

**MWRA Board of Directors Meeting
November 14, 2018
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 – November 2018	Approval	<ul style="list-style-type: none"> Approved the amendments to the Position Control Register, as presented and filed with the records of the meeting. 	Unanimous	
Appointment of Business Systems Analyst III, MIS Department	Approval	<ul style="list-style-type: none"> Appointed: Mr. Patrick Li Salary: \$113,864.09 Effective: To be determined by the Executive Director 	Unanimous	
Appointment of Budget Manager, Finance Division	Approval	<ul style="list-style-type: none"> Appointed: Mr. Michael Cole, Jr Salary: \$117,300, Effective: To be determined by the Executive Director 	Unanimous	
Appointment of Manager, Finance and Administration, Operations Division	Approval	<ul style="list-style-type: none"> Appointed: Mr. Christopher Lam Salary: \$113,864.09 Effective: To be determined by the Executive Director 	Unanimous	
Approval of Seventy-Ninth Supplemental Bond Resolution	Approval	<ul style="list-style-type: none"> The Board voted to adopt the Seventy-Ninth Supplemental Resolution authorizing the issuance of up to \$55,000,000 of Massachusetts Water Resources Authority Subordinated General Revenue Bonds and the supporting issuance resolution. 	Unanimous	*
Memoranda of Understanding Between MWRA and Eversource, Eversource Gas Company and Western Massachusetts Electric Company (Northeast Utilities Companies), and National Grid	Approval	<ul style="list-style-type: none"> The Board voted to authorize the Executive Director, on behalf of the Authority, to execute non-binding Memoranda of Understanding with Eversource Electric Company, Eversource Gas Company and Western Massachusetts Electric Company (Northeast Utilities Companies, collectively referred to as Eversource) and National Grid, substantially in the forms as presented and filed with the records of the meeting. 	Unanimous	*
Technical Consulting Services to Implement Upgrades to the Water Quality Reporting System: Overture Partners, LLC, Bid WRA-4572Q, State Contract ITS63 Cat 2b	Contract Award	<ul style="list-style-type: none"> Awarded: Overture Partners, LLC Amount: \$309,248.96 Term: Not to exceed two years. 	Unanimous	*
Purchase of New Desktop Computers, Imaging and Deployment Services: Hub Technical Services LLC, Bid WRA-4586Q, State Contract #ITC47	Contract Award	<ul style="list-style-type: none"> Awarded: Hub Technical Services LLC Amount: \$1,260,579.56 Term: n/a 	Unanimous	
Chelsea Creek Headworks Upgrade, BHD/BEC 2015, A Joint Venture, Contract 7161, Change Order 22	Contract Amendment/Change Order	<ul style="list-style-type: none"> The Board voted to authorize the Executive Director, on behalf of the Authority, to approve Change Order 22 to Contract 7161, Chelsea Creek Headworks Upgrade, with BHD/BEC 2015, A Joint Venture, for an amount not to exceed \$182,792.00, increasing the contract amount from \$79,954,968.46 to \$80,137,760.46, 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 	Unanimous	*
Northern Intermediate High Section 110 – Stoneham, Albanese D&S Inc., Contract 7067, Change Order 3	Contract Amendment/Change Order	<ul style="list-style-type: none"> The Board voted to authorize the Executive Director, on behalf of the Authority, to approve Change Order 3 to Contract 7067, Northern Intermediate High Section 110 Stoneham, with Albanese D&S Inc., for an amount not to exceed \$283,500, increasing the contract amount from \$23,107,300 to \$23,390,800, with no increase in contract term. Further, to authorize the Executive Director to approve additional change orders as may be needed to Contract 7067 in an amount not to exceed the aggregate of \$250,000, in accordance with the Management Policies and Procedures of the Board of Directors. 	Unanimous	*

**MWRA Board of Directors Meeting
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Voting Summary Sheet**

Update on Alewife Brook Pumping Station Rehabilitation	Information	•Please see related staff summary		*
Update on Aqueduct Trails Program (presentation)	Information	•Please see related staff summary	n/a	*
Update on Lead and Copper Rule Compliance	Information	•Please see related staff summary	n/a	*
Wachusett Reservoir Lower Gatehouse Pipe Break	Information	•Please see related staff summary	n/a	*
Internal Audit Department Activities Report – FY2018	Information	•Please see related staff summary	n/a	*
FY2019 First Quarter Orange Notebook	Information	•Please see related staff summary	n/a	*
Delegated Authority Report – October 2018	Information	•Please see related staff summary	n/a	*
FY2019 Financial Update and Summary as of October 2018	Information	•Please see related staff summary	n/a	*

Administration and Finance
 Wastewater
 Water
 Personnel
 *Indicates Highlights



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MWRA Advisory Board Summary
of the
MWRA Board of Directors Meeting
Wednesday, November 14, 2018

A meeting of the Board of Directors of the Massachusetts Water Resources Authority was held on Wednesday, November 14, 2018 at the Charlestown Navy Yard. Present: Secretary Beaton, Jennifer Wolowicz, and Brian Peña, Gubernatorial Appointees; John Carroll, Joseph Foti, and Andrew Pappastergion, MWRA Advisory Board Representatives; Henry Vitale and Kevin L. Cotter, City of Boston Representatives; John J. Walsh, City of Quincy Representative; Paul Flanagan, Town of Winthrop Representative. (One representative position from the City of Boston remains open).

Report of the Chair

The Chairman reported on the ongoing efforts of the state in addressing the issues relating to the major developments regarding the natural gas incident in the City of Lawrence, north of Boston, now a couple of months earlier. He described the magnitude of what had happened and the approaches to fixing the disruption and damage caused. A team of participants has been building up an operation to restore the physical infrastructure, and an approach to replace the damaged and destroyed 43.3 miles of natural gas pipelines (and recertify another 15 miles of pipeline) impacting 10,000 units of housing and businesses. It has been a daunting task, with several thousand people involved in the work. As of that morning, 50% of the units had been completed. A lot of progress is being made, with a tremendous number of challenges.

Report of the Executive Director

The Executive Director recognized the Budget Director, Kathy Soni, who is retiring after 20 years. Mr. Laskey noted that it is no accident that the MWRA has a strong bond rating and a good reputation with her on board. She expressed her appreciation for the support, and wished good health and many prosperous years to everyone.

Operations staff gave a presentation regarding recent rain events. [See power PointPresentation.] Starting with water supply impacts of the recent rain events, staff noted that it already has been a wetter than normal year. Already, through October, there has been an average year's worth of rain (with six to seven weeks to go in the year). The Quabbin Reservoir has started spilling to relieve the build-up of water behind the dam. Water is also being released from the Wachusett Reservoir, as well as the backup reservoirs.

From a wastewater facilities standpoint, there have been five storms since October 27, totaling 8.5 inches of rain or more recorded at the different headworks facilities. The amount represents more than a month (and approaching more than two month's worth of rain) in a period of a couple of weeks. Thanks to the quality of the facilities and the skills of the staff, there have been no issues operating the combined sewer facilities and there have been no SSOs (sanitary sewer overflows). The Authority's web page reflects real time reporting of current conditions and performance. The staff noted that there is hope for a couple of dry weeks so that the system has time to recover.

Staff also reported on the status of the public access program for the backup aqueducts, through which the Authority partners with local communities to provide access to the trails. There are over 21 miles of trails that are open, out of a total of 27 miles. Also, staff provided an update on a meeting the day before of the OMSAP (Outfall Monitoring Science Advisory Panel). The group includes representatives of scientists and others interested in the cleanup of Boston Harbor. The group has monitoring the testing data for decades. Results have proven that the Harbor has been cleaned up. These results raised the question of "how we move forward from here?" The panel is expected to prepare a report to recommended what next steps might be pursued. The group were very pleased with and were complimentary of the outcomes of the cleanup project to date.

Approvals

Approval of Minutes

The Board voted to approve the minutes from the October 17, 2018 meeting of the Board of Directors.

PCR Amendments – November 2018

The Board voted to approve amendments to the Position Control Register (PCR) for November 2018 as presented and filed with the records of the meeting.

Staff described the two title changes involved in the month's PCR amendments: the proposed amendments better reflect what the job duties are.

Appointment of Business Systems Analyst III, MIS Department

The Board voted to approved the appointment of Mr. Patrick Li to the position of Business Systems Analyst III (Unit 6, Grade 12), in the MIS Department, at an annual salary of \$113,864.09, commencing on a date to be determined by the Executive Director.

Appointment of Budget Manager, Finance Division

The Board voted to approve the appointment of Mr. Michael Cole, Jr. to the position of Budget Manager, Finance Division (Non-Union, Grade 14) at an annual salary of \$117,300, commencing on a date to be determined by the Executive Director.

Appointment of Manager, Finance and Administration, Operations Division

The Board voted to approve the appointment of Mr. Christopher Lam to the position of Manager, Finance and Administration (Unit 6, Grade 12), at an annual salary of \$113,864.09 commencing on a date to be determined by the Executive Director.

Approval of Seventy-Ninth Supplemental Bond Resolution

The Board voted to adopt the Seventy-Ninth Supplemental Resolution authorizing the issuance of up to \$55,000,000 of Massachusetts Water Resources Authority Subordinated General Revenue Bonds and the supporting issuance resolution.

Staff highlighted the proposed bond issue, noting that the construction fund is the funding source for the capital improvement program. It is funded a number of different ways: from publicly-issued fixed and variable rate debt, from competitively bid privately-placed bonds. A small but important part comes from current revenue for the capital program, and, commercial paper notes (to some degree). This agenda item is the bonds the MWRA issues to the Massachusetts Clean Water Trust (also known as the State Revolving Fund, or the SRF). The MWRA is seeking authorization for the issuance of up to \$55.0 million.

Memorandum of Understanding Between MWRA and Eversource, Eversource Gas Company and Western Massachusetts Electric Company (Northeast Utilities Companies), and National Grid

The Board voted to authorize the Executive Director, on behalf of the Authority, to execute non-binding Memoranda of Understanding with Eversource Electric Company, Eversource Gas Company and Western Massachusetts Electric Company (Northeast Utilities Companies, collectively referred to as Eversource) and National Grid, substantially in the forms as presented and filed with the records of the meeting.

Staff highlighted the plan to develop Memoranda of Understanding for energy efficiency undertakings. The MOUs are agreements that allow MWRA to obtain rebates from the utilities for implementing energy-efficient projects. The MOUs will also support the identification and implementation of energy efficiency opportunities throughout the MWRA's day-to-day operations and construction programs. The annual goal is a reduction of 3% in annual electricity usage.

Contract Awards

Technical Consulting Services to Implement Upgrades to the Water Quality Reporting System: Overture Partners, LLC, Bid WRA-4572Q, State Contract ITS63 Cat 2b

The Board voted to approve the award of Purchase Order Contract WRA-4572Q for technical consulting services to implement upgrades to the Water Quality Reporting System, to the lowest responsive bidder, Overture Partners, LLC, and to authorize the Executive Director to execute said purchase order contract in an amount not to exceed \$309,248.96 under State Contract ITS63 Cat 2b, for a term not to exceed two years.

This contract will cover some improvements to the current system, including the addition of processes to allow in-house staff to do maintenance and smaller adjustments to the system. Up to now, an outside contractor had been managing the system. These adjustments will improve data integrity, reduce the risk of

errors, and allow better document changes, in addition to accommodating greater access for in-house changes in the future. Staff emphasized that it is a very complex system, and that staff had had good experience with the company in the past.

Purchase of New Desktop Computers, Imaging and Deployment Services: HubTechnical Services LLC, Bid WRA-4586Q, State Contract ITC47

The Board voted to approve the award of a purchase order for the purchase of 902 standard HP Elite Desk 800 desktop computers, and imaging and deployment services to the lowest responsive bidder under BID WRA-4586Q, Hub Technical Services LLC, and authorize the Executive Director to execute said purchase order in the bid amount of \$1,260,579.56 under State Contract ITC47.

Contract Amendments/Change Orders

Chelsea Creek Headworks Upgrade, BHD/BEC 2015, A Joint Venture, Contract 7161, Change Order 22

The Board voted to authorize the Executive Director, on behalf of the Authority, to approve Change Order 22 to Contract 7161, Chelsea Creek Headworks Upgrade, with BHD/BEC 2015, A Joint Venture, for an amount not to exceed \$182,792.00, increasing the contract amount from \$79,954,968.46 to \$80,137,760.46, 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.

Staff described elements of the project, noting that a February turnover of the first process channel is anticipated. Staff described several current points of progress, including a recent concrete pour (achieved prior to the winter), with the erection of the tower planned for the first week after Thanksgiving. Next, once the odor control work is completed, work on the roof will be carried out, as well. Staff also noted elements of current negotiations regarding the three items included in the change order.

Northern Intermediate High Section 110 – Stoneham, Albanese D&S Inc., Contract 7067, Change Order 3

The Board voted to Authorize the Executive Director, on behalf of the Authority, to approve Change Order 3 to Contract 7067, Northern Intermediate High Section 110 Stoneham, with Albanese D&S Inc., for an amount not to exceed \$283,500, increasing the contract amount from \$23,107,300 to \$23,390,800, with no increase in contract term.

Further, to authorize the Executive Director to approve additional change orders as may be needed to Contract 7067 in an amount not to exceed the aggregate of \$250,000, in accordance with the Management Policies and Procedures of the Board of Directors.

Staff provided a power point presentation describing the project and elements of the change order. It was noted that it had been assumed that any contaminated soil encountered during construction would be outside this immediate area, and that the area being discussed did not have contaminated soil due to its proximity to the reservoir. These assumptions translated into estimates of quantities and soil characteristics for the design

work (and for disposal assumptions), which now need to be reassessed and revised. This resulted in quantity overruns, which, in turn result in cost increases. [See PowerPoint presentation and the staff summary.]

Information

Update on Alewife Brook Pumping Station Rehabilitation

Staff noted that, so far, the project has been going extremely well, with construction work approximately 85% complete. Staff described progress to the various components of the building. The Executive Director emphasized the importance of the improvements and that the facility is critical to the MWRA's ability to meet the flows and the activations in the Mystic-Alewife area, including Somerville, Cambridge, Belmont, and parts of Arlington.

Update on Aqueduct Trails Program

Staff noted that 21 miles of 27 miles of trails are now open to the public. [See report of the Executive Director.]

Update on Lead and Copper Rule Compliance

There were three individual communities (Medford, Quincy, and Winthrop) that were above the lead action level in September 2018. In September 2017, these communities plus Melrose tested above the lead action level. Staff described the data that are being examined including expanded sampling of homes with lead service lines as compared to homes with copper pipes and lead solder. Staff agreed to provide an update of the level of borrowing through the lead service line loan program. [See the Staff Summary.]

Wachusett Reservoir Lower Gatehouse Pipe Break

Staff provided information on a recent pipe break at the Wachusett Reservoir Lower Gatehouse (that occurred during testing) and gave a presentation which included plans for short-term and long-term repairs. A contract for repairs is expected to be awarded by early January. [See, also, the Staff Summary.]

Internal Audit Department Activities Report – FY 2018

Staff described the activities of the Internal Audit Department since the last report to the Board in September 2017. The annual report presents the results of completed assignments and the status of active and planned assignments. In addition, the Department utilizes the Orange Notebook to briefly discuss recently issued reports and to report on the status of open audit recommendations and cost savings.

The staff reported that, in 2018, a total dollar savings of \$1.65 million was recognized from 55 assignments, including internal audits, management advisory services, consultant incurred cost audits, consultant preliminary reviews,

construction labor burden reviews, and the true-up and review of HEEC billings and contract negotiation support. The report also reviews plans for FY 2019 reviews.

FY 2019 First Quarter Orange Notebook

The Orange Notebook presents performance indicators for operational, financial, workforce, and customer service parameters tracked by MWRA management each month. Staff highlighted results for several parameters, including Deer Island maintenance, precipitation and reservoir storage, Deer Island wastewater flows, and Investment Income. [See the Staff Summary and the individual sections of the Orange Notebook.] Staff also highlighted maintenance practices including the approach to kitting materials for work orders/maintenance projects with particular reference to preventative work orders.

Delegated Authority Report – October 2018

Staff highlighted several topics, in response to questions from members of the Board. Among them were initial questions regarding vehicle purchases (to be reported more fully in the next month's report) and HVAC-related purchases (related to Deer Island needs).

FY 2019 Financial Update and Summary through October 2018

Staff summarized and highlighted the monthly financial update report for the first four months of the fiscal year, through October 2018. Spending and other financial results are progressing much as the staff would expect. The year-to-date variance is \$6.4 million, due to lower direct expenses of \$2.6 million, indirect expenses of \$504,000, and debt service costs lower than budgeted by \$2.6 million; revenues were higher than budgeted by \$647,000. Staff continues to focus on the more risky line items in the budget, such as variable rate debt and use of overtime. Other items, such as the pension expense, are fixed. Year-end projections of spending and revenues are typically provided in the January update.

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