



Established
1996

SPRINGFIELD WATER AND SEWER COMMISSION

POST OFFICE BOX 995
SPRINGFIELD, MASSACHUSETTS 01101-0995
413-452-1300

Minutes of Meeting

September 19, 2025

The Springfield Water and Sewer Commission held a public meeting on September 19, 2025, in accordance with Chapter 2 of the Acts of 2023.

Chairwoman Otero called the meeting to order at 9:02 AM and announced the Commissioners that are participating. Secretary for the Commission Jaimye Bartak called the attendance roll:

Daniel Rodriguez, Present
Vanessa Otero, Present
Matthew Donnellan, Present

Also Present
Joshua Schimmel, Executive Director
Domenic Pellegrino, Director of Finance
Theo Theocles, Director of Legal Services
Norm Guz, Commission Counsel
Patrick Burns, Comptroller
Darleen Buttrick, Director of Engineering
Christina Jones, Deputy Director of Water Operations
Nicole Sanford, Water Resources Manager
Steve Frederick, Director of Wastewater Operations
Jennifer Boulais, Director of Human Resources
Leah Keating, Communications Specialist
Rick Gomez, Director of IT
Bruce Leiter, Attorney for the Commission

Participating Remotely
Frank Zabaneh, Engineering Manager
Kristin Monfette, Safety Manager
Nicole Boland, Billing and Collections Manager
Katie Shea, Educational Outreach Manager

Business Matters

1. Approve the minutes of the meeting held on July 16, 2025, without reading, because copies were furnished to each member of the Commission for their review.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

**COMMISSIONER OTERO
COMMISSIONER DONNELLAN:**

to approve the minutes of the meeting held on
July 16, 2025.

Executive Session

**AT 9:06 AM, UPON MOTION DULY MADE BY COMMISSIONER RODRIGUEZ AND
SECONDED BY COMMISSIONER DONNELLAN**

VOTED YES –

**COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO
COMMISSIONER DONNELLAN:**

to enter into executive session to discuss
litigation related to SWSC v CDM Smith et. al.
and SWSC v DEP, as it was determined that
open session would be detrimental to the
Commission's litigation position. It was
announced that open session would resume in
approximately 45 minutes.

2. Update on SWSC v CDM Smith, Inc. et. al.: Report by Commission Counsel.

Addressed in Executive Session.

3. Update on SWSC, et. al. v DEP: Report by Executive Director.

Addressed in Executive Session.

**AT 9:43 AM, UPON MOTION DULY MADE BY COMMISSIONER DONNELLAN AND
SECONDED BY COMMISSIONER RODRIGUEZ**

VOTED YES –

**COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO
COMMISSIONER DONNELLAN:**

to return to open session and take a short break.

New Business

**AT 9:49 AM, UPON MOTION DULY MADE BY COMMISSIONER DONNELLAN AND
SECONDED BY COMMISSIONER RODRIGUEZ**

VOTED YES –

**COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO
COMMISSIONER DONNELLAN:**

to reconvene open session.

4. Financial Update: Report by Comptroller.

Comptroller Patrick Burns reported on July and August financials.

In July there was \$121.8 million in ending cash, reflecting a negative YTD cash flow of \$19.2 million, which is not unexpected in July. This was due to a debt service payment of \$8.4 million in July.

There was a negative revenue budget variance of \$1.5 million, which reflects a decrease of water and sewer usage estimated during the budgeting process. Commissioner Rodriguez asked why the estimates were off so early in the fiscal year. Director of Finance Domenic Pellegrino reported that the estimates are based on a comparison of actual consumption in past years.

Mr. Burns reported that the operating budget was projected to be spent at 100%, with 21% expended so far. The Hampshire Group Insurance Trust approved a 20% rate increase in September due to a larger than projected increase in medical claims. Of the \$744,000 increase, \$186,000 is on the employee side. The plan is to monitor operating costs on a monthly basis and transfer within the operating budget to cover the shortfall.

The capital budget spending was \$7.2 million in July, with Water Supply and Transmission accounting for \$5.9 million in spending (due to the water plant project).

Cash available at the end of July was \$121.8 million, and of this \$12.8 million (11%) was unrestricted. July is anticipated to be the low point of the fiscal year, as unrestricted cash begins to rebuild in August.

There was \$6.1 million in receivables, of which \$1.5 million was over 60 days old.

Assets totaled over \$1.1 billion, and liabilities were \$91.2 million at the end of the fiscal year. Liabilities include outstanding debt, OPEB liability, and pension.

In August, there was \$125.5 million in ending cash, with a negative YTD cash balance of \$15.7 million.

The August revenue budget projected a negative revenue variance of \$2 million for FY26, reflecting a decrease in water/sewer usage from what was estimated.

The operating budget was to be spent at 100% with a negative balance of \$79,752. The operating budget will be closely monitored. Commissioner Rodriguez asked if the budget reflected the year-end projection for health care costs. Mr. Burns responded yes, as well as a workers compensation settlement.

Capital spending in FY26 so far totaled \$15.1 million, with capital spending at the water plant comprising the majority of spending.

Cash at the end of August was \$125.2 million, \$16.4 million of which was unrestricted.

The receivables balance was \$7.6 million, of which \$2.6 million was over 60 days old.

There was \$1.1 billion in assets and \$791.2 million in receivables at the end of August.

5. Consideration of Utility Billing Credit Summary and Summary of Accounts Receivable July and August 2025: Report by Director of Finance.

Director of Finance Domenic Pellegrino reported net billings of \$10.9 million, receivables payments of \$9.3 million, for an accounts receivable balance of \$6.7 million in August.

There were 5,767 accounts with receivables over 60 days, for a total of \$1.6 million.

In July and August there were 154 credits issued in the amount of \$46,875.35.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN: to approve credits in the amount of \$46,875.35.

6. Consideration of CIP Amendment 2026-02: Report by Director of Finance.

Mr. Pellegrino reported on a CIP amendment that would transfer funding from the WIFIA water distribution pipe replacement program to the Riverside St water main repair project. This is due to unanticipated conditions encountered in the project.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN: to approve CIP Amendment 2026-02.

7. Consideration of CIP Amendment 2026-03: Report by Director of Finance.

Mr. Pellegrino reported on a CIP amendment that would increase appropriations due to the disbursement of state Drought Resiliency and Water Efficiency grant funds in the amount of \$44,485.00.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN: to approve CIP Amendment 2026-03.

8. Consideration of CIP Amendment 2026-04: Report by Director of Finance.

Mr. Pellegrino reported on a transfer of \$13,722.97 from a completed project to install Commission-wide WIFI to the CIP reserve.

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

VOTED YES –

COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO
COMMISSIONER DONNELLAN:

to approve CIP Amendment 2026-04.

9. Consideration of CIP Amendment 2026-05: Report by Director of Finance.

Mr. Pellegrino reported on a transfer into the 42" raw water conduit project account from the CIP reserve and WIFIA cost of issuance accounts. The WIFIA cost of issuance annual cost is now covered by the loan and the account is no longer needed.

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

VOTED YES –

COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO
COMMISSIONER DONNELLAN:

to approve CIP Amendment 2026-05.

10. Report on S&P Global Ratings Report: Report by Director of Finance.

Mr. Pellegrino reported that S&P has reaffirmed the Commission's AA stable rating. Executive Director Josh Schimmel noted that the rating review indicated the economic stability of the region and customer base as risks to rating. Commission Counsel Norm Guz added that S&P identified that the Commission's willingness to increase rates to meet operational and management needs as having a positive and stabilizing effect on ratings.

Commissioner Otero asked if the Commission could separate from the City's pension system. Mr. Guz responded that Commission employees must remain part of the municipal retirement system per Chapter 40N.

Mr. Burns added that the City pension fund is now at 40% funded. S&P still looked at the percentage funding level rather than considering the resources of other communities in comparison.

11. Consideration of Change Order 2 Under SWSC Contract No. 20240050: Report by Director of Engineering.

Director of Engineering Darleen Buttrick reported on a change order related to unanticipated field conditions encountered during completion of the emergency repairs to the 36" transmission main at the intersection of Riverside Road and Orchard Street. The change order value is \$409,295.99, which will result in a change in contract price from \$5,784,368.74 to \$6,193,664.73.

Commissioner Otero asked if this was related to the Riverside Road project. Mr. Schimmel responded that there is still ongoing work to understand the issues at Riverside Road. The damaged water main has been repaired, but there are still soil stability and loss issues, some of which may be related to the interceptor. A meeting with USACE and the City will look at issues around the status of the flood control system. Ms. Buttrick added that the Birnie Avenue project could not be addressed until this main was fixed first, as they are the same main.

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

VOTED YES –

**COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO
COMMISSIONER DONNELLAN:**

to approve Change Order 2 Under SWSC
Contract No. 20240050.

12. WIFIA Quarterly Report Q2 2025: Report by Director of Engineering.

Ms. Buttrick reported on the latest WIFIA quarterly report. As of June 30th, \$311.9 million of the total WIFIA program had been expended, and of that approximately \$46.2 million of the WIFIA loan. Walsh continues to make progress on workforce participation goals on the new West Parish Water Treatment Plant project, with more participation anticipated following demolition in late 2026.

13. Consideration of Acceptance of Conservation Restriction on Property in Blandford, MA: Report by Water Resources Manager.

Water Resources Manager Nicole Sanford reported on a conservation restriction (CR) with DG Northeast for a wetland adjacent to a solar farm on Otis Road in Blandford. The CR will protect 49 acres. This CR is the result of a breach of the solar field's stormwater system, which resulted in a consent order by DEP that required a CR on this wetland. The Commission was contacted to hold the CR in order to limit public access. The CR is entirely in the watershed.

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

VOTED YES –

**COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO
COMMISSIONER DONNELLAN:**

to accept the grant of the CR from NG Northeast
LLC in the form as presented.

14. Consideration of Proposed Changes to FY26 Rules and Regulations Regarding Accessory Dwelling Units: Report by the Executive Director.

Mr. Schimmel reported on proposed draft regulation changes to accommodate Accessory Dwelling Units (ADUs). The City's subcommittee for maintenance and development was concerned about barriers to ADUs. In terms of water/sewer, if the unit is attached to the main dwelling unit there is no concern because service is coming through the house. Detached ADUs will require a specific application to facilitate their construction while also protecting the water/sewer system. Currently they are being processed as regular applications. Changes to the rules and regulations will require a public hearing.

15. Water and Sewer Updates: Report by the Executive Director.

Mr. Schimmel reported on a recent IRS audit. This was triggered by a mistake in the third-party payroll system. Mr. Burns reported that all information was due by August 29. The Commission's external auditors were consulted and 2 CPAs assisted. There were two interviews. The IRS said more information would be requested.

Mr. Schimmel reported on a legislative breakfast the Commission hosted in July that had good attendance from the state delegation.

Mr. Schimmel reported that H.2330 is still in subcommittee and that he met with staff of the chair of that committee.

Mr. Schimmel reported that health insurance continues to be an issue. Human Resources Director reported that staying with HCGIT is preferable, but the Commission has participated in information sessions for GIC and MIAA specifically for HCGIT members. An insurance broker has also been contacted. A clearer path of what will continue to be explored should materialize next week.

Commissioner Otero asked why would the Commission stay with HCGIT if it is not looking viable. Mr. Schimmel responded that staying with HCGIT is the preference, but the Commission is still waiting for its claim history to shop around. Commissioner Rodriguez commented that it was disturbing that HCGIT did not foresee that level of increase so it could be incorporated into the budget.

Mr. Schimmel announced upcoming retirements for the directors of Water and Wastewater Operations. The general counsel is also retiring. Commissioner Rodriguez requested that potential candidates for general counsel be presented to the Board. Commissioner Otero asked that the current counsel be involved in developing the list. Atty. Guz added that he was thinking early spring for retirement, after the potential bond sale in February, and that he was fortunate to work with commissioners that care about the Commission.

Mr. Schimmel reported that PCBs have been found to be in the soil at the West Parish Filters site. Sampling still needs to be completed. Preliminary results indicate the situation will impact the cost and schedule of the project. The Board will continue to be updated as more information comes in. Commissioner Rodriguez asked if reporting requirements are being met. Atty. Guz responded that WIFIA must be notified within a certain period of time per the loan agreement. DEP will also have to be notified.

Mr. Schimmel continued that there is no issue with the drinking water based upon sampling results as reported by the Commission's required sampling protocols. The filters where the PCBs were found are not in use. The protection of health, safety, and drinking water quality are being addressed immediately and a licensed site professional is investigating.

Atty. Guz reported that Veolia employees filed an action against Veolia regarding prevailing wage. The complaint was filed in superior court, and moved to federal court for summary judgment motions. Judge Mastorani ruled that Veolia was not required to pay the requested prevailing wages. The Commission pays prevailing wages for construction work. Employees felt that due to ongoing construction work taking place they should be paid prevailing wage. There were oral arguments, a hearing, and the appeals court ordered the issue to the MA Supreme Judicial Court for interpretation. The Commission was asked to file an amicus brief on the matter, which is still under consideration. A lawyer may have to be hired by the Board.

Commissioner Otero asked if Veolia employees were unionized. Atty. Guz responded that Suez paid prevailing wage for some time during the prior contract, which started the issue. The union filed with the Attorney General for the right to sue. The union wants their operations staff to be paid prevailing wage as if they were construction staff, which would require weekly evaluations of whether daily activities are deserving prevailing wage.

Mr. Schimmel reported that the state declared the region in a drought, but the reservoir is at normal levels.

Mr. Schimmel reported on a series of news articles about CSOs, and that the *Republican* editorial board recently defended Western Massachusetts communities for their mitigation of CSOs.

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

None considered.

Executive Session

17. Consideration of Contract Negotiation for the Executive Director.

AT 11:11 AM, UPON MOTION DULY MADE BY COMMISSIONER OTERO AND SECONDED BY COMMISSIONER DONNELLAN

VOTED YES –

**COMMISSIONER OTERO
COMMISSIONER DONNELLAN:**

to enter into executive session to discuss the employment contract of the Executive Director, a member of non-bargaining personnel. It was determined that holding the discussion in open session would be detrimental to negotiations. It was announced that public session would resume following executive session.

ABSTAIN/NOT PRESENT – COMMISSIONER RODRIGUEZ

AT 11:29 AM, UPON MOTION DULY MADE BY COMMISSIONER DONNELLAN AND SECONDED BY COMMISSIONER RODRIGUEZ

VOTED YES –

**COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO
COMMISSIONER DONNELLAN:**

to re-enter open session.

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

VOTED YES –

**COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO
COMMISSIONER DONNELLAN:**

to raise the salary of the Executive Director by 21%.

AT 11:30 AM, UPON MOTION DULY MADE BY COMMISSIONER RODRIGUEZ AND SECONDED BY COMMISSIONER DONNELLAN

VOTED YES –

**COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO
COMMISSIONER DONNELLAN:**

to adjourn.

Submitted By:

A handwritten signature in black ink, appearing to read 'JBartak', written over a horizontal line.

Jaimye Bartak, Secretary

Exhibits:

July and August 2025 Financial Report
2025 July and August Finance Director Report
CIP Amendment 2026-02
CIP Amendment 2026-03
CIP Amendment 2026-04
CIP Amendment 2026-05
S&P Global Ratings Report
SWSC Contract No. 20240050 – Change Order 2
WIFIA Program Quarterly Report
Cobble Mountain Reservoir Capacity Levels
Contracts Signed by Josh Schimmel