRA if it would consider paying for a pipeline to serve just Holbrook or Randolph if the towns were to become fully served by MWRA. Holbrook's consultant identified a 14,000-foot-long pipeline route that would connect from MWRA's Section 22 in Quincy to the current site of the Randolph/Holbrook Joint Water Board treatment plant. MWRA estimates that the capital cost of this pipeline would be \$8 million and that the revenue MWRA would receive from three years of water assessments to Holbrook and Randolph would be approximately \$10 million. The \$8 million dollar connection cost is also equivalent to approximately 50% of the entrance fee if Holbrook and Randolph were to join MWRA.

ATTACHMENT:

Advisory Board Position on System Expansion

Advisory Board Position on System Expansion

The goal of the Advisory Board's position is to provide flexibility to new entrants while protecting the investment made by all of the communities of the MWRA.

Actual adopted recommendations of the Executive Committee and the Advisory Board:

FY11 (page 80)

As such, the Advisory Board recommends that the Authority explore financial incentives, including, but not limited, to those described herein [allowing multi-year payments, offering interest-free payment plans if paid in full within ten year]), to attract new member communities to the waterworks system without undermining the cost-recovery purpose of the [entrance fee] as currently structured.

FY12 (page 70)

The Advisory Board repeats its recommendation that the Authority explore financial incentives, including, but not limited, to those described [delaying entrance fee payments by offering a 5-year grace period before payment, allowing a multi-year payment plan; or waiving interest on said payment plan] to attract new member communities to the waterworks system.

SCENARIOS (1 MGD = \$5.1 million entrance fee)

Scenario 1

25 years of equal payments at 0% interest

		Annual Payment
Tri-Town	7 MGD	\$1.4 million x 25 years
Braintree	3.4 MGD	\$694 thousand x 25 years

Scenario 2

		Year 1 – 3 Annual Payment	Year 4 – 25 Annual Payment
Tri-Town	7 MGD	\$0	\$1.6 million/year
Braintree	3.4 MGD	\$0	\$788 thousand/year

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IV C.1
4/11/12

STAFF SUMMARY


TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director
DATE: April 11, 2012
SUBJECT: Sections 18, 50 & 51 Rehabilitation
The Dow Company, Inc.
Contract 6394, Change Order 4



COMMITTEE: Water Policy & Oversight

 INFORMATION
 X VOTE

Y.T. Chen, P.E., Construction Coordinator
A. Navanandan, P.E., Director, Construction
Preparer/Title


Michael J. Hornbrook
Chief Operating Officer

RECOMMENDATION:

To authorize the Executive Director, on behalf of the Authority, to approve Change Order 4 to Contract 6394, Sections 18, 50 & 51 Rehabilitation, with The Dow Company, Inc., for a not-to-exceed amount of \$79,849.32, increasing the contract amount from \$5,467,764.38 to \$5,547,613.70, with no increase in contract term.

DISCUSSION:

This project includes the cleaning and cement-mortar-lining of approximately 15,000 feet of 16-, 20-, and 48-inch cast-iron pipe (Sections 18, 50 & 51) in Medford and Somerville. These pipelines supply water to Somerville and Medford from the north and the west through connections with the 60-inch Weston Aqueduct Supply Main 3 (WASM 3) and the 48-inch Shaft 9, Line B along the Mystic River. Sections 18, 50 & 51 supply Somerville Meters 31 and 32, and Medford Meters 23 and 129. Work is being performed on Boston Avenue, College Avenue, Harvard Street, Walnut Street, and Winchester Street in Medford, and on Broadway in Somerville (see attached project map).

The contract was declared substantially complete on November 16, 2011. To date, there have been three change orders. Change Order 4 will be the final balancing change order before contract close-out. The Contractor only recently submitted the required change order documentation.

This Change Order

Change Order 4 consists of the following seven items:

Excavate, Transport and Dispose of
1,493 Tons of Excavated Soil at an Unlined Landfill \$37,759.97

The contract included an estimated quantity of 4,300 tons of excavated soil to be disposed of at a Massachusetts unlined landfill based on the valve and pipe replacement work to be performed. The Contractor included a unit price of \$16/ton in its Schedule of Values as required by contract. However, the actual quantity of excavated soil that had to be disposed of at an unlined landfill was 5,793 tons due to additional excavation required under previous change orders. A change order must be issued to increase the estimated quantity from 4,300 tons to 5,793 tons at an increased price per ton of \$25.29 for a total amount of \$37,759.97. In accordance with the terms of the contract, adjustments in unit cost are allowed if the actual quantity exceeds the estimated quantity provided in the bid documents. The increased cost per ton reflects the actual documented cost paid by the Contractor and includes required material characterization (sampling and analysis), transportation, and disposal.

The PCO for this item of work has been identified by MWRA staff as an unforeseen condition. MWRA staff and the Contractor have agreed to a lump sum amount of \$37,759.97 for this additional work with no increase in contract term.

Modify Sidewalk and Handicap Ramp Installation;
Furnish, Install, and Remove Temporary Handicap Ramps and Traffic Controls \$36,779.29

The specified standard handicap ramp design could not be utilized to modify the existing sidewalk and ramps at Cedar Street and Broadway in Somerville because they were much steeper than allowed by the Architectural Access Board. The City Engineer and its Consultant obtained a variance from the Architectural Access Board for a modified sidewalk and handicap ramp installation. Temporary handicap ramps and traffic controls around the existing handicap ramps were also necessary and were omitted from the contract.



The PCO for this item of work has been identified by MWRA staff as a contract error/omission. MWRA staff and the Contractor have agreed to a lump sum amount of \$36,779.29 for this additional work with no increase in contract term.

Completed Sidewalk and Handicap

Compensate the Contractor for Standby Time;
Backfill and Re-Excavate a 20-Foot by 10-Foot Pit \$14,818.12

During excavation to replace a blow-off at Section 18 in Medford, the Contractor encountered oily ground water, which the Contractor's Licensed Site Professional (LSP) determined was oily soil with ground water mixed together. Because soil analysis was required to confirm the contamination level, MWRA required the Contractor to remain on site until MWRA's LSP reported soil analysis results to DEP. The Contractor was unable to proceed with its work for a total of 11 hours over a two-day period until this issue was resolved with DEP. On the following day, the access pit was collecting run-off water from rain. The Contractor diverted the rainwater away from the access pit but as the rain intensified, MWRA staff directed the Contractor to backfill the excavation to prevent the contaminated water from overflowing outside the excavation area and the re-excavate the next day.

The PCO for this item of work has been identified by MWRA staff as an unforeseen condition. MWRA staff and the Contractor have agreed to a lump sum amount of \$14,818.12 for this additional work with no increase in contract term.

Compensate the Contractor for Hand Excavation
and Periodic Gas Monitoring at Section 18 in Somerville \$9,100.65

The contract requires the Contractor to furnish and install a meter at Section 18 in Somerville. During excavation, the Contractor encountered a gas odor, which the Contractor's LSP determined was petroleum-contaminated soil. The Contractor was directed to remain on site during the evaluation by MWRA's LSP and await direction from DEP before continuing excavation. During the following two days, the Contractor was required to excavate by hand to avoid igniting the petroleum vapors and had to frequently stop excavation to monitor gas vapor concentrations. The Contractor's schedule included eight hours for this excavation; the work took an additional 12 hours to complete for a total of 20 hours.

The PCO for this item of work has been identified by MWRA staff as an unforeseen condition. MWRA staff and the Contractor have agreed to a lump sum amount of \$9,100.65 for this additional work with no increase in contract term.

Excavate, Backfill, Restore the Roadway at Section 51 \$6,721.64

The contract required the Contractor to perform pressure testing on Section 51 after completion of cleaning and lining. During the pressure test, the Contractor discovered a leak in the vicinity of the cleaning and lining access pit on Boston Avenue in Somerville. The Contractor was directed to excavate to determine if the leak was in a joint replaced within the access pit, which would have been the Contractor's responsibility. The leak was just beyond the access pit and was not caused by the Contractor's construction activities. MWRA's valve crew repaired the leak but the excavation, backfill, and restoration were performed by the Contractor.

The PCO for this item of work has been identified by MWRA staff as an unforeseen condition. MWRA staff and the Contractor have agreed to a lump sum amount of \$6,721.64 for this additional work with no increase in contract term.

Excavate Abandoned Railroad Tracks at
Three Access Pits along Boston Avenue in Medford

\$6,669.65

During the excavation of three cleaning and lining access pits along Boston Avenue in Medford, the Contractor encountered abandoned railroad tracks, which were not shown on the record drawings. The Contractor was required to remove the concrete base slab and railroad ties, and cut the iron rail to establish the three access pits. The access pits could not be relocated as the railroad tracks run the length of the roadway.



Abandoned Railroad Tracks

The PCO for this item of work has been identified by MWRA staff as an unforeseen condition. MWRA staff and the Contractor have agreed to a lump sum amount of \$6,669.65 for this additional work with no increase in contract term.

Delete the Requirement to Furnish and Install Handicap Ramps in Medford

(\$32,000.00)

The contract requires the Contractor to furnish and install handicap ramps in compliance with the Architectural Access Board's handicap ramp standard design along the project route in the City of Medford. As the ramps were not disturbed by construction activities, the City of Medford determined that the handicap ramps did not require upgrading. Therefore, it is necessary to delete this work from the contract.

The PCO for this item of work has been identified by MWRA staff as an unforeseen condition. MWRA staff and the Contractor have agreed to a lump sum credit amount of (\$32,000.00) for this deletion with no increase in contract term.

The Contractor completed the work under this change order at its own risk in order to proceed with the remainder of the contract work.

CONTRACT SUMMARY:

	AMOUNT	TIME	DATED
Original Contract:	\$4,720,826.00	820 Days	08/10/09
CHANGE ORDERS			
Change Order 1*:	\$229,580.50	0 Days	02/18/11
Change Order 2:	\$272,559.22	0 Days	11/07/11
Change Order 3*:	\$244,798.66	0 Days	Pending
Change Order 4:	<u>\$79,849.32</u>	<u>0 Days</u>	Pending
Total Change Orders:	\$826,787.70	0 Days	
Adjusted Contract:	\$5,547,613.70	820 Days	

* Approved under delegated authority

If Change Order 4 is approved, the cumulative value of all change orders to this contract will total \$826,787.70 or 17.51% (15.07% unforeseen conditions and 2.42% error/omissions) of the original contract amount.

Staff have compiled a list of all change order items in this contract that have resulted from an error or omission on the part of the Design Consultant, Parsons Brinckerhoff, Inc., and have notified Parsons Brinckerhoff, Inc., in writing, of the current status of these findings and of MWRA's intention to seek appropriate cost recovery.

BUDGET/FISCAL IMPACT:

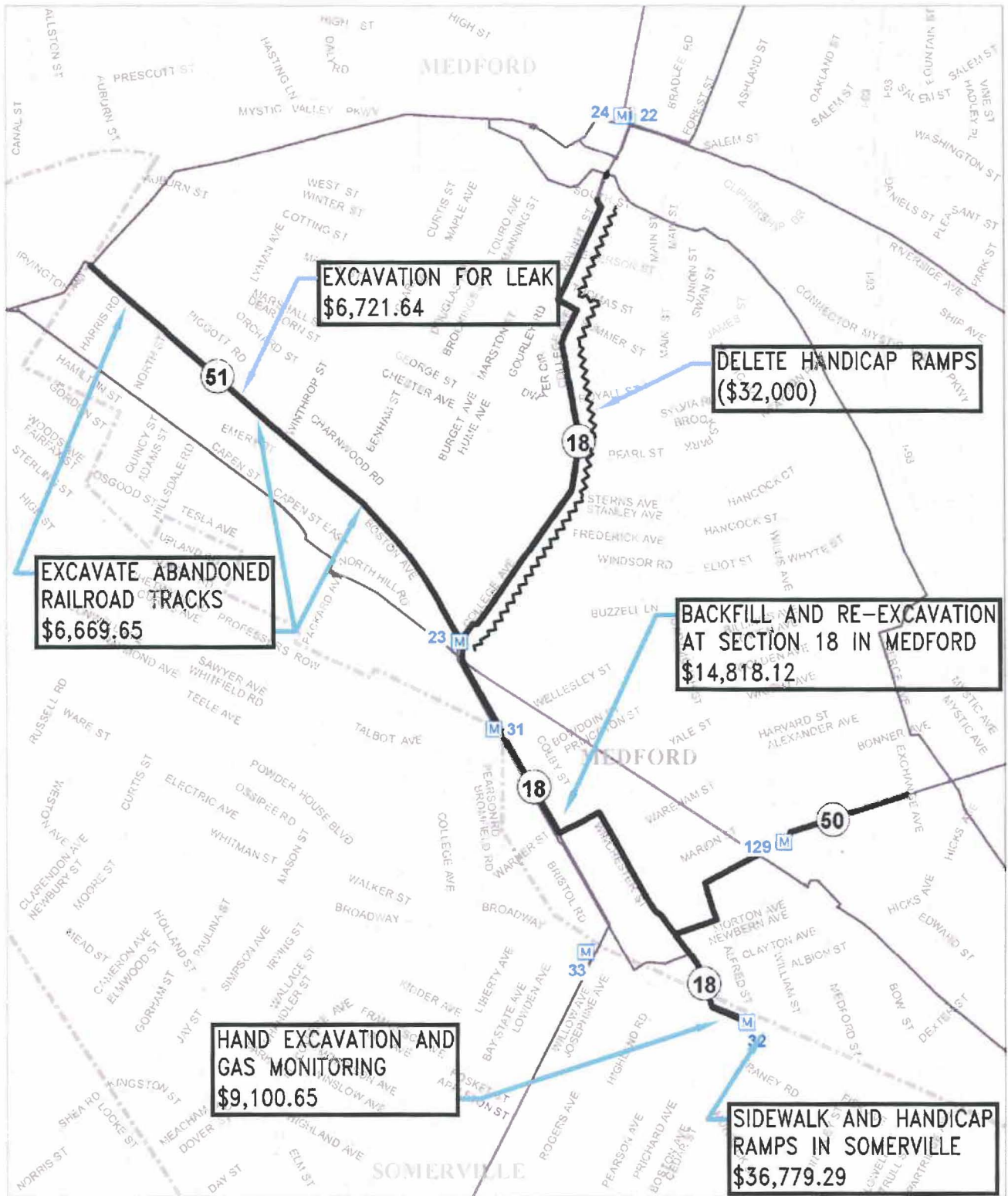
The FY12 CIP includes a budget of \$5,305,406.50 for Contract 6394. Including this change order for \$79,849.32, the adjusted subphase total will be \$5,547,613.70 or \$242,207.20 over budget. This amount will be covered within the five-year CIP spending cap.

MBE/WBE PARTICIPATION:




The MBE/WBE participation requirements for this project are 5.30% and 4.40%, respectively. The Contractor will be notified that these requirements are still expected to be met.

ATTACHMENT:

Project Map, Sections 18, 50 and 51, Medford and Somerville



Sections 18, 50 and 51 Medford and Somerville

-  Sections 18, 50, 51
-  Other Sections
-  Meters

-  Building Footprints
-  Ponds and Reservoirs





MASSACHUSETTS WATER RESOURCES AUTHORITY

Charlestown Navy Yard
100 First Avenue, Building 39
Boston, MA 02129

Frederick A. Laskey
Executive Director

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PERSONNEL & COMPENSATION COMMITTEE MEETING

Chair: K. Cotter
Vice-Chair: J. Barrera
Committee Members:
J. Foti
V. Mannering
J. Walsh

to be held on

Wednesday, April 11, 2012

Location: 100 First Avenue, 2nd Floor
Charlestown Navy Yard
Boston, MA 02129

Time: Immediately following Water Comm.

A. Information

1. Discussion of State Authority Accountability and Transparency Act

B. Approvals

1. Renewal of Two Employment Contracts, Senior Laboratory Technicians, Department of Laboratory Services, Deer Island

P+C(i)
4/11/12

MASSACHUSETTS WATER RESOURCES AUTHORITY

Meeting of the
Personnel and Compensation Committee

March 14, 2012

A meeting of the Personnel and Compensation Committee was held on March 14, 2012 at the Authority headquarters in Charlestown. Chairman Cotter presided. Present from the Board were Messrs. Barrera, Carroll, Foti, Pappastergion and Walsh. Among those present from the Authority staff were Fred Laskey, Steve Remsberg, Mike Hornbrook, Bob Donnelly, and Bonnie Hale. The meeting was called to order at 12:20 p.m.

Approvals

***PCR Amendments – March 2012**

The Committee recommended approval of an amendment to the Position Control Register (ref. agenda item A.1).

***Extension of Employment Contract, Senior Engineering Aide, Operations Engineering**

The Committee recommended approval of the extension of the employment contract of Mr. William Slavin (ref. agenda item A.2).

The meeting adjourned at 12:25 p.m.

* Approved as recommended at March 14, 2012 Board of Directors meeting.

P4C A.1
IV A.2
4/11/12


STAFF SUMMARY

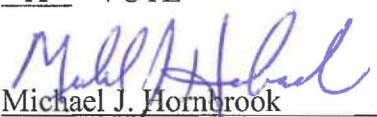
TO: Board of Directors
FROM: Frederick A. Laskey, Executive Director
DATE: April 11, 2012
SUBJECT: Renewal of Two Employment Contracts
Senior Laboratory Technicians, Department of Laboratory Services, Deer Island



COMMITTEE: Personnel & Compensation

 INFORMATION
 X VOTE


Robert G. Donnelly, Director, Human Resources
Michael F. Delaney, Director, Dept. of Lab. Services
Preparer/Title


Michael J. Hornbrook
Chief Operating Officer

RECOMMENDATION:

To approve the renewal of two employment contracts for Ms. Yuan Jiao Chen and Mr. Keith M. Stocks, Senior Laboratory Technicians in the Department of Laboratory Services for the Deer Island Laboratory, each for a period of one year, from May 1, 2012 to April 30, 2013, with an increase in hourly rate from \$18.00 to \$18.36, for an annual compensation amount not to exceed \$38,189.

DISCUSSION:

The Department of Laboratory Services has a continuing need for contract staff to assist with both seasonal workload increases and the additional work that resulted from MWRA's decision to bring in house more of the Harbor and Outfall Monitoring sampling now required by its NPDES permit. The new NPDES permit for Deer Island has yet to be finalized and issued so it is unclear if in the future there will be a continued requirement to perform the same amount of laboratory work, giving rise to uncertainty concerning future staffing needs in the Department of Laboratory Services. For this reason, creation of full-time positions is not warranted at this time.

Staff recommend extensions of the following two existing employment contracts:

Ms. Yuan Jiao Chen has been a contract employee at MWRA in the position of Senior Laboratory Technician since June 29, 2009. Ms. Chen performs lab testing and field sampling. She also performs prescribed procedures on water and wastewater samples, including assisting scientists, compiling and preparing data, and operating and performing basic maintenance on laboratory equipment. Ms. Chen now has almost three full years of directly relevant experience and she is now fully trained, certified, and working efficiently on a variety of microbiology tests, and she has become an integral part of the Laboratory team.

Mr. Keith Stocks has been a contract employee at MWRA since May 18, 2009, also in the position of Senior Laboratory Technician. Mr. Stocks' daily responsibilities are similar to Ms. Chen's. Mr. Stocks also has almost three full years of directly relevant experience and he is now fully trained, certified, and working efficiently on a variety of chemistry tests, and he also has become an integral part of the Laboratory team.

The recommended salary increase from \$18.00 to \$18.36 per hour is reasonable and consistent with their providing coverage at several MWRA Laboratory locations and their three years of directly relevant experience with MWRA. This will be the first salary increase for each.

BUDGET/FISCAL IMPACT:

There are sufficient funds available for these positions in the Department of Laboratory Services' FY12 CEB and Proposed FY13 CEB.



MASSACHUSETTS WATER RESOURCES AUTHORITY

Charlestown Navy Yard
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Chairman: R. Sullivan
Vice-Chair: J. Carroll
Secretary: J. Foti
Board Members:
J. Barrera
K. Cotter
M. Gove
J. Hunt
V. Mannering
A. Pappastergion
M. Turner
J. Walsh

BOARD OF DIRECTORS' MEETING

to be held on

Wednesday, April 11, 2012

Location: 100 First Avenue, 2nd Floor
Charlestown Navy Yard
Boston, MA 02129

Time: 1:00 p.m.

AGENDA

I. APPROVAL OF MINUTES

II. REPORT OF THE CHAIR

III. REPORT OF THE EXECUTIVE DIRECTOR

IV. BOARD ACTIONS

A. Approvals

1. Approval of FoxRock Research Realty, LLC Sewer Connection in Hingham (ref. WW A.1)
2. Renewal of Two Employment Contracts, Senior Laboratory Technicians, Department of Laboratory Services, Deer Island (ref. P&C B.1)

B. Contract Awards

1. Integrated Financial, Procurement and Human Resources/Payroll Management System Maintenance and Support: Lawson Software, Inc. (ref. AF&A B.1)
2. Groundskeeping Services – Metropolitan Boston: UGL Services, Contract OP-183 (ref. AF&A B.2)

B. Contract Awards (cont'd.)

3. Technical Assistant Consultant Services, Hazardous Materials, EnviroSense, Inc. Contract 596TA, and Geosphere Environmental Management, Inc., Contract 595TA (ref. AF&A B.3)

C. Contract Amendments/Change Orders

1. Sections 18, 50 & 51 Rehabilitation: The Dow Company, Inc., Contract 6394, Change Order 4 (ref. W B.1)

V. CORRESPONDENCE TO THE BOARD

VI. OTHER BUSINESS

VII. EXECUTIVE SESSION

A. Collective Bargaining

1. Ratification of Collective Bargaining Agreement with Unit 9, Massachusetts Organization of Scientists and Engineers

B. Litigation

1. Amendments to Expert Witness Contracts Following the Trial of William A. Davison, Mary J. Davison, and Paul W. DiMaura, Trustees of Heather Realty Trust v. MWRA, Suffolk Superior Court, Civil Action No. 08-1525B
2. Mediation of Cost Recovery Action – May 2010 Water Main Break, MWRA v. Shea-Traylor-Healy, et al., Suffolk Superior C.A. No. 11-2184-BLS1

VIII. ADJOURNMENT

Meeting of the Board of Directors**March 14, 2012**

A meeting of the Board of Directors of the Massachusetts Water Resources Authority was held on March 14, 2012 at the Metropolitan Waterworks Museum in Boston. Chairman Sullivan presided. Present from the Board were Messrs. Barrera, Carroll, Cotter, Foti, Gove, Pappastergion and Walsh; Mr. Hunt joined the meeting in progress. Ms. Turner and Mr. Mannering were absent. Among those present from the Authority staff were Frederick Laskey, Executive Director, Steven Remsberg, General Counsel, Michael Hornbrook, Chief Operating Officer, Rachel Madden, Director of Administration and Finance, John Vetere, Deputy Chief Operating Officer, Kevin McCluskey, Director of Public Affairs, Thomas Lindberg, Community Relations Manager, and Bonnie Hale, Assistant Secretary. The meeting was called to order at 1:15 p.m.

APPROVAL OF MINUTES

Upon a motion duly made and seconded, it was

Voted to approve the minutes of the Board of Directors' meeting of February 15, 2012, as presented and filed with the records of the meeting.

REPORT OF THE CHAIR

Chairman Sullivan acknowledged that the Science & Technical Advisory Committee's Report on Forestry needed to be finalized, and stated that it was his intention to see that it was issued within the next month or two.

(Mr. Hunt joined the meeting.)

Mr. Remsberg handed out copies email correspondence between himself and General Counsel David Sullivan of the Executive Office for Administration and Finance regarding a provision of the Authority Accountability and Transparency Act that requires the Authority's Personnel and Compensation Committee to "meet independently of management at least once per calendar year" and how to procedurally conduct said meetings. There was general discussion and question and answer.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Laskey reported on various items, including the offer of Board members' Barrera, Hunt and Pappastergion to serve on the Rates Management Committee, an update on the Charlestown wind turbine, and a proposed plan to offer Board members iPads in order to receive their Board meeting packages electronically.

APPROVALS

Amendments to Capital Finance Management Policy

Upon a motion duly made and seconded, it was

Voted to adopt the amendments to the Capital Finance Management Policy, in compliance with the Finance Advisory Board's regulations (976 CMR 2.04), including a Post Issuance Compliance Guide Regarding the Use of Tax-Exempt Bond Financed Property and Proceeds, substantially in the form presented and filed with the records of the meeting.

Final CSO Annual Progress Report 2011

Upon a motion duly made and seconded, it was

Voted to authorize staff to submit the *Combined Sewer Overflow Annual Progress Report 2011*, as presented and filed with the records of the meeting, to the Federal District Court by March 15, 2012, in compliance with Schedule Seven of the Boston Harbor Case.

Draft Policy and Guidelines for Authorized Public Access to Water Supply Lands under the Care and Control of MWRA

(Consideration of this item was postponed to the end of the agenda.)

PCR Amendments – March 2012

Upon a motion duly made and seconded, it was

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

Extension of Employment Contract, Senior Engineering Aide, Operations Engineering

Upon a motion duly made and seconded, it was

Voted to approve the extension of the employment contract for Mr. William Slavin, Senior Engineering Aide, Operations Engineering, for a period of one year, from March 16, 2012 to March 15, 2013 at the current hourly rate of \$25.28, for an annual compensation not to exceed \$45,504.00.

CONTRACT AWARDS

Alewife Brook CSO Improvements Design, Construction Administration and Resident Inspection Services: Fay, Spofford & Thorndike, LLC, Contract 6952

Upon a motion duly made and seconded, it was

Voted to approve the recommendation of the Consultant Selection Committee to select Fay, Spofford & Thorndike, LLC to provide design, construction administration and resident engineering services for the Alewife Brook CSO Improvements, and to authorize the Executive Director, on behalf of the Authority, to execute Contract 6952 with Fay, Spofford & Thorndike, LLC in an amount not to exceed \$1,456,244.00 for a term of 53 months from the Notice to Proceed.

Brookline Overflow Conduit/MWR010 CSO Cleaning: National Water Main Cleaning Company, Contract 7077C

Upon a motion duly made and seconded, it was

Voted to approve the award of Contract No. 7077C, Brookline Overflow Conduit/MWR010 CSO Cleaning, to the lowest eligible and responsible bidder, National Water Main Cleaning Company, and to authorize the Executive Director, on behalf of the Authority, to execute and deliver said contract in the bid amount of \$1,134,890.70 for a term of 183 calendar days from the Notice to Proceed.

Aeration Efficiency Improvement - Clinton Wastewater Treatment Plant: R.H. White Construction Co., Inc., Contract 7278

Upon a motion duly made and seconded, it was

Voted to approve the award of Contract No. 7278, Aeration Efficiency Improvement - Clinton Wastewater Treatment Plant, to the lowest eligible and responsible bidder, R.H. White Construction Co., Inc., and to authorize the Executive Director, on behalf of the Authority, to execute and deliver said contract in the bid amount of \$1,840,000.00 for a term of 365 calendar days from the Notice to Proceed.

Upper Hultman Aqueduct Interconnections: Barletta Engineering Corp., Contract 6205

Upon a motion duly made and seconded, it was

Voted to approve the award of Contract 6205, Hultman Aqueduct Interconnections, to the lowest responsible and eligible bidder, Barletta Engineering Corp., and to authorize the Executive Director, on behalf of the Authority, to execute and deliver said contract in the bid amount of \$5,763,850, with a contract term of 440 calendar days from the Notice to Proceed.

CONTRACT AMENDMENTS/CHANGE ORDERS

Ultraviolet Disinfection Facilities, Carroll Water Treatment Plant: Daniel O'Connell's Sons, Inc., Contract 6924, Change Order 4

Upon a motion duly made and seconded, it was

Voted to authorize the Executive Director, on behalf of the Authority, to approve Change Order No. 4 to increase the amount of Contract No. 6924 with Daniel O'Connell's Sons, Inc., Ultraviolet Disinfection Facilities, Carroll Water Treatment Plant, in an amount not to exceed \$91,782.93; 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.

APPROVALS (continued)

Draft Policy and Guidelines for Authorized Public Access to Water Supply Lands under the Care and Control of MWRA

Staff described the current mix of authorized and unauthorized public access to waterworks lands and the proposed plan to issue a formal policy for such public access. There was detailed discussion and question and answer, and specific language amendments were made to the draft policy and incorporated into the final vote below.

Upon a motion duly made and seconded, it was

Voted to approve the draft Policy and Guidelines for Authorized Public Access to Water Supply Lands under the Care and Control of MWRA, as presented and filed with the records of the meeting and subsequently amended, for the purpose of authorizing the Executive Director and/or designee to enter into revocable agreements with local communities, public agencies and/or non-profits to allow certain limited public access activities to be permitted on MWRA-controlled water supply lands, consistent with good water supply practices, subject to the

conditions as to each such permit granted that: (i) the permittee submit a plan of intended uses, (ii) the permit impose no costs upon MWRA - all such costs, if any, to be borne by the permittee, and (iii) MWRA retains reasonable control and oversight of any and all activities of permittee, including advance notice of and approval of any activities which could affect MWRA's exposure to legal liability and/or its responsibilities for care, custody and control of the premises, including clearing of trees.

CORRESPONDENCE TO THE BOARD

March 12, 2012 Letter from MetroWest Legislative Delegation

Chairman Sullivan introduced the above correspondence thanking the Authority for considering a partnership with local communities and nonprofit organizations to give the public access to historic aqueducts as potential trails, and asked that it be filed with the records of the meeting. Representative Chris Walsh was present to personally thank the Board for its consideration.

EXECUTIVE SESSION

It was moved to enter executive session to discuss litigation, collective bargaining, real estate and security.

Upon a motion duly made and seconded, it was, upon a roll call vote in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Barrera		
Carroll		
Cotter		
Foti		
Gove		
Hunt		
Pappastergion		
Walsh		
Sullivan		

Voted to enter executive session for the purpose of discussing strategy with respect to litigation and collective bargaining and to consider the purchase, exchange, lease or value of real property, in that such discussion may have a detrimental effect on the litigating, bargaining and negotiating positions of the Authority, and to discuss the deployment of security personnel or devices.

It was noted that the meeting would return to open session solely for the consideration of adjournment.

* * * *

EXECUTIVE SESSION

* * * *

The meeting returned to open session at 2:30 p.m.