



*Established*

*1996*

## SPRINGFIELD WATER AND SEWER COMMISSION

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### Minutes of Meeting

**July 21, 2022**

The Springfield Water and Sewer Commission held a hybrid meeting on July 21, 2022.

Chairwoman Otero called the meeting to order at 1:03 p.m. and announced the Commissioners that are participating. Secretary for the Commission Jaimye Bartak called the attendance roll:

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

Also Present  
Joshua Schimmel, Executive Director  
Domenic Pellegrino, Director of Finance  
Theo Theocles, Director of Legal Affairs/Chief Procurement Officer  
Jaimye Bartak, Communications Manager/Secretary for the Commission

Participating Remotely  
Anthony Basile, Comptroller  
Norman J. Guz, Commission Counsel  
Darleen Buttrick, Director of Engineering  
Bob Stoops, Chief Engineer  
Frank Zabeneh, 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  
Jaimye Bartak, Communications Manager/Secretary  
Jennifer Rymarski, 26 Mattoon Street

Commission Counsel Norm Guz reported that Chapter 107 of the Acts of 2022 was enacted on July 16, which continues to provide for remote meetings.

### **Business Matters**

1. Approve the minutes of the meeting held on June 14, 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 RODRIGUEZ**

**COMMISSIONER OTERO**

**COMMISSIONER LEONARD:**

to approve the minutes of the meeting held on June 14, 2022.

2. Approve the minutes of the meeting held on July 7, 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 RODRIGUEZ**

**COMMISSIONER OTERO**

**COMMISSIONER LEONARD:**

to approve the minutes of the meeting held on July 7, 2022.

3. Approve the minutes of the executive session held on July 7, 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 RODRIGUEZ**

**COMMISSIONER OTERO**

**COMMISSIONER LEONARD:**

to approve the minutes of the executive session held on July 7, 2022.

### **Old Business**

4. Appeal by Representative of 26-32 Mattoon Street.

Commissioner Otero recused herself from the discussion due to past association with the appellant.

Director of Legal Affairs Theo Theocles reported that 26 Mattoon Street is a single-meter condominium building. Ms. Jennifer Rymarki purchased her unit on December 23, 2021, and the previous condominium board president served until that date. Meter readings stopped being received in June 2019,

and the Commission sent notification the following September and November with no response. A new meter was installed in January 2022. The Commission utilized the usage from the first reading obtained from the new meter (1,600 cf/month) and applied it over the period when no readings were available. The usage currently averages approximately 2,000 cf/month.

Ms. Rymarski stated she is seeking a compromise in the amount billed. Ms. Rymarski stated that there was no indication there was a problem on the bills, as they fluctuated month to month, and there was no documentation that the Commission had attempted contact to change the meter. Ms. Rymarski also noted there was no indication a massive balance was accruing, and a past-due balance received earlier would have been helpful. Ms. Rymarski requested utilizing reliable data from 2018 instead. Mr. Theocles noted that all bills that were sent were paid, and the Commission was unable to ascertain when the meter became faulty.

Commissioner Rodriguez asked what the balance was, and whether it included late fees. Mr. Theocles responded the balance was \$4,950.20 and no late fees were applied.

Ms. Rymarski requested utilizing the 2018 usage, and deducting what has already been paid, for a total outstanding balance of \$3,000. Executive Josh Schimmel noted that the catch-up balance was already discounted since it was based on 1,600 cf/month (based on the February 2022 reading), whereas the estimated usage for 6-8 units could have ranged up to 7,200 cf/month.

Commissioner Leonard commented that it was an unfortunate situation but he believed the Commission had been fair. Commissioner Rodriguez stated the Commission could offer a payment plan. Ms. Rymarski responded that she became aware of this issue due to there being no bill. She stated the condo association could pay off the \$3,000 all at once, but otherwise would need a payment plan.

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

**VOTED YES –**

**COMMISSIONER LEONARD**

**COMMISSIONER RODRIGUEZ:** to deny the appeal of 26-32 Mattoon Street.

**New Business**

5. Appeal by Owner of 59 Ionia Street.

Mr. Schimmel reported that the Commission attempts to reach a reasonable solution with an appellant whenever possible, and that this appeal presents a recommendation for a resolution.

Mr. Theocles reported that the owner of 59 Ionia Street bought their single-family house in October 2009. The prior owner likely tampered with the meter in March 2009 as consumption readings stopped at that point. Since that time, the appellant has only been paying the meter charge. The outstanding, collectible consumption charges from the past 6 years is \$7,461. The Commission came to an agreement, subject to Board approval, of the outstanding charges plus a \$1,000 fine.

Mr. Schimmel added there are now a monthly automated reports to catch readings with no/low/high usage, as well as inactive accounts with usage. Commissioner Otero asked how a homeowner would know something was wrong with their meter. Mr. Schimmel responded the customer would receive a

notice. Director of Finance Domenic Pellegrino added that if there was no response from the customer, the account would be billed an estimated usage higher than average to attract their attention. Commissioner Otero asked whether customers could be educated about how to notice when a bill is off, and Commissioner Rodriguez suggested new customers could be educated about what a typical bill looks like, as well as the option to pay to have a smart meter installed.

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

**VOTED YES –**

**COMMISSIONER RODRIGUEZ**

**COMMISSIONER OTERO**

**COMMISSIONER LEONARD:**

to approve the settlement of the appeal of 59 Ionia as presented.

6. Financial Report: Report by Comptroller.

Comptroller Tony Basile reported that there was a small cumulative cash flow variance of \$22,000 at the end of FY22, with an ending cash balance of \$111.7 million.

The total revenue for the fiscal year reflects a \$1.3 million shortfall vs. the original estimated revenue for FY22. As reported in previous Commission meetings the shortfall is the result of consumption not meeting expectations in the summer of 2021 due to a wet summer.

The Commission had an unrealized loss of \$1.9 million in cash investments at the end of June 2022 due to a market decline. This loss would only be realized if the investments were cashed out prior to the maturity date of the investment, and there are no plans to do so.

As projected and reported for the previous 6 months, the Commission closed the fiscal year with 96% of the O&M budget expended, leaving an unexpended budget totaling \$3.6 million. This unexpended amount will offset the revenue shortfall. The unexpended funds were spread across multiple areas of the operations budget. The Commission has approximately \$800,000 in unexpended funds in the personal service category despite aggressive efforts to fill funded vacant positions.

There was just under \$63 million in Capital Project spending in FY22; most of the spending was attributable to the River Crossing and the Clearwell projects.

Of the \$111.7 million in total cash, \$25.5 million, or 23%, is unrestricted, which is in line with the Commission's financial policies. The balance of cash or 77% of the total cash is restricted for the required bond covenant reserves, Stabilization Fund, and cash specific for capital spending.

There was just over \$6 million in outstanding receivables at the end of June, including \$1.7 million in receivables over 60 days.

The balance sheet reflects \$904.5 million in total assets and \$688.6 million in liabilities, which includes the total outstanding debt of just under \$565 million.

7. Comptroller's Report for FY22: Report by Comptroller.

Mr. Basile reported on an internal audit that tested a number of transactions in various areas. Mr. Basile reported no significant variances were discovered, which is a good sign ahead of the annual outside audit.

8. Consideration of Utility Billing Credit Summary and Summary of Accounts Receivable June 2022: Report by Director of Finance.

Director of Finance Domenic Pellegrino reported that there was \$7.2 million in receivables, collections of \$6.2 million, leaving a \$5 million balance. This balance is slightly higher than the 3-year average but 20% lower than last year.

There were 6,135 accounts over 60 days old, totaling \$1.7 million. This is 94% better than last year, but 45% higher than pre-pandemic levels. The trend improves each month. Mr. Pellegrino reported there is a new collections manager in place.

Commissioner Otero asked about the state LIWAP funding. Mr. Schimmel responded that the state made the requested changes to the contract, and the Commission is currently waiting for agreements from Valley Opportunity Council and New England Farm Workers. Mr. Schimmel noted less than 12 cities signed up for it, and that most customers that receive the CAP credit (which is based on LIHEAP) are current with their bills. LIWAP funding is only provided if customers qualify for LIHEAP and are in arrears or shutoff.

Mr. Pellegrino reported 168 credits in the amount of \$15,125.93.

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

**VOTED YES –**

**COMMISSIONER RODRIGUEZ**

**COMMISSIONER OTERO**

**COMMISSIONER LEONARD:**

to approve credits in the amount of \$15,125.93 as presented.

9. Consideration of CIP Amendment 2023-01: Report by Director of Finance.

Mr. Pellegrino reported on a request to transfer funding from the CIP Reserve account to the land acquisition account for land acquisition on Granville Road, as discussed in a previous Board meeting.

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

**VOTED YES –**

**COMMISSIONER RODRIGUEZ**

**COMMISSIONER OTERO**

**COMMISSIONER LEONARD:**

to approve CIP Amendment 2023-01.

10. Consideration of CIP Amendment 2023-02: Report by Director of Finance.

Mr. Pellegrino reported that the remaining funds from Project 001-09 will be transferred to the CIP Reserve account.

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

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

to approve CIP Amendment 2023-02.

11. Consideration of CIP Amendment 2023-03: Report by Director of Finance.

Mr. Pellegrino reported on insurance proceeds of \$418,555 from the 42” pipeline settlement. The CIP amendment is to increase the appropriations in the relevant account for these proceeds.

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

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

to approve CIP Amendment 2023-03.

12. Consideration of CIP Amendment 2023-04: Report by Director of Finance.

Director of Finance Domenic Pellegrino reported on an amendment to the CIP budget for the West Parish Filters Backwash Pumps and Clearwell Replacement Project (Project ID 626-000-005-0076). The project is currently funded in the amount of \$25,089,000. The amendment would increase that amount to \$26,573,681.37, which would cover an anticipated overage in construction administration and engineering. The contract has been extended due to supply chain issues. The total budget adjustment is \$1,484,681.37.

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

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

to approve CIP Amendment 2023-04.

13. Consideration of Increase in Clean Water Trust Financing of Locust Street Transfer and Flow Optimization Project: Report by Commission Counsel.

Commission Counsel Norm Guz reported on a commitment letter from the Clean Water Trust to increase the loan amount for the Locust Street project, which requires authorization of the Board.

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

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

That \$30,245,375 has been appropriated for the purpose of financing the Locust Transfer and Flow Optimization (the “Locust Transfer and Flow Optimization Project”) including without limitation all costs thereof as defined in Section 1 of Chapter 29C of the General Laws of the Commonwealth, as amended; that to meet this appropriation the Executive Director is authorized to borrow \$30,245,375 and issue bonds or notes therefore under Chapter 40N of the General Laws, that the Executive Director is authorized to borrow all or a portion of such amount from the Massachusetts Clean Water Trust established pursuant to Chapter 29C, as amended and pursuant to the provision of the Massachusetts Clean Waters Act Chapter 21 of the General Laws of the Commonwealth, as amended; and in connection therewith to enter into a loan agreement and/or a security agreement with the Trust and otherwise to contract with the Trust and the Department of Environmental Protection with respect to such loan and for any federal or state aid available for the project or for the financing thereof; that the Executive Director is authorized to enter into a project regulatory agreement with the Department of Environmental Protection, to expend all funds available for the project and to take any other action necessary to carry out the project.

14. Consideration of Capital Project Plan Amendment at Cobble Mountain Power Station: Report by Director of Engineering.

Executive Director Josh Schimmel reported on a proposed amendment to the HG&E O&M agreement to account for the repair and utilization of an existing valve at the power plant.

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

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

to approve the Capital Project Plan Amendment at Cobble Mountain Power Station.

15. Consideration of West Parish Filters Coagulant Bulk Storage and Chlorination Storage System Upgrades: Report by Director of Engineering.

Mr. Schimmel reported on a contract to replace conduct piping and valve work in the drinking water treatment chemical storage system, and to accommodate hypochlorite for disinfection.

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

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

to approve West Parish Filters Coagulant Bulk Storage and Chlorination Storage System Upgrades.

16. Capital Projects Update: Report by Director of Engineering.

Director of Engineering and Capital Projects Darleen Buttrick reported on the progress of the Water and Wastewater Infrastructure Renewal Program. The sewer improvement project along Watershops Pond is complete, and the water treatment plant design is proceeding. All projects are on-schedule despite supply-chain delays. Mr. Schimmel added that most projects are still in the design phase, which shields them from current supply constraints.

17. Water and Sewer Updates: Report by Executive Director.

Mr. Schimmel reported on a second amendment to the contract with Veolia. The amendment accommodates moving up the phase 2 electrical work originally scheduled in 2026. This will reduce risk of electrical failure and repair costs, which was identified by Suez as an issue in contract negotiations. The project will be transferred from the WIFIA to the SRF portfolio.

Atty. Guz added that the first amendment established the cost of the improvements and total ICI costs in accordance with the amount approved by the CWT. Deputy Director of Wastewater Operations Steve Frederick noted that there was room left in the contingency budget, and due to longer lead times on electrical components, it is advantageous to start the project sooner to avoid future delays and increased risk of failure.

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

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

to approve Contract Amendment #2 with Veolia and to authorize the Executive Director to sign the amendment and proposed change order.



Mr. Schimmel reported that costs associated with the WIFIA portfolio of projects are expected to increase, as estimates were made pre-pandemic and supply and labor costs have since increased. Due to the availability of ARPA/BIL funding, it is advantageous to apply for SRF funding for all projects, since that is the main vehicle for federal funding and debt forgiveness/grants. If projects are added to the IUP, the SRF terms will need to be weighed against those of WIFIA. This includes the more generous debt forgiveness provisions associated with SRF/BIL projects, versus WIFIA's more favorable financing and debt terms.

Commissioner Otero asked about the Commission's ability to do this research before making any changes. Mr. Schimmel responded the Commission already has done such research for previous projects.

Commissioner Otero asked how the cost of procurement (such Build American Buy America, or BABA, requirements) is considered. Mr. Schimmel responded that BABA, Davis-Bacon, and other provisions are considered a cost of doing business. Commissioner Otero commented that schedule changes should be avoided if possible, as the public was told the projects would be mostly completed in 2027.

Mr. Guz reported that the number of projects may be limited because of the increased costs. BABA will not affect the clearwell, Connecticut River Crossing, or Locust Street projects because they are already in construction. If SRF funding is included in the water treatment plant construction, the project becomes subject to BABA. Mr. Guz also noted that the level of review on design work is not as lengthy for WIFIA projects. The concern in using SRF funding is what it does to the renewal program and rate impact. Bonds issued through CWT can have less flexible principal payment schedules.

Mr. Schimmel continued that EPA is looking at potential solutions (such as waivers) to BABA so that it does not undermine the SRF program. Mr. Guz noted that matching projects are not subject to BABA, but waivers are very limited. It is also being explored whether SRF projects financed by May 14 are subject to BABA.

Commissioner Otero asked whether the water treatment plant and the 42" rehabilitation project can remain in the WIFIA program. Mr. Schimmel responded that there are nuances associated with how each project is financed, as some projects will have multiple financing sources.

Commissioner Otero asked whether the largest concern was the water treatment plant project. Mr. Guz responded the largest concern was the 42" rehabilitation project, which will be complete before the water treatment plant. Mr. Pellegrino added that there will not likely be enough WIFIA funds for the water treatment plant and the 42" rehabilitation project.

Mr. Schimmel reported that the reservoir was slightly below the three-year average, but above 80%. Water production capacity is currently constrained by the repair of RSF 6. Consumption demand will still be able to be met. The repair is expected to be completed soon.

Mr. Schimmel reported on four job descriptions. The Maintenance Coordinator position will be posted in Water Operations and is an update of an existing position, with a starting salary of \$70,000-85,000. The Asset and Maintenance Manager is a new position that will oversee all asset and maintenance management, with a starting salary of \$85,000-\$150,000. Ideal candidates would be managers at campuses or large facilities. The GIS Technician position is a new entry-level position with a starting salary of \$45,000-\$60,000. The IT Solutions Manager position is a change of title but not duties.

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

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

to approve the four job descriptions as presented by the Executive Director.

Mr. Schimmel reported that the Commission applied for a FERC exemption for the 42” pipeline extension, which is the first of its kind for the nation. The exemption will provide flexibility in terms of the construction schedule at the power plant.

Commissioner Leonard asked about the water plant’s ability to meet demand, and the last time customers were asked to conserve water. Director of Water Operations Jim Laurila responded that the plant can safely produce 59 MGD, and peak demand days are around 50 MGD. If restrictions were necessary, voluntary restrictions would be requested first, in accordance with the drought management plan (DMP). The reservoir is still at normal levels despite the regional drought, and should remain so through the fall based on current metrics. Restrictions were last called for within the last decade.

Educational Outreach Specialist Katie Shea reported on the scholarship program. The program was launched last year. Ms. Shea reported that the Commission recently hired two scholarship recipients as Operators-in-Training. Ms. Shea also reported that she is working on outreach to Hampden County schools to attract more scholarship applications.

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

None considered.

Voted unanimously to adjourn at 3:12 PM.



Exhibits considered:

Maintenance Coordinator – Water Operations Job Description  
Asset and Maintenance Manager Job Description  
GIS Technician Job Description  
IT Solutions Manager Job Description  
Financial Report  
Comptroller’s Report FY22  
2022 June Finance Director Report  
CIP Amendment 2023-01  
CIP Amendment 2023-02  
CIP Amendment 2023-03  
Engineering Capital Projects Schedule  
Contracts and Task Orders Under \$250,000 Executed by the Executive Director  
Cobble Mountain Reservoir % Capacity – Weekly Average  
CWP #22-02 – Valve Swapping Project – Amendment #1  
Contract No. 2022002 – RH White Construction Company - Amendment #1  
Service Contract for Wastewater Treatment System Asset Management and Capital Improvements –  
Contract Amendment No. 2

