

MASSACHUSETTS WATER RESOURCES AUTHORITY
Meeting of the Board of Directors
June 20, 2018

A meeting of the Board of Directors of the Massachusetts Water Resources Authority was held on Wednesday, June 20 at the Authority headquarters in Charlestown. Chair Beaton presided. Present from the Board were Messrs. Carroll, Blackmon, Foti, Pappastergion, Peña, Vitale, Walsh and Ms. Wolowicz. Messrs. Cotter and Flanagan were absent. Among those present from the Authority staff were Frederick Laskey, Executive Director, Steven Remsberg, General Counsel, David Coppes, Chief Operating Officer, Carolyn Fiore and John Vetere, Deputy Chief Operating Officers, Thomas Durkin, Director of Finance, Michele Gillen, Director of Administration, Karen Gay-Valente, Director of Human Resources, Ria Convery, Assistant Secretary, and Kristin MacDougall, Assistant to the Board of Directors. The meeting was called to order at 12:18 p.m.

REPORT OF THE CHAIR

Chair Beaton reported that this has been a busy legislative session regarding issues such as climate change and the mitigation of related municipal vulnerabilities. He noted the selection of Vineyard Wind in the Commonwealth's offshore wind project procurement process. He added that this will be the largest offshore wind development in the United States and is a great opportunity for Massachusetts as we transition toward a more renewable future.

Chair Beaton announced that the June 20, 2018 meeting would be Mr. Blackmon's last meeting as an MWRA Board member as he is pursuing a professional opportunity out of state. The Chair recognized Mr. Blackmon for his excellent work on the Board.

Mr. Blackmon thanked MWRA staff for their work to provide high quality drinking water and wastewater services. Mr. Laskey, on behalf of MWRA staff, thanked Mr. Blackmon for his contributions to the Board.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Laskey recognized Karen Gay-Valente, who will retire in June 2018, for her professionalism and many contributions to the MWRA. He also recognized John Vetere, also retiring, for his many years of dedicated service to the MWRA.

Mr. Laskey noted that MWRA will meet with the Winthrop CAC and will address residents' concerns about the Fish Pier project. He also suggested that the July and August Board of Directors meetings be consolidated into one meeting, to be held in July.

APPROVAL OF 05-30-2018 MINUTES

Upon a motion duly made and seconded, it was

Voted: to approve the minutes of the Board of Directors' meeting of May 30, 2018, as presented and filed with the records of the meeting.

APPROVALS

PCR Amendments – June 2018

Upon a motion duly made and seconded, it was

Voted: to approve amendments to the Position Control Register for June 2018, as presented and filed with the records of the meeting.

Appointment of Director, Laboratory Services

Upon a motion duly made and seconded, it was

Voted: to approve the appointment of Mr. Steven Rhode to the position of Director of Laboratory Services, (Non-Union, Grade 15) in the Operations Division, at the recommended annual salary of \$138,500, commencing on a date to be determined by the Executive Director.

Appointment of Director, Waterworks

Upon a motion duly made and seconded, it was

Voted: to approve the appointment of Mr. Mark H. Johnson to the position of Director of Waterworks (Non-Union, Grade 16) in the Operations Division, at the recommended annual salary of \$156,650, commencing on a date to be determined by the Executive Director.

Appointment of Director, Wastewater

Upon a motion duly made and seconded, it was

Voted: to approve the appointment of Mr. Stephen D. Cullen to the Position of Director of Wastewater (Non-Union, Grade 16) in the Operations Division, at the recommended annual salary of \$156,650, commencing on a date to be determined by the Executive Director.

Appointment of Director, Human Resources

Upon a motion duly made and seconded, it was first

Voted: to amend the proposed beginning salary for the position by increasing same from \$136,600 to \$141,000.

Upon a further motion duly made and seconded, it was then

Voted: to approve the appointment of Ms. Andrea Murphy to the position of Director, Human Resources, (Non-Union, Grade 16) in the Administration Division, at the recommended annual salary of \$141,000 commencing on a date to be determined by the Executive Director.

Final FY 2019 Capital Improvement Program

Upon a motion duly made and seconded, it was

Voted: 1) to approve the Final FY19 Capital Improvement Program with a total budget of \$179.2 million for FY19 including \$151.7 million in project spending and \$27.5 million in community assistance; 2) to approve a five-year budget cap for capital spending ("Cap") for the period of FY19 through FY23 of \$984.8 million with the FY19-FY23 annual cash flows as presented and filed with the records of the meeting; (Cap spending includes total budget spending, contingency, and inflation, and is offset by community assistance and Chicopee Valley Aqueduct adjustments. In the event that the five-year spending projection exceeds the five-year base-line Cap in any of the Proposed or Final Capital Improvement Program budget cycles, the Executive Director may request approval from the Board of Directors for higher spending); and 3) to approve the responses to the Advisory Board's Combined Recommendations and Comments upon the MWRA's FY19 Capital Improvement and Current Expense Budgets.

Final FY 2019 Current Expense Budget

Upon a motion duly made and seconded, it was

Voted: 1) to adopt the Final FY19 Current Expense Budget (CEB) set forth in Attachments A, B and C with current revenue and expense of \$767,943,713 and 2) to adopt the Final FY19 Operating Budget (Trustee's Budget) set forth in Attachment D, all as presented and filed with the records of the meeting.

Final FY 2019 Water and Sewer Assessments

Upon a motion duly made and seconded, it was

Voted: to adopt the following effective July 1, 2018: 1) Water system assessments of \$249,855,191 and sewer system assessments of \$489,187,009 for Fiscal Year 2019; 2) FY19 sewer assessments of \$500,000 for the Town of Clinton and \$450,278 for the Lancaster Sewer District; 3) FY19 charge to the City of Worcester of \$188,387 representing approximately 7.9% of the direct operating expenses for the Clinton Wastewater Treatment Plant; 4) FY19 water assessments of \$3,542,075 for the City of Chicopee, \$710,359 for South Hadley Fire District #1, and \$757,295 for the Town of Wilbraham; 5) A wholesale water rate of \$3,963.00 per million gallons; and 6) A retail sewer rate of \$7,824.67 per million gallons.

Surplus Easement of the Abandoned Upper Neponset Valley Sewer

Upon a motion duly made and seconded, it was

Voted: to declare as surplus to the Authority's sewer system construction, maintenance, or operation needs and purposes a certain portion of an existing Commonwealth of Massachusetts sewer easement under the care, custody, and control of the Authority and located on a parcel of land with an address of 151 VFW Parkway in the City of Boston, as shown on Attachment A as presented and filed with the records of the meeting, and to return it to the control of the Massachusetts Division of Capital Asset Management and Maintenance ("DCAMM") in accordance with Section 9(c) of Chapter 372 of the Acts of 1984, as amended ("Enabling Act").

CONTRACT AWARDS

Mechanical Improvements, Biosolids Processing Facility: Daniel O'Connell's Sons, Inc., Contract 7153

No action taken.

Remote Headworks and Deer Island Shafts Study: Mott MacDonald, LLC, Contract 7237

Upon a motion duly made and seconded, it was

Voted: to approve the recommendation of the Consultant Selection Committee to award Contract 7237, Remote Headworks and Deer Island Shafts Study, to Mott MacDonald, LLC and to authorize the Executive Director, on behalf of the Authority, to execute said contract in an amount not-to-exceed \$1,371,788.67 for a contract term of ten months from the Notice to Proceed.

CONTRACT AMENDMENTS/CHANGE ORDERS

Chelsea Creek Headworks Upgrade: BHD/BEC 2015, A Joint Venture, Contract 7161, Change Order 14

Upon a motion duly made and seconded, it was

Voted: to authorize the Executive Director, on behalf of the Authority, to approve Change Order 14 to Contract 7161, Chelsea Creek Headworks Upgrade, with BHD/BEC 2015, A Joint Venture, for an amount not to exceed \$500,000.00, increasing the contract amount from \$78,782,848.46 to \$79,282,848.46, with no increase in contract term. Further, to authorize the Executive Director to approve additional change orders as may be needed to Contract 7161 in an amount not to exceed the aggregate of \$250,000, in accordance with the Management Policies and Procedures of the Board of Directors.

Western Operations Marlborough Maintenance Facility: E. A. Colangeli Construction Co., Inc., Contract 6650B, Change Order 10 (ref. W A.1)

Upon a motion duly made and seconded, it was

Voted: to authorize the Executive Director, on behalf of the Authority, to approve Change Order 10 to Contract 6650B, Western Operations Marlborough Maintenance Facility, with E. A. Colangeli Construction Co., Inc., for a lump sum amount of \$29,346.00, increasing the contract amount from \$3,559,661.40 to \$3,589,007.40, with no increase in contract term. Further, to authorize the Executive Director to approve additional change orders as may be needed to Contract 6650B in an amount not to exceed the aggregate of \$75,000, in accordance with the Management Policies and Procedures of the Board of Directors.

EXECUTIVE SESSION

It was moved to enter executive session to discuss real estate and litigation and thereafter to return to open session solely for the purpose of adjournment.

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

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Blackmon		
Carroll		
Foti		
Pappastergion		
Peña		
Vitale		
Walsh		
Wolowicz		
Beaton		

Voted: to enter executive session for the purpose of discussing strategy with respect to real estate and litigation, in that such discussions may have a detrimental effect upon the negotiating positions of the Authority.

* * * *

EXECUTIVE SESSION

* * * *

The meeting returned to open session at 12:49 p.m. and adjourned at 12:50 p.m.

Approved: (July 18, 2018)

Attest:

Andrew M. Pappastergion, Secretary