

MASSACHUSETTS WATER RESOURCES AUTHORITY

Meeting of the Board of Directors

May 11, 2016

A meeting of the Board of Directors of the Massachusetts Water Resources Authority was held on May 11, 2016 at the Authority headquarters in Charlestown. Chairman Beaton presided. Present from the Board were Messrs. Carroll, Foti, Pappastergion, Peña, Vitale and Walsh. Ms. Wolowicz and Messrs. Blackmon, Cotter and Flanagan were absent. Among those present from the Authority staff were Frederick Laskey, Executive Director, Steven Remsberg, General Counsel, Michael Hornbrook, Chief Operating Officer, Thomas Durkin, Director of Finance, Michele Gillen, Director of Administration, Stephen Estes-Smargiassi, Director of Planning and Sustainability, and Bonnie Hale, Assistant Secretary. The meeting was called to order at 1:05 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 April 13, 2016, as presented and filed with the records of the meeting.

REPORT OF THE CHAIR

Mr. Beaton summarized his remarks at a recent public hearing in Athol at which discussions continued relating to a plan to introduce endangered rattlesnakes on an island in the Quabbin reservoir. He stated that attempts were made to dispel some fears with facts, and further indicated that public dialogue would continue.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Laskey reported that Board member Kevin Cotter was recovering after a stay in the hospital, the annual Consumer Confidence Report was going to the printer, and planning and coordination for an off-site meeting on the topic of Metropolitan Water Tunnel Redundancy would continue.

APPROVALS

Bond Defeasance of Future Debt Service

Upon a motion duly made and seconded, it was

Voted to authorize the Executive Director or his designee, on behalf of the Authority, to enter into, execute and deliver all necessary agreements and other instruments and to take such other actions necessary to effectuate the redemption and defeasance of an aggregate principal amount of approximately \$26,350,000 of outstanding MWRA senior bonds including to cause the escrow of cash and/or securities in an amount necessary to fund such redemption and defeasance, in order to reduce the debt service requirement by approximately \$31,817,000 in the FY17 through FY22 timeframe.

Memorandum of Agreement with the Town of Stoneham in Connection with the Northern Intermediate High Pipeline Project

Upon a motion duly made and seconded, it was

Voted to authorize the Executive Director, on behalf of the Authority, to execute and enter into a Memorandum of Agreement with the Town of Stoneham, substantially in the form presented and filed with the records of the meeting, for the use of a 2.6-acre Town-owned parcel as a staging area for the Northern Intermediate High Pipeline Project and the Reading Extension Sewer Rehabilitation Project in the amount of \$500,000 for a term of four years with a month by month holdover at the end of the initial term at no additional cost,

payable at least 30 days prior to the commencement of construction; and further, to make a payment to the Town of Stoneham in the amount of \$429,450 at the mid-point of construction of MWRA Contract 7478 to be used by the Town for the sole purpose of performing final paving and restoration of the street and installation of sidewalks on portions of Oak Street affected by the project.

Approval of a Program to Study Lead levels in MWRA Water Communities

Upon a motion duly made and seconded, it was

Voted to authorize the Executive Director, on behalf of the Authority, to enter into an agreement with Massachusetts Department of Public Health to establish a program to determine, by examination of the local records or by inspection, if the residences of the children identified with elevated blood lead levels have a lead water service line to the home. The Massachusetts Department of Public Health shall provide MWRA with the results of these inspections to determine the correlation between lead services and children with elevated blood lead levels.

Approval of Program Guidelines for the MWRA Lead Service Line Replacement Loan Program

Upon a motion duly made and seconded, it was

Voted to approve the Program Guidelines for the MWRA Lead Service Line Replacement Loan Program substantially as presented and filed with the records of the meeting and consistent with the process currently used under the Local Water System Assistance Program.

Approval of Revisions to the Program Guidelines for the MWRA Local Water System Assistance Program to be Consistent with the Lead Service Line Replacement Loan Program Guidelines

Upon a motion duly made and seconded, it was

Voted to approve the Revised Program Guidelines for Water Projects under the MWRA Local Water System Assistance Program to be consistent with the Lead Service Line Replacement Loan Program Guidelines, as presented and filed with the records of the meeting.

PCR Amendments – May 2016

Consideration of this item was postponed.

Appointment of Manager, Operations Administration

Upon a motion duly made and seconded, it was

Voted to approve the Executive Director's recommendation to appoint Mr. Marcel Brady to the position of Manager, Operations Administration (Unit 6 Confidential, Grade 13), at an annual salary of \$117,179.15, to be effective on the date designated by the Executive Director.

Appointment of Network Administrator III, MIS

Upon a motion duly made and seconded, it was

Voted to approve the Executive Director's recommendation to appoint Mr. Feng Chen to the position of Network Administrator III in the MIS Department (Unit 6, Grade 12), at an annual salary of \$96,716.75 to be effective on the date designated by the Executive Director.

CONTRACT AWARDS

Arbitrage Rebate Calculation Services: Contract F240, PFM Asset Management LLC

Upon a motion duly made and seconded, it was

Voted to approve the recommendation of the Consultant Selection Committee to select PFM Asset Management LLC to provide Arbitrage Rebate Compliance services and to authorize the Executive Director, on behalf of the Authority, to execute and deliver Contract F240 with PFM Asset Management

LLC in an amount not to exceed \$104,750 for a term of three years from the Notice to Proceed.

Clinton Wastewater Treatment Plant - Commercial Gas Service/Main Agreement with National Grid: Contract 7528

Upon a motion duly made and seconded, it was

Voted to approve Contract 7528, Commercial Gas Service/Main Agreement with National Grid for the Clinton Wastewater Treatment Plant Phosphorus Reduction Facility, and to authorize the Executive Director, on behalf of the Authority, to execute said contract with National Grid in the amount of \$490,043.

Flow Testing Services for MWRA's Revenue Water Meters: Complete Control Services, Inc., Bid WRA-4181

Upon a motion duly made and seconded, it was

Voted to approve the award of Contract WRA-4181 for flow testing services for MWRA's revenue water meters, to the lowest eligible and responsible bidder, Complete Control Services, Inc., and authorize the Executive Director, on behalf of the Authority, to execute and deliver said contract in an amount not to exceed \$274,935 for the period June 1, 2016 through May 31, 2019.

Beacon Street Line Water Pipeline Repair: R. Zoppo Corp., Contract 7458

Upon a motion duly made and seconded, it was

Voted to approve the award of Contract 7458, Beacon Street Line Water Pipeline Repair, to the lowest responsible and eligible bidder, R. Zoppo Corp., and to authorize the Executive Director, on behalf of the Authority, to execute and deliver said contract in the bid amount of \$1,566,178, for a term of 210 calendar days from the Notice to Proceed.

Southern Extra High Pipeline Section 111 (Boston): P Gioioso and Sons, Inc., Contract 6454

Upon a motion duly made and seconded, it was

Voted to approve the award of Contract 6454, Southern Extra High Pipeline Section 111 (Boston) to the lowest responsible and eligible bidder, P. Gioioso and Sons, Inc., and to authorize the Executive Director, on behalf of the Authority, to execute and deliver said contract in the bid amount of \$11,770,000, for a term of 780 days from the Notice to Proceed.

CONTRACT AMENDMENTS/CHANGE ORDERS

Nut Island Emergency Demolition and Duct Cleaning: Daniel O'Connell's Sons, Contract OP-320, Change Order 2

Upon a motion duly made and seconded, it was

Voted to authorize the Executive Director, on behalf of the Authority, to approve Change Order 2 to increase the amount of Contract OP-320 with Daniel O'Connell's Sons, MWRA Nut Island Emergency Demolition and Duct Cleaning, in an amount not to exceed \$115,000.00, with no increase in contract term.

Dam Safety Compliance and Consulting Services: GZA GeoEnvironmental, Inc., Contract OP-228, Amendment 2

Upon a motion duly made and seconded, it was

Voted to authorize the Executive Director, on behalf of the Authority, to approve Amendment 2 to increase the amount of Contract OP-228, Dam Safety Compliance and Consulting Services, with GZA GeoEnvironmental, Inc., in an amount not to exceed \$32,117, with no increase in the contract term.

Section 4 Webster Avenue Pipe and Utility Bridge Replacement: NEL Corporation, Contract 7335, Change Order 5

Upon a motion duly made and seconded, it was

Voted to authorize the Executive Director, on behalf of the Authority, to approve Change Order 5 to increase the amount of Contract 7335, Section 4 Webster Avenue Pipe and Utility Bridge Replacement, with NEL Corporation, in an amount not to exceed \$2,150,000, and to extend the term by 245 calendar days to December 31, 2016.

EXECUTIVE SESSION

It was moved to enter executive session to discuss litigation and real estate.

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>
Carroll		
Foti		
Pappastergion		
Peña		
Vitale		
Walsh		
Beaton		

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

It was stated that the meeting would return to open session to conduct the mandatory Annual Meeting of the Personnel and Compensation Committee independent of management.

EXECUTIVE SESSION

The meeting returned to open session at 1:45 p.m.

ANNUAL MEETING OF THE PERSONNEL AND COMPENSATION COMMITTEE
INDEPENDENT OF MANAGEMENT

Authority Accountability and Transparency Act Compliance

All MWRA staff left the room, with the exception of recording secretary Bonnie Hale.

The meeting was called to order, in compliance with the provisions of the above-referenced Act.

Members of the Committee analyzed and assessed the data provided regarding executive compensation at comparable state agencies and authorities, as well as for-profit private sector employees, and national water and wastewater utilities. There was general discussion. It was observed that the level of MWRA compensation was in the middle to low range of similar positions at other entities.

The meeting adjourned at 1:55 p.m.

Approved: June 8, 2016

Attest:



Joseph Foti, Secretary