



**MWRA Advisory Board Summary
of the
MWRA Board of Director's Meeting
Wednesday, June 3, 2009**

Prior to the Board of Director's meeting, a budget hearing on the Draft FY10 Capital Improvement Plan and the Current Expense Budget was held with Advisory Board staff and MWRA staff. In attendance at the budget hearing were: MWRA Board Members Michael Gove, Andrew Pappastergion, Joseph Foti, Vincent Mannering, James Hunt III, and Joseph MacRitchie in addition to staff from MWRA and MWRA Advisory Board. The morning committee meetings were consolidated into the full Board meeting in the afternoon.

A meeting of the Board of Directors of the Massachusetts Water Resources Authority was held on June 3, 2009 at the Charlestown Navy Yard. **Present:** Chair Ian Bowles and Michael Gove, Gubernatorial Appointees; Joseph Foti, MWRA Advisory Board Representative; Vincent Mannering, Kevin Cotter and James Hunt III, City of Boston Representatives; Joseph MacRitchie, City of Quincy Representative **Absent:** Joel Barrera, Gubernatorial Appointee; Andrew Pappastergion and John Carroll, MWRA Advisory Board Representative. Marie Turner, Town of Winthrop Representative.

REPORT OF THE CHAIR

Chairman Ian Bowles commended the MWRA for its commitment to green initiatives. He noted that the federal stimulus requires projects to contain 20% green initiatives and the MWRA is already doing this. He stated that EPA Administrator Lisa Jackson is planning to come to Deer Island for a press event to announce stimulus funding for a 180 kWh solar project at the plant. Chairman Bowles commended the MWRA for its leadership in green initiatives.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Fred Laskey stated that he met with the Massachusetts Department of Fish and Game and they expressed an interest in participating in the system expansion discussion. He also mentioned that a small working group was working with a facilitator on organizing the participants and the discussion. The facilitator is on board and the working group is meeting.

Mr. Laskey noted that there was a long-standing discussion on the Low Service Covered Storage at Spot Pond. The Inspector General reviewed the procurement process and weighed in positively that the MWRA followed proper protocol.

A&F COMMITTEE

INFORMATION

RESULTS OF PURCHASE AND SUPPLY OF ELECTRIC POWER PROCUREMENT FOR THE DEER ISLAND TREATMENT PLANT

The Board of Directors delegated authority to the Executive Director to execute a contract for the supply of electric power to the Deer Island Treatment Plant; this delegation of authority was necessary because

MWRA was required to notify the selected bidder within a few hours of bid submittal to lock-in the bid prices in a constantly changing market. The MWRA received four bids from licensed competitive suppliers for supply of electricity to the Deer Island Treatment Plant, Contract S479. MWRA selected the fixed-price block with the balance of load variable supply, for the 24-month contract term through May 31, 2011, due to the very favorable pricing for the fixed-price block and the administrative fee received. The lowest bid for this option was submitted by Hess Corporation.

Deer Island's FY10 Revised Proposed CEB contains \$12,184,843 for electricity supply, which is approximately \$957,264 less than the original FY10 Proposed CEB. This budget includes both the cost of energy, which was recently awarded to the HESS Corporation for a two year term and the transmission and distribution costs charged by NSTAR. The new contract with HESS was structured so that approximately 50% of the power would be procured as a 10 Megawatt (MW) peak and 5 MW off-peak base, with the remaining 50% to be purchased on the variable market under real-time pricing.

APPROVALS

MWRA FY10 INSURANCE PROGRAM RENEWAL

[POSTPONED]

MEMORANDUM OF UNDERSTANDING WITH THE DEPARTMENT OF PUBLIC SAFETY FOR ELECTRICAL INSPECTIONS, AMENDMENT 1

[POSTPONED]

WASTEWATER POLICY & OVERSIGHT COMMITTEE

APPROVALS

WASTEWATER ADVISORY COMMITTEE CONTRACT RENEWAL

The Board voted to authorize the Executive Director, on behalf of the Authority, to execute a contract with the Wastewater Advisory Committee for a one-year period beginning on July 1, 2009 at a cost of \$57,100.

The Wastewater Advisory Committee (WAC) was created in 1990 to offer independent recommendations on wastewater programs and policies. WAC's members include citizen advocates and representatives from the MWRA Advisory Board, MAPC, watershed associations, the engineering and business communities, and science and education fields. WAC's monthly meetings are geared toward engendering discussion and facilitating timely recommendations to MWRA staff and the Board of Directors on wastewater policies, projects and program initiatives directly related to MWRA and public concerns. WAC elects its chairman and employs an Executive Director.

AMENDMENTS TO THE MWRA REGULATIONS FOR ADJUDICATORY PROCEEDINGS, ENFORCEMENT AND ADMINISTRATIVE PENALTIES, AND SEWER USE

The Board voted to authorize staff to publish notice of proposed amendments to MWRA's Regulations for Adjudicatory Proceedings, Enforcement and Administrative Penalties, and Sewer Use in the Massachusetts Register and newspapers for public comment. Staff will return to the Board for approval to adopt the amendments after public comments have been received.

The amendments include:

- Changes required by the U.S. Environmental Protection Agency (EPA) to conform MWRA's Sewer User Regulations to EPA's Pretreatment regulations;

- Changes to clarify regulations so as to: (i) align them with TRAC administrative practices, (ii) improve procedural practices in adjudicatory proceedings, and (iii) remove arguable ambiguous language relied upon by permittees in adjudicatory proceedings that detracts from TRAC's ability to enforce permit terms;
- Increases to the annual charges paid by permit holders.

MWRA has authority to adopt regulations, which are published in the Code of Massachusetts Regulations; such regulations have the force of law. Before adopting or amending a regulation, MWRA must provide notice of the proposed regulations in the Massachusetts Register and newspapers, send notice to various specified entities, and allow for a period of public comments.

The 4.5% across-the-board increase in the Incentive and Other Charges will generate an additional \$80,000 in FY2010, \$165,000 in FY2011, and \$250,000 in FY12 compared to FY08 amounts. The actual amount involved each year will vary based on the number of facilities in each permit category in each year. The increases in charges are intended to recapture approximately 63% of TRAC's costs of the industrial permit program.

CONTRACT AMENDMENTS/CHANGE ORDERS

UPPER NEPONSET VALLEY REPLACEMENT SEWER, SEWER SECTIONS 685 AND 686: P. GIOIOSO & SONS, CONTRACT 6191, CHANGE ORDER 18

The Board voted to authorize the Executive Director, on behalf of the Authority, to approve Change Order No. 18 to decrease the amount of Contract No. 6191 with P. Gioioso & Sons, Inc., Upper Neponset Valley Replacement Sewer, Sewer Sections 685 and 686, by \$947,118.66 for a total contract amount of \$37,003,662.99, with no change in contract term.

The Upper Neponset Valley Sewer was constructed between 1896 and 1902, and extends approximately four miles through West Roxbury and Newton. Contract 6191 replaces sections to increase the capacity. Substantial completion was achieved on July 15, 2008.

Change Order 18, for a net credit amount of (\$947,118.66), with an absolute value of \$998,902.66 consists of three items:

- Increases/Decreases in Unit Price and Allowance Items (\$897,562.82)
- Delete Turnover of Jacking Shield (\$45,000)
- Delete Removal of Temporary Access Road (\$4,555.84)

The cumulative total value of all change orders to this contract will be \$1,224,662.99 or 3.4% of the original contract amount. Work on this contract is 100% complete. The FY09 CIP includes a budget of \$38,168,000 for Contract 6191. Including this change order, the adjusted subphase total will be \$37,003,662.99.

NORTH DORCHESTER BAY CSO STORAGE TUNNEL: SHANK/BALFOUR BEATTY/BARLETTA JV, CONTRACT 6244, CHANGE ORDER 15

The Board voted to authorize the Executive Director, on behalf of the Authority, to approve Change Order No. 15 to decrease the amount of Contract No. 6244 with Shank/Balfour Beatty/Barletta JV, North Dorchester Bay CSO Storage Tunnel, by \$252,340.00 for a total contract amount of \$147,812,194.04, with no change in contract term. Further, the Board voted to authorize the Executive Director, on behalf of the Authority, to approve additional change orders as may be needed to Contract No. 6244 in amounts not to exceed the aggregate of \$250,000.00 and 180 calendar days.

The North Dorchester Bay CSO Storage Tunnel contract is the largest construction contract associated with the North Dorchester Bay CSO Control Plan. The contract was approximately 96.1% complete as of May 21, 2009. Change Order 15 is for a net total credit amount of (\$252,340), consists of 12 items, which include four credit items totaling (\$590,847) and eight additions totaling \$338,507. The absolute value of this change order is \$929,354.

The cumulative value of all change orders to this contract will total \$2,078,986.04 or 1.42% of the original contract amount. The FY09 CIP budget includes \$148,888,000 for Contract 6244. Including this change order for an amount of (\$252,340) the adjusted subphase total will be \$147,812,194.04.

DESIGN AND CONSTRUCTION SERVICES FOR THE BRAINTREE-WEYMOUTH REPLACEMENT PUMP STATION AND INTERCEPTORS: AECOM USA, INC., CONTRACT 5331, AMENDMENT 10

The Board voted to authorize the Executive Director, on behalf of the Authority, to approve Amendment No. 10 to extend the term of Contract No. 5331 with AECOM USA, Inc. (formerly Metcalf & Eddy), Design and Construction Services for the Braintree-Weymouth Replacement Pump Station and Interceptors, by 900 calendar days to December 18, 2011, with no increase in contract amount, and to reallocate available funds within the contract. Further, to approve the assignment of Contract No. 5331 from Metcalf & Eddy, Inc. to AECOM USA, Inc.

Contract 5331 includes design and construction services for four contracts in the Braintree-Weymouth Relief Facilities Project. Contract 5310, Rehabilitation of Braintree-Weymouth Interceptor Section 624 is on the 2009 State Revolving Fund (SRF) Intended Use Plan and is eligible for Stimulus Project Funding. Stimulus Project Funding requires that completed design documents and permits be submitted to DEP by August 2009, with construction contract award by February 2010. In order to complete design and construction-phase and warranty services for Contract 5310, it is necessary to extend AECOM's contract. Staff recommend a contract extension totaling 900 calendar days to provide design (240 days) and construction-phase (300 days), and warranty services (360 days), making the revised contract completion date December 18, 2011.

Amendment 10 will require no increase in overall contract amount. The FY09 CIP includes a budget of \$15,265,000 for Contract 5331.

WATER POLICY & OVERSIGHT COMMITTEE **INFORMATION**

UPDATE ON LEAD AND COPPER RULE COMPLIANCE – SPRING 2009

MWRA system-wide lead levels in the March 2009 sampling round were below the Action Level again for the eleventh consecutive sampling round and for 14 of the past 16 rounds. Twice a year, under EPA's Lead and Copper Rule, MWRA must collect and test tap water in a sample of homes that are likely to have high lead levels. The EPA rule requires that 90% of the sampled homes must have lead levels below the Action Level of 15 parts per billion (ppb). The 90th percentile value for the system as a whole in the March 2009 sampling round is 7.5 ppb, the second lowest level yet. These results will be formally transmitted to DEP and to the communities later this month. Staff have begun discussions with DEP and EPA about reducing the number of sampling rounds per year from two to one.

Stephen Estes-Smargiassi, Director of Planning, noted that lead levels continue to go down with Medford being the only community above the Action Level. Board Member Jim Hunt asked if the MWRA contacts the homeowner prior to sampling. Mr. Estes-Smargiassi responded that the contact is usually through the cities and towns.

2008 ANNUAL WATER QUALITY REPORT (CONSUMER CONFIDENCE REPORT)

The 2008 *Annual Water Quality Report* will be mailed to every household in MWRA's service area between June 5 and June 26, 2009 to meet EPA's Consumer Confidence Report Rule (CCR) deadline of July 1. The CCR program has been an important national initiative that has promoted better information and education for consumers about their publicly supplied drinking water. The CCR has been the centerpiece of MWRA's drinking water communication program since 1999. This year, the CCR highlights the benefits of MWRA drinking water including: well protected watersheds, extensive testing, environmental friendliness, and its much lower cost in comparison to bottled water.

The FY09 CEB includes sufficient funds for the 2008 CCR, including \$137,700 for printing and mail house services and \$118,500 for postage. Production and graphic design are performed by MWRA staff. The cost of preparing, printing and mailing almost 900,000 copies of the 2008 CCR is approximately \$.30 per copy.

APPROVALS

CONTRACT FOR WATER SUPPLY CITIZENS ADVISORY COMMITTEE

[POSTPONED]

CONTRACT AMENDMENTS/CHANGE ORDERS

WACHUSETT RESERVOIR SPILLWAY IMPROVEMENTS AND QUABBIN RESERVOIR DRAIN AND SPILLWAY REPAIR: R. ZOPPO CORP., CONTRACT 7020, CHANGE ORDER 2

The Board voted to authorize the Executive Director, on behalf of the Authority, to approve Change Order No. 2 to decrease the amount of Contract No. 7020 with R. Zoppo Corp., Wachusett Reservoir Spillway Improvements and Quabbin Drain and Spillway Repair, by \$169,383.81 for a total contract amount of \$4,959,598.31, with no change in contract term.

Under Contract 7020, the existing flashboard structures at the Wachusett Reservoir have been replaced by a hydraulically-operated crest gate, which was pre-purchased by MWRA under a separate competitively bid procurement. Improvements were also made to the existing electrical service at the bastion structure and Upper Gate House for the crest gate operation, and installation of Piezometers and observation wells at the toe of the Windsor Dam. The contract also included the following work at the Quabbin Reservoir: toe drain repairs at Windsor Dam, and the installation of bollards and security gates. Substantial Completion was achieved on November 14, 2008.

Change Order 2, for a net credit of (\$169,383.81), with an absolute value of \$262,331.81, consists of the following four items:

- Furnish and Install Six-Foot Polyethylene-Coated Chain Link Fence: \$12,375
- Furnish and Install a Siren: \$10,000
- Furnish and Install a Lanyard Attachment on the Ladder: \$4,000
- Increases/Decreases in Unit Price and Allowance Items: (\$195,758.81)

The cumulative total value of all change orders to this contract will be a credit amount of \$(435,851.69) or (8.5%) of the original contract amount. The FY09 CIP includes a budget of \$5,395,000 for Contract 7020, including this change order in the amount of (\$169,383.81). The adjusted sub=phase total will be \$4,959,598.31.

PERSONNEL COMMITTEE

APPROVALS

JUNE PCR AMENDMENTS

The Board voted to approve an amendment to the Position Control Register. The PCR amendment reflects organizational changes aimed at improving cost-effectiveness, structural soundness and staffing patterns of the Deer Island Wastewater Treatment Plant, Operations Division:

1. Title, location and grade change to a vacant position to address staffing needs at the Deer Island Wastewater Treatment Plant.

The annual budget impact of this PCR amendment will theoretically range from a cost of -\$9,907 to \$4,931.

EXTENSION OF EMPLOYMENT CONTRACT, ADMINISTRATIVE ASSISTANT, CLINTON WASTEWATER TREATMENT PLANT

The Board voted to approve the extension of the employment contract for Ms. Jane Densmore, Administrative Assistant, Clinton Wastewater Treatment Plant, for a period of one year from June 30, 2009 to June 30, 2010 at the current hourly rate of \$21.00, for an annual compensation not to exceed \$21,840.00.

The Clinton Wastewater Treatment Plant continues to have a part-time need for assistance in completing routine administrative tasks; these tasks do not require a full-time position. Since March 2008, Ms. Jane Densmore has provided this administrative support and assistance to the Superintendent of the Clinton Wastewater Treatment Plant; she is proficient in utilizing the Lawson computer program, as well as completing other administrative and accounting tasks. Funds for this position are budgeted in the FY09 and FY10 Current Expense Budgets.

EXTENSION OF EMPLOYMENT CONTRACT, ENERGY AND CONSERVATION PROGRAM COORDINATOR

The Board voted to approve the extension of the employment contract for Mr. Andrew Klein, Energy and Conservation Program Coordinator, Operations Division, for a period of one year from June 16, 2009 to June 16, 2010 at the current hourly rate of \$35.90, for an annual compensation not to exceed \$74,672.00.

MWRA has been aggressively focusing on its overall strategy to develop renewable power, conserve energy, and reduce its reliance on purchased power. A number of energy-related projects have been developed and are in various stages of implementation. These projects require substantial staff time. MWRA has one full-time position dedicated to energy-related issues. On June 16, 2008, Mr. Klein was hired to supplement MWRA resources and has been actively involved in a number of projects including research, compliance, supporting grant funding applications and considering current renewable energy technologies.

Funding for this position is included in the Approved FY09 and Proposed FY10 Current Expense Budget.