



Established

1996

SPRINGFIELD WATER AND SEWER COMMISSION

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Minutes of Meeting

April 15, 2022

The Springfield Water and Sewer Commission held a hybrid meeting on April 15, 2022. The meeting was held in accordance with Chapter 22 of the Acts of 2022.

Chairwoman Otero called the meeting to order at 9:05 a.m. and announced the Commissioners that are participating. Secretary for the Commission Jaimye Bartak called the attendance roll:

William E. Leonard, Present
Daniel Rodriguez, Present
Vanessa Otero, Present

Also Present

Joshua Schimmel, Executive Director
Norman J. Guz, Commission Counsel
Anthony Basile, Comptroller
Domenic Pellegrino, Director of Finance
Theo Theocles, Director of Legal Affairs/Chief Procurement Officer
Jaimye Bartak, Communications Manager/Secretary for the Commission

Participating Remotely

Bill Fuqua, Director of Wastewater Services
Darleen Buttrick, Director of Engineering
Bob Stoops, Chief Engineer
Frank Zabaneh, Senior Engineer
Jim Laurila, Director of Water Operations
Christina Jones, Deputy Director of Water Operations
Steven Frederick, Deputy Director of Wastewater Operations
Kristin Monfette, Safety Manager
James Richardson, Director of IT
Ryan Wingerter, Deputy Director of Field Services
Raemarie Walker, Assistant Procurement Officer
Katie Shea, Educational Outreach and Communications Specialist

Business Matters

1. Approve the minutes of the meeting held on March 24, 2022, without reading, because copies were furnished to each member of the Commission for their review.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to approve the minutes of the meeting held on March 24, 2022.

2. Approve the minutes of the meeting held on March 31, 2022, without reading, because copies were furnished to each member of the Commission for their review.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to approve the minutes of the meeting held on March 31, 2022.

Old Business

3. Appeal by Owner of 801 Perimeter Road, Ludlow.

Tabled.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to table appeal by Owner of 801 Perimeter Road, Ludlow.

4. Continuation of Draft FY23 Budget Discussion.

Tabled as old business.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to leave continuation of draft FY23 budget discussion as old business.

New Business

5. Financial Update: Report by Comptroller.

Comptroller Anthony Basile reported that there was a cash balance of \$114.4 million, which includes a transfer from reserves of \$2.7 million.

There is \$102.3 in projected revenues, which is a variance of \$2.1 million from the FY22 budget. The shortfall is attributed to the wet summer.

Commissioner Otero asked whether shutoffs were working. Director of Finance Domenic Pellegrino responded shutoffs will be reflected in next month's report.

Commissioner Rodriguez asked about the power generation revenue projection. Executive Director Josh Schimmel responded that due to maintenance, the power plant is only running two hours a day, limiting revenue from generation.

Mr. Basile reported on unrealized losses of cash reserves. Mr. Basile explained these reserves are invested in very conservative investments, and there are no plans to cash them out until their dates of maturity. Most of the Commission's money is in government bonds, treasuries, and CDs. The Treasury rate has increased for 3- and 6-month treasuries. Commissioner Rodriguez asked why unrealized losses need to be reported if the assets were not liquidated. Mr. Basile responded that it is considered a cash balance.

Mr. Basile reported that the operating budget is on track to reach 96% in projected expenditures. There are increases in expenses related to PILOT and insurance premiums.

There has been \$2.3 million spent in the capital budget. Approximately \$40 million has been spent for the river crossing project. Due to the WIFIA program, capital expenditures are expected to increase.

Of the \$114.4 million in cash, there is 73% restricted cash and 27% working capital.

There are \$5.7 million in receivables, of which \$2.3 million is over 60 days old. There are 902.8 million in assets and \$692.7 million in liabilities.

6. Transfer of Funds Request #2 in FY22 O&M Budget: Report by Comptroller.

Mr. Basile reported on a transfer of funds from personal service into the vehicle/damages account due to an insurance settlement.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to approve Funds Request #2 in FY22 O&M Budget.

7. Consideration of Utility Billing Credit Summary and Summary of Accounts Receivable for March: Report by Director of Finance.

Mr. Pellegrino reported \$7.1 million in net billings, collections of \$8.59 million, with an accounts receivable balance of \$4.7 million. This is a 14% decrease from last year, but still 11% higher than the three-year average.

Mr. Pellegrino reported that there were 6,107 accounts over 60 days old. Shutoffs began April 4. The number of accounts over 60 days old has increased, but the amount has shifted from over \$200 to under \$200.

Commissioner Otero asked whether a customer must pay off the entire bill if they are shutoff. Mr. Pellegrino responded that was correct, though extenuating circumstances are considered and payment plans are offered in some cases. Atty. Guz added that tenants have a right to go to housing court and receive information about various options for assistance.

Mr. Pellegrino reported 138 credits were issued in the amount of \$32,626.47.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to approve credits in the amount of \$32,626.47 as presented.

8. Consideration of CIP Amendment 2022-15: Report by Director of Finance.

Mr. Pellegrino reported on a CIP amendment to close out a completed project and transfer the remaining funds to the CIP reserve.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ: to approve CIP Amendment 2022-15.

9. Consideration of CIP Amendment 2022-16: Report by Director of Finance.

Mr. Pellegrino reported on a request to transfer \$100,000 from the CIP reserve account into a power supply equipment replacement project, due to additional work needed.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ: to approve CIP Amendment 2022-16.

10. Consideration of CIP Amendment 2022-17: Report by Director of Finance.

Mr. Pellegrino reported on a transfer from the CIP reserves into a sewer rehabilitation account for emergency repairs to a 24" sewer.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ: to approve CIP Amendment 2022-17.

11. Consideration of Second Amendment to Town of Longmeadow Wastewater Treatment Agreement: Report by Commission Counsel.

Atty. Guz reported on a wastewater contract with Longmeadow that expired last year due to a change in leadership at DPW. The amendment would extend the contract to June 30, 2023. Mr. Schimmel added there are outstanding issues related to border accounts and pipe ownership to be resolved.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to authorize the Executive Director to sign the Second Amendment to Town of Longmeadow Wastewater Treatment Agreement as presented.

12. Consideration Fifth Amendment to Town of Longmeadow Water Supply Agreement:
Report by Commission Counsel.

Atty. Guz reported that the Longmeadow Water Supply Agreement is also affected by the change in leadership. There are issues related to ownership of infrastructure and switching accounts that need to be resolved. Approximately 100 accounts are impacted.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to authorize the Executive Director to execute the Fifth Amendment to Town of Longmeadow Water Supply Agreement as presented.

13. Consideration of Kleinfelder Northeast, Inc. Task Order No. 15 for Cobble Mountain Hydropower Station Master Plan: Report by Director of Engineering.

Mr. Schimmel reported that this master plan would lay out what to do with the hydro-power plant based on a full but rapid condition assessment. The assessment will include the penstocks, generation units, and network of transmission and will be coordinated with a planned outage in May. The priority is to preserve all the equipment for water quality, as the condition of the equipment is poor. Power generation is currently not a priority. The report will have short-term strategies as well as a long-term plan.

Director of Engineering Darleen Buttrick noted that the report is anticipated to be complete by the end of October. The cost includes a condition assessment of the penstocks.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to authorize the Executive Director to execute Kleinfelder Northeast, Inc. Task Order No. 15 for the Cobble Mountain Hydropower Station Master Plan.

14. Consideration of Amendment No. 1 to Contract No. CA-22-02 / 20220014 for “FY 2022 Sanitary Sewer Infrastructure Improvements”: Report by Director of Engineering.

Mr. Schimmel noted this amendment is related to the emergency sewer repair discussed earlier. The sewer is part of the north branch of the MIS, which has a recorded easement.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to authorize the Executive Director to execute Amendment No. 1 to Contract No. CA-22-02 / 20220014 for “FY 2022 Sanitary Sewer Infrastructure Improvements.”

15. Update on Water and Sewer Activities: Report by Executive Director.

Mr. Schimmel reported on Cobble Reservoir levels, which remain high, and contracts under \$250,000 signed by him.

Mr. Schimmel reported on a Collections Manager job description, which will incorporate additional functionality. The starting salary is \$70,000-\$95,000.

Mr. Schimmel reported on a Field Services Manager job description, which will be a leadership role above superintendents and oversee 100 employees. The starting salary is \$100,000-\$135,000.

Mr. Schimmel reported on a Program Manager position in Engineering that would oversee a segment of WIFIA projects and other functions. The starting salary would be \$100,000-\$135,000.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to approve the Collections Manager, Field Services Manager, and Program Manager job descriptions as presented.

Mr. Schimmel reported on his request to double the CAP credit to \$250. This fiscal year 540 credits were issued in the amount of \$67,500. Commissioner Otero asked whether the CAP was only available for homeowners that qualify for LIHEAP, as that is only a specific subset of customers. Mr. Schimmel responded that staff would look into whether there is a way to make those making above the LIHEAP income-levels but still struggling to pay their bills eligible for the program, but without taking on additional program administration. New criteria could utilize by how much income customers missed LIHEAP eligibility, as stipulated on their LIHEAP denial letter.

Commissioner Rodriguez asked how many applicants there were last year. Mr. Pellegrino responded 1,500 applicants. Commissioner Otero suggested also considering using criteria used by New England Farm Workers to direct LIHEAP-denied applicants to charity funding.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to increase the CAP credit amount to \$250 as of July 1, 2022.

Mr. Schimmel reported that the LIHWAP vendor contract was amended to reduce the length of shutoff moratoriums to one billing cycle, and to make only homeowners eligible. Atty. Guz reported that the Commission has until June 15 to draw funds down. Once LIHWAP payment is committed, the Commission agrees to renew or continue services. If the customer defaults after one billing cycle, they are eligible for shutoff. Atty. Guz expressed his concerns that the vendor agreement makes the Commission subject to DPU regulations, and that the Commission would waive its rights per Chapter 258.

UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to allow the Executive Director to enter into a contract with VOC and NEFWC for LIHWAP subject to approval of the Commission Counsel.

Mr. Schimmel reviewed the proposed changes to the FY23 Rules and Regulations.

Mr. Schimmel reported on a potential apprenticeship program with local vocational technical schools. The apprentices would work in water quality and on the galvanized service line replacement, pending an MOA with the union. The program would hire 3 FTEs for one year in order to provide experience to the students, and create a pipeline of talent with the schools.

Mr. Schimmel reported that a public notification on DBPs went out recently, along with a bill stuffer on the construction progress at West Parish Filters.

Mr. Schimmel reported that budget packages would be distributed to City Hall at the end of the April.

Mr. Schimmel reported on the progress of repairing Rapid Sand Filter 6. Ms. Buttrick added that asbestos was discovered along the perimeter of the underdrain. DEP was notified, and they granted the Commission a waiver to help expedite the abatement process in order to allow the repair to proceed immediately.

Mr. Schimmel continued that the slow sand filters have been relied on for 60% of production, when it is usually 10%. The slow sands have been blinding due to the level of organics. Deputy Director of Water Operations Christina Jones continued that current capacity is 51 MGD. Filters cannot be cleaned until Rapid Sand Filter 5 is back online.

Mr. Schimmel continued that the concern is when demand increases in June, July, and August. The next steps are to get Rapid Sand Filter 5 back online by July. Many resources are going in to cleaning the slow sand filters as fast as possible. Ms. Jones added that more labor help will be needed, including 8-hour overtime shifts. It will take three months of straight labor to clean the slow sand filters.

16. Consideration and/or action on any other matters that may come before the Commission at this meeting.

None considered.

The next Board meeting will be Wednesday, May 18 at 1 PM.

**AT 11:02 AM UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND
SECONDED BY COMMISSIONER RODRIGUEZ**

**VOTED YES –
COMMISSIONER LEONARD
COMMISSIONER OTERO
COMMISSIONER RODRIGUEZ:**

to enter into executive session to consider existing litigation pertaining to SWSC v CDM Smith, Inc., TIS Nuoval S.R.L., Ludlow Construction Co. and Atlantic Fluid Technology, Inc. and SWSC v Ace American Insurance Company. It was determined that holding the discussion in public session could be detrimental to the Commission's position in potential litigation. It was announced that public session will not resume at the end of executive session.

Submitted By:

A handwritten signature in black ink, appearing to read "JBartak", written in a cursive style.

Jaimye Bartak, Secretary