

**MWRA Board of Directors Meeting
January 14, 2015
Voting Summary Sheet**

Item Name	Type	Notes	Vote	Discussion Highlights
Approval of Minutes	n/a	n/a	Unanimous	
Report of the Chair	n/a	n/a	n/a	*
Report of the Executive Director	n/a	n/a	n/a	*
PCR Amendments – January 2015	Approval	<ul style="list-style-type: none"> 5 titles were amended 3 salary equity issues were addressed 1 union settlement Impact: -\$44,704 	Unanimous	
Appointment of Director, Finance	Approval	<ul style="list-style-type: none"> Appointed: Thomas J. Durkin Salary: \$150,000 (Non-Union, Grade 17) Effective: Date determined by Exec. Director 	Unanimous	
Appointment of Director, Administration	Approval	<ul style="list-style-type: none"> Appointed: Michele S. Gillen Salary: \$144,000 (Non-Union, Grade 17) Effective: Date determined by Exec. Director 	Unanimous	
Appointment of Treasurer	Approval	<ul style="list-style-type: none"> Appointed: Matthew Horan Salary: \$117,000 (Non-Union, Grade 16) Effective: Date determined by Exec. Director 	Unanimous	
Appointment of Director, Procurement	Approval	<ul style="list-style-type: none"> Appointed: John E. Sabino Salary: \$140,000 (Non-Union, Grade 16) Effective: Date determined by Exec. Director 	Unanimous	
Appointment of Program Manager, Engineering and Construction	Approval	<ul style="list-style-type: none"> Appointed: Geetha Mathiyalakan, Ph.D., P.E. Salary: \$111,298.86 (Unit 9, Grade 29) Effective: Date determined by Exec. Director 	Unanimous	
Appointment of Senior Program Manager, Western Operations	Approval	<ul style="list-style-type: none"> Appointed: George C. Norregaard Salary: \$115,942.44 (Unit 9, Grade 30) Effective: January 17, 2015 	Unanimous	
Appointment of System Administrator III, MIS	Approval	<ul style="list-style-type: none"> Appointed: Syrus Ataii Salary: \$101,615.86 (Unit 6, Grade 12) Effective: Date determined by Exec. Director 	Unanimous	
Nut Island Headworks Electrical and Conveyors Improvements, Contract 7313, Change Order 5	Contract Amendments /Change Orders	<ul style="list-style-type: none"> Approved: J.F. White Contracting Co. Amount: Lump sum \$28,364 No increase in contract term 	Unanimous	*
Delegated Authority Report – December 2014	Information	<ul style="list-style-type: none"> Please see related staff summary 	n/a	*
FY15 Financial Update and Summary as of December 2014	Information	<ul style="list-style-type: none"> Revenues exceeded budget by \$902,000 (0.3%) YTD expenses over budget by \$414,000 (0.1%) Defeasance account balance: \$7.1 million 	n/a	*
Other Post-Employment Benefits (OPEB)	Information	<ul style="list-style-type: none"> Staff will discuss plans for an OPEB Irrevocable Trust with Long-Term Rates Management Committee Pension fund is expected to be fully funded in FY16 	n/a	*
2013 Deer Island Outfall Monitoring Overview	Information	<ul style="list-style-type: none"> No adverse impacts from the outfall were found Report submitted to federal and state regulatory agencies 	n/a	*
Ebola Preparedness Update	Information	<ul style="list-style-type: none"> MWRA updated six hospital permits on handling Ebola waste as hazardous materials and requiring disinfection Authority adding extra layer of protection for its staff and staff from communities 	n/a	*
Co-Digestion Update	Information	<ul style="list-style-type: none"> The co-digestion pilot study is still on hold MWRA will move forward with a combined heat and power project 	n/a	*
Report on 2014 Water Use Trends	Information	<ul style="list-style-type: none"> Please see related staff summary 	n/a	*
Annual Update on Invasive Aquatic Plant Management at MWRA Reservoirs	Information	<ul style="list-style-type: none"> Please see related staff summary and PowerPoint presentation 	n/a	*

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Organizational Changes in Administration and Finance	Information	<ul style="list-style-type: none">• Authority is separating the Administration and Finance Divisions and appointing a Director for each• Promotions from within will require additional staff changes	n/a	
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Administration and Finance Wastewater Water Personnel * Advisory Board position



MWRA Advisory Board Summary
of the
MWRA Board of Directors Meeting
Wednesday, January 14, 2015

A meeting of the Board of Directors of the Massachusetts Water Resources Authority was held on January 14, 2015 at the Charlestown Navy Yard. Present: Chair Matthew Beaton, Joel Barrera and Jennifer Wolowicz, Gubernatorial Appointees; Andrew Pappastergion and Joseph C. Foti, MWRA Advisory Board Representatives; Henry Vitale and Kevin Cotter, City of Boston Representatives; Jack Walsh, City of Quincy Representative; Paul Flanagan, Town of Winthrop Representative. Absent: John Carroll, MWRA Advisory Board Representative.

Report of the Chair

New Secretary of the Executive Office of Energy and Environmental Affairs Matthew Beaton introduced himself and stated that he is honored to have the privilege and opportunity to be a part of this incredible resource to the Commonwealth of Massachusetts and that he is looking forward to working with his fellow Board members and MWRA staff.

Report of the Executive Director

On behalf of staff, MWRA Executive Director Fred Laskey welcomed Chairman Beaton to the MWRA. In addition, Mr. Laskey recognized two people who are moving on to “greener pastures” but have left an indelible mark on the MWRA. Board Member Joel Barrera came with fiscal responsibility, a wealth of experience and strong opinions. He has left his mark in a number of ways but his biggest legacy will be the trails initiatives, which provide a great benefit to the citizens of Massachusetts. A plaque listing the projects that Mr. Barrera was involved in was presented to him. Mr. Barrera stated that he enjoyed his nearly seven years as a member of the Board of Directors. The MWRA has set a high standard and everyone here takes pride in their work. Thank you for that lesson.

Mr. Laskey thanked Director of Administration and Finance Rachel Madden, on behalf of staff, for her professionalism and enthusiasm. Ms. Madden has joined the Baker Administration. Mr. Laskey noted that the Authority is known for cleaning up Boston Harbor; however, it is known in the financial world as having good fiscal management and as a debt management organization first. A lot of that reputation is tied to Rachel’s skill and knowledge. She will be missed. Ms. Madden stated that it has been an honor and a privilege to have served at the Authority. She thanked Mr. Laskey and the Board for their support during her time at the MWRA and told Secretary Beaton that he would be “wowed” by the knowledge and dedication of this organization. She thanked members of her staff for their efforts and acknowledged MWRA Advisory Board Executive Director Joseph Favaloro for sometimes “pushing her to the edge.” She thanked Mr. Laskey for giving her the opportunities with the MWRA.

Approvals

PCR Amendments – January 2015

The Board voted to approve the amendments to the Position Control Register, as presented and filed with the records of the meeting.

Appointment of Director, Finance

The Board voted to approve the Executive Director's recommendation to appoint Mr. Thomas J. Durkin to the position of Director of Finance (Non-Union, Grade 17) at an annual salary of \$150,000 to be effective on the date designated by the Executive Director.

Appointment of Director, Administration

The Board voted to approve the Executive Director's recommendation to appoint Ms. Michele S. Gillen to the position of Director of Administration, Administration Division (Non-Union, Grade 17) at an annual salary of \$144,000 to be effective on the date designated by the Executive Director.

Appointment of Treasurer

The Board voted to approve the Executive Director's recommendation to appoint Mr. Matthew Horan to the position of Treasurer (Non-Union, Grade 16) at an annual salary of \$117,000 to be effective on the date designated by the Executive Director. Further, in accordance with Article IV, Section 1 of the by-laws, to appoint Matthew Horan as Treasurer of the Authority.

Appointment of Director, Procurement

The Board voted to approve the Executive Director's recommendation to appoint Mr. John E. Sabino to the position of Director of Procurement, Administration Division (Non-Union, Grade 16) at an annual salary of \$140,000 to be effective on the date designated by the Executive Director.

Appointment of Program Manager, Engineering and Construction

The Board voted to approve the Executive Director's recommendation to appoint Ms. Geetha Mathiyalakan, Ph.D., P.E. to the position of Program Manager in the Engineering and Construction Department (Unit 9, Grade 29) at an annual salary of \$111,298.86 to be effective on the date designated by the Executive Director.

Appointment of Senior Program Manager, Western Operations

The Board voted to approve the Executive Director's recommendation to appoint Mr. George C. Norregaard (Unit 6, Grade 12) to the position of Senior Program Manager, Western Operations, Operations Division (Unit 9, Grade 30) at an annual salary of \$115,942.44, effective January 17, 2015.

Appointment of System Administrator III, MIS

The Board voted to approve the Executive Director's recommendation to appoint Mr. Syrus Atai to the position of Systems Administrator III, MIS Department (Unit 6, Grade 12) at an annual salary of \$101,615.86, to be effective on the date designated by the Executive Director.

Contract Amendments/Change Orders

Nut Island Headworks Electrical and Conveyors Improvements: J.F. White Contracting Co., Contract 7313, Change Order 5

The Board voted to authorize the Executive Director, on behalf of the Authority, to approve Change Order 5 to increase the amount of Contract 7313 with J.F. White Contracting Co., Nut Island Headworks Electrical and Conveyors Improvements, for a lump sum amount of \$28,364, with no increase in contract term; and to authorize the Executive Director to approve additional change orders as may be needed to Contract 7313 in amounts not to exceed the aggregate of \$250,000, in accordance with the Management Policies and Procedures of the Board of Directors.

Board Member Jack Walsh asked if this change is a design error. Director of Construction Corinne Barrett stated that the change is an omission.

Board Member Andrew Pappastergion noted that this facility is not old. Did they not know about the groundwater? Why use metal conduits? Deputy Chief Operating Officer John Vetere stated that the impeded conduit underneath the concrete was bent or separated and groundwater got in. Mr. Pappastergion stated with salt water getting into the conduit, they should have used conduit that was not subject to corrosion.

Information

Delegated Authority Report – December 2014

Director of Administration Michele Gillen highlighted a security equipment maintenance and repair service agreement in the \$941,000 range. It is important to maintain the security throughout the MWRA facilities.

Mr. Laskey noted that the world has changed. It is critical to evaluate our security needs. An internal working group has been put together to assess the Authority's needs to maintain its facilities.

FY15 Financial Update and Summary as of December 2014

Staff provided the Board with a financial update and summary as of December 2014.

Board Member Henry Vitale asked about spending related to security data lines. Budget Director Kathy Soni stated that the spending is related to the SCADA security systems. Maintenance and Operations Specialist Andrew Hildick-Smith stated that the Authority currently uses a point-to-point system and this change will

allow staff to have a multi-point system that will benefit the Authority with a backup control point for the security system.

Mr. Vitale asked if the Authority has a disaster recovery plan. Mr. Laskey stated that the Authority has recovery plans for all of its major facilities.

Other Post-Employment Benefits

Mr. Laskey said an issue being discussed is when to move forward with an irrevocable trust for the Other Post-Employment Benefits (OPEB) liability. Director of Finance Thomas Durkin said it is staff's opinion and intent for FY16 to have a plan to go forward with an OPEB Irrevocable Trust. Since 2008, the Authority has included a line item for the OPEB liability. Staff has to address a plan for the rating agencies. It is less expensive to pay earlier than later.

In 2008, a recommendation was made to increase the payments to the pension fund rather than an irrevocable trust for OPEB. The real return was 8%. It was an advantageous approach and satisfied the rating agencies. Putting additional dollars aside has worked well and the pension fund is close to being fully funded. It is currently funded at 94.8% with 95% to 105% being considered fully funded; staff expects the pension fund will be fully funded in 2016.

Because of a change in the MWRA's bond indentures, the release of reserves is imminent. The Long-Term Rates Management Committee will be reconvening and may decide to appropriate some of the funds for OPEB.

Mr. Laskey stated that it is a major step forward; the Authority is short months away from implementing an Advisory Board initiative to release the reserves. A thorough discussion is needed on what to do with these funds.

Mr. Laskey stated that the strategy for the reserves was to get a better bond rating in the beginning of the MWRA; now that the Authority is a proven, mature agency that pays its debts, taking those funds to pay down debt or fund a liability would most likely be looked at favorably by the rating agencies.

Board Member Henry Vitale offered the Boston Water and Sewer Commission's assistance in setting up an OPEB Irrevocable Trust as the Commission has recently established one itself. Mr. Laskey expressed his appreciation.

2013 Deer Island Outfall Monitoring Overview

Director of Environmental Quality Betsy Reilley and Water Quality Program Manager Ken Keay provided the Board with an overview on [Deer Island Outfall Monitoring for 2013](#).

Mr. Walsh asked if staff has ever done a study on the flounder population in different areas. Mr. Keay responded that stock levels of flounder are at a small fraction. Because of the way the Authority does its sampling, staff is not in random locations.

Ebola Preparedness Update

Deputy Chief Operating Officer Carolyn Fiore, Director of the Toxic Reduction and Control (TRAC) Department John Riccio and Laboratory Manager Steven Rhode provided the Board with an update on Ebola preparedness, including plans to keep MWRA staff and staff of BWSC and other communities safe as well. The MWRA does not want to put people in harm's way.

Mr. Rhode noted that when staff updated the Board in October, there were 8,300 cases of Ebola; the total today stands at 21,000. There is some evidence that mitigation methods being taken in Africa are beginning to work; however, there is still a risk that a case of Ebola could end up in Boston. This Ebola outbreak is the first that involved urban areas.

Sanitary sewer systems in Africa are not like the system in Boston. The Center for Disease Control's (CDC) recommendations for sewer systems are based on analogies about the mode of spread but no hard data. Staff believes it is important to add extra layers of protection.

The two hospitals in the United States (in Georgia and Nebraska) that are trained for Ebola patients are keeping liquid waste out of the sewer system or are treating it. Staff is working with the Department of Public Health to add that additional layer of protection.

Mr. Riccio stated that the Authority is modifying or amending six hospital permits and including language that would tell the hospitals what to do with the waste, which should be solidified and hauled as hazardous materials. If the hospitals are not able to do that, bodily wastes should be disinfected before discharging it to the sewers.

Ms. Fiore added that staff is working with the Massachusetts Department of Public Health and the Boston Public Health Department on these measures.

Board Member Andrew Pappastergion asked what the Ebola waste does to the wastewater system. Mr. Rhode said regular hospital-based disinfectants would be utilized. Mr. Laskey noted that the Massachusetts General Hospital made a decision to not allow the disposal of bodily fluids to the sanitary sewer from a patient suspected to have Ebola.

Board Member Jack Walsh asked about the flows in that area. Chief Operating Officer Michael Hornbrook stated that the survival rate of the Ebola virus in the sewer system isn't known; however, the CDC believes that it is okay to have the virus in the sewerage because it is diluted. The Authority wants an added layer of protection because of the lack of documentation on how long the virus lasts in the system.

Mr. Vitale stated, on behalf of Mayor Walsh, we appreciate what the Authority has done and we have high confidence in the MWRA system.

Co-Digestion Update

Mr. Laskey noted that because of the change in Administration, the co-digestion pilot study is in limbo. Staff is in the process of setting up a meeting with Department of Environmental Protection Commissioner Martin Suuberg to discuss the study. Barging will require a substantial state subsidy.

Board Member Jennifer Wolowicz asked if Waste Management is on hold as well. Mr. Laskey responded in the affirmative; because of the added expense of barging, Waste Management should be entitled to receive funding from the Commonwealth to defray the costs of barging. Deer Island Treatment Plant Director David Duest added that there are no costs to the Authority except on Deer Island itself. Transportation costs would be the responsibility of the bidder.

Mr. Laskey stated that the Authority still plans to move forward on a combined heat and power project as it is a good investment.

Report on 2014 Water Use Trends

Stephen Estes-Smargiassi, Director of Planning and Sustainability, and Daniel Nvule, Senior Program Manager, made a presentation on [2014 Water Use Trends](#).

Mr. Vitale asked with all the building going on in the City of Boston, why are sales flat? Mr. Estes-Smargiassi stated that it is a combination of more efficient appliances and a change in occupancy. More and more of these units are for couples rather than families. Mr. Vitale said BWSC still promotes conservation.

Annual Update on Invasive Aquatic Plant Management at MWRA Reservoirs

Prior to his update on Invasive Aquatic Plant Management at the reservoirs, Director of Waterworks David Coppes noted the completion of repairs to the [Quabbin Spillway fence](#) through a PowerPoint presentation.

Mr. Coppes then offered the Invasive Plant Management presentation created by Reservoir Operations Program Manager John Gregoire who was on vacation. Please click for the update: [Invasive Aquatic Plant Management](#).

Mr. Laskey noted that invasive species are a major threat and staff will continue to pursue them aggressively and funding for this pursuit will be part of the budget every year.

Organizational Changes in Administration and Finance

Director of Human Resources Karen Gay-Valente and Employment Manager Andrea Murphy provided the Board with a presentation on organizational changes related to the Administration and Finance Departments.

This summary does not include every item discussed by the Board, nor the full extent of the discussions. Please contact Mary Ann McClellan at the Advisory Board office with questions, comments or requests for more information.