

VOTE EXTRACTS
JUNE 8, 2011 BOARD OF DIRECTOR'S MEETING
(Subject to final Board approval of meeting minutes)

I. APPROVAL OF MINUTES

Voted to approve the minutes of the Board of Directors' meeting of May 11, 2011, as presented and filed with the records of the meeting.

IV.A. Approvals

1. Reduction in Insurance Reserve Requirement (ref. A&F B.1)

Voted to review the Insurance Consultant Triennial Report, as required by the General Revenue Bond Resolution, and to authorize a reduction to the funding level of the Insurance Reserve Fund from \$19 million to \$14 million, funding the reserve at the mid-range point of the consultant's recommended fund balance range of between \$12 million and \$16 million.

2. MWRA FY12 Insurance Program Renewal (ref. A&F B.2)

Voted to authorize the Executive Director, on behalf of the Authority, to award to the lowest eligible and responsive bidders, insurance policies, bonds and contracts for services for MWRA's FY12 Insurance Program, for the period beginning July 1, 2011 through June 30, 2012, for the premiums and fees described below for a total program amount not to exceed \$1,703,776.00:

1. Workers' Compensation Excess Policy with N.Y. Marine, submitted by broker Willis of MA, with a \$25 million limit and a \$500,000 self-insured retention, for a premium of \$99,424;
2. Property Policy (including Boiler & Machinery) with FM Global Insurance Co, with various limits of coverage with a \$2.5 million self-insured retention, for a premium of \$725,133;
3. General Liability Policy (including Automobile Liability, Protection and Indemnity, Wharfingers, and Employment Practice Liability) with C.V. Starr Insurance Co. and Civic Risk, submitted by broker William Gallagher Associates, with a combined \$35 million limit and a \$2.5 million self-insured retention, for a combined premium of \$524,232;
4. Excess/Umbrella Liability Policies with ACE/Westchester/AXIS and Great American Insurance companies, submitted by broker William Gallagher Associates, providing a combined total of \$65 million of coverage excess of primary coverages for a total combined premium of \$202,740;

5. Public Official's Liability Policy with State National Insurance Co., submitted by broker Wells Fargo, with a \$5 million limit with a \$1 million deductible, for a premium of \$47,173;
 6. Fiduciary Liability Policy with Chubb Insurance Co., submitted by broker Wells Fargo, with a \$5 million limit with \$1 million deductible, for a premium of \$7,125;
 7. Public Official's/Crime Bond with The Hartford Insurance Co., submitted by broker William Gallagher Associates, with a limit of \$1 million with a \$25,000 deductible for a premium (including commission) of \$5,999;
 8. Treasurer's Bond with a \$1 million limit with a vendor to be determined in an amount not to exceed \$3,000; and
 9. Broker contracts with William Gallagher Associates for an amount of \$70,000; Willis of Massachusetts for an amount of \$10,250; and Wells Fargo Insurance Services for an amount of \$8,700.
3. Contract with Wastewater Advisory Committee (ref. WW B.1)

Voted to authorize the Executive Director to execute a contract, substantially in the form presented and filed with the records of the meeting, with the Wastewater Advisory Committee for a one-year period beginning on July 1, 2011, with a total cost of \$58,500.00.

4. Contract with Water Supply Citizens Advisory Committee (ref. W B.1)

Voted to authorize the Executive Director to execute a contract, substantially in the form presented and filed with the records of the meeting, with the Water Supply Citizens Advisory Committee for a one-year period beginning on July 1, 2011, with a total cost of \$96,430.00.

5. Bond Defeasance of Future Debt Service

Voted to authorize the Executive Director or his designee, on behalf of the Authority, to enter into and execute all necessary agreements and other instruments to escrow for redemption up to \$33,100,000 of outstanding MWRA debt to maturity.

IV.B. Contract Awards

1. Purchase of Firewalls, IPS, and Related Maintenance and Monitoring Services: Integralis, WRA No. 3224 (ref. A&F C.1)

Voted to approve the award of a purchase order contract for firewall and intrusion prevention system (IPS) software, hardware, maintenance and 365 day, around-the-clock monitoring services to Integralis, Inc., and to authorize the Executive Director, on behalf of the Authority, to execute and deliver said purchase order contract in an amount not to exceed \$1,081,965.63 for a term of 48 months, with an initial Notice to Proceed of 36 months and an option to extend an additional 12 months if recommended by staff, upon approval of the Executive Director.

2. Digester Sludge Overflow Piping and Plug Valve Replacement, Deer Island Treatment Plant: Walsh Construction Company, Contract 7055 (ref. WW C.1)

Voted to approve the award of Contract No. 7055, Digester Sludge Overflow Piping and Plug Valve Replacement, Deer Island Treatment Plant, to the lowest eligible and responsible bidder, Walsh Construction Company, and to authorize the Executive Director, on behalf of the Authority, to execute and deliver said contract in the bid amount of \$5,997,200.00 for a term of 730 calendar days from the Notice to Proceed.

3. Sole-Source Extended Warranty, Maintenance and Service Agreement, Process Instrumentation and Control System, Deer Island Treatment Plant: ABB Automation, Inc. (ref. WW C.2)

Voted to approve the renewal of a sole-source extended warranty, service and maintenance contract for the Process Instrumentation and Control System at the Deer Island Treatment Plant with ABB Automation, Inc., and authorize the Executive Director, on behalf of the Authority, to execute and deliver said contract in the amount of \$1,114,224.00 for a term of three years, from July 1, 2011 through June 30, 2014.

VI. OTHER BUSINESS

- A. Executive Director's Performance Review and Contract Extension

Voted to rate the performance of Frederick A. Laskey, Executive Director, for Fiscal Year 2011 as excellent, and to extend the term of the Executive Director's employment agreement and appointment as Executive Director by one year to June 3, 2014, subject to his consent.

- B. Extension of Contract for Chief Operating Officer

Voted to extend the term of the employment agreement with Michael J. Hornbrook, Chief Operating Officer, by one year to May 31, 2014, subject to his consent.