



Established

1996

SPRINGFIELD WATER AND SEWER COMMISSION

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SPRINGFIELD WATER AND SEWER COMMISSION

Minutes of Meeting

November 12, 2020

The Springfield Water and Sewer Commission held a virtual meeting on November 12, 2020. The virtual meeting was held in accordance with Governor Baker's *Executive Order Suspending Certain Provisions of the Open Meeting Law*, G. L. c. 30A, § 20, dated March 12, 2020.

Chairman Daniel Rodriguez called the meeting to order at 9:05 a.m. and announced the Commissioners that are participating remotely. Commission Secretary Jaimye Bartak called the attendance roll:

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

Also Participating Remotely
Joshua Schimmel, Executive Director
Norman J. Guz, Commission Counsel
Anthony Basile, Comptroller
Domenic Pellegrino, Director of Finance
Bill Fuqua, Director of Wastewater Services
Steve Frederick, Deputy Director of Wastewater Services
Nicole Sanford, Water Resources Manager
Scott Loomis, Procurement Officer
Christina Jones, Deputy Director of Water Operations
Jim Laurila, Director of Water Operations
Dan DiRienzo, Director of Field Services
Kyle Mosian, Senior IT Support Specialist
Mike Prairie, IT Support Specialist
Bob Stoops, Chief Engineer
Katie Shea, Educational Outreach Specialist
Frank Zabaneh, Senior Engineer
Kristin Monfette, Safety Manager
Attorney Mark Beglane, Bacon Wilson, for the Owner of 85-87 Whittier Street
Frank Agiato, Owner of 85-87 Whittier Street
Jaimye Bartak, Communications Manager/Secretary of the Commission

Business Matters

1. Approve the minutes of the meeting held on October 8, 2020, 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 OTERO

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

to approve the minutes of the meeting held on October 8, 2020.

2. Approve the minutes of the executive session held on October 8, 2020, 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 OTERO

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

to approve the minutes of the meeting held on October 8, 2020.

New Business

3. Appeal by Owner of 85-87 Whittier Street: Report by Executive Director.

Executive Director Josh Schimmel reported that the Appeals Committee denied an appeal of the August and September bills submitted by the owner of 85-87 Whittier Street. Attorney Mark Beglane announced he was representing the owner, Frank Agiato. Mr. Beglane explained that Mr. Agiato owns the two-family home and occupies the second floor, while renting the first floor to a couple with an infant.

Commissioner Rodriguez recused himself and disconnected from the meeting at 9:09 AM because Mr. Beglane is representing him on another issue. Commissioner Otero requested to hear the position of the Appeals Committee.

Mr. Schimmel explained that the bills in dispute are from August 4, 2020, for \$2,303.71 and September 2, 2020, for \$1,271.04. Mr. Schimmel explained that high usage was originally noted on July 14, and an employee was sent to check the property, and the tenants reported no problems. High usage was again detected on August 13, and an orange notification card was sent. A leak survey was conducted on August 27, where broken porcelain was detected in the tank of the first-floor toilet. The toilet was not leaking at the time, but staff suggested that a piece of porcelain may have previously been keeping the flapper from fully closing. The meter was removed and passed subsequent testing. Mr. Agiato submitted an appeal and it was denied on August 18. Mr. Schimmel noted that the Appeals Committee must follow the Rules and Regulations.

Mr. Schimmel continued that there are many appeals similar to this, and a leaking toilet could have caused this much water consumption. Mr. Agiato has previously received a non-beneficial agreement.

Otherwise, the Rules and Regulations offer no additional relief other than a payment plan. Mr. Schimmel recommended denying the appeal barring any new evidence.

Mr. Beglane reported that the maximum usage at the property before this summer was 1,100-1,200 cubic feet. Usage has since returned to normal. Mr. Beglane reported that Mr. Agiato hired a plumber that noted no leaks except for the tenant not fully tightening the hose to the washing machine. Mr. Beglane contended that the hose could not have leaked the amount of water for which Mr. Agiato is being charged, which is 10-20 times more than normal. Mr. Beglane reported that the toilet flapper has not been changed. The tenant reported that a picture fell and broke the top of the toilet after the Commission contacted the owner. The tenant reported the toilet was not running. Mr. Beglane noted Mr. Agiato lived in the property for 35 years and the highest bill was \$300. Mr. Beglane suggested that the meter was defective, and that the shards of porcelain would have had to fall into the flapper repeatedly in order to cause the water use, which is not feasible.

Mr. Schimmel replied that a small leak can utilize far more water than people realize, and added that the meter recorded the usage regardless of the cause. Mr. Schimmel noted that sometimes people find and resolve leaks before Commission crews are able to arrive. Mr. Schimmel commented that the Commission was not unsympathetic to the owner's large bill, but that the Rules and Regulations needed to be applied consistently.

Mr. Beglane remarked that the plumber Mr. Agiato hired did not notice the meter turning. Mr. Beglane noted that the meter readings are out of line with typical usage at the property, and that his client was 76 years old with severe tremors. Mr. Beglane also noted that the tenant and owner would have heard the water running and have taken care of the leak. Mr. Beglane reported that Mr. Agiato would need to sell his house in order to pay the bill.

Commissioner Otero remarked that if an abatement was approved, they would have to approve abatements for prior denied appeals. Commissioner Otero motioned to deny the appeal while instructing staff to provide a generous and lengthy payment plan.

Mr. Beglane asked if the decision could be heard in court, and whether the meter was tested in-house.

Commission Counsel Norm Guz responded that Mr. Agiato had a right to appeal in court, and also had a right to request that the meter be tested in an independent lab. Mr. Beglane noted that it was unfair that his client would have to pay for additional meter testing. Mr. Guz advised Mr. Beglane that the Commission would follow up about the availability of the meter, and that he should inform the Commission of the independent lab's results.

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

VOTED YES –

COMMISSIONER LEONARD

COMMISSIONER OTERO:

to deny appeal by the owner of 85-87 Whittier St.

4. Financial Update: Report by Comptroller.

Comptroller Anthony Basile reported there was \$108.7 million in cash, which takes into consideration total operations and a net negative cash flow of approximately \$800,000 cumulative through September.

The operations budget was 25% expended, which is on target. Cash flow has been assisted because the pension payment of \$5.9 million did not have to be expended on July 1, but instead was allowed to be spread over six months. Current projections are that the O&M budget will be 97% spent. Vacancies among labor positions are being filled.

There has been \$9.3 million expended in the capital budget, with most going towards the river crossing project. There is \$144.4 million of overall appropriations in the capital budget.

There is \$90.4 million in projected revenue as of September, which is above original estimates by \$972,000 due to increased consumption in the summer. There were some categorizations of revenue that have been below estimates.

There was \$108.7 million in cash, of which \$26.8 million is unrestricted working capital, which is average.

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

Director of Finance Domenic Pellegrino reported there was \$8.5 million in net billings, and an increase of collections to \$10 million, leaving \$7.1 million in accounts receivable.

Receivables over 60 days are still much higher than last year and the three-year average, but there has been some decrease since last month, which is a positive trend. Customers are catching up with high summer bills, and the advisory letter also helped generate payments. There were 6,765 accounts with receivables over 60 days old, and accounts with over \$200 outstanding represented \$2.4 million. The over 60 day receivable balance is 191% higher than last year.

The projected receivable balances for November and December are based on estimates that outstanding balances will increase by 2% each month. October payments are usually a low point due to the end of the shutoff season, and it is expected that the outstanding balances will continue to grow over the winter. Mr. Pellegrino noted this is evidence that the shutoff program works.

There were \$5,601.82 in credits issued to 41 accounts in October.

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

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

to approve credits in the amount of \$5,601.82 as described.

6. Update on OPEB Study for Fiscal Year 2020: Report by Comptroller.

Mr. Basile reported on the OPEB study completed by Aquarius Capital. The study compared the last OPEB study to current conditions. There was a liability increase of \$1.9 million due to a change in assumption about the discount rate and a change in mortality tables. There is \$79.7 million in total

liabilities, and \$3.7 million in assets. The OPEB fund is 12.6% funded. The Commission has set a goal of 20% funded. The OPEB contributions were decreased this year. Mr. Basile stated he did not recommend contributing more at this point due to the economy, and that there is no guideline as to how much should be funded, but 12.6% is fairly low. Due to growing liability, more contributions should be made.

Commissioner Rodriguez asked where the 20% target came from. Mr. Basile responded that the Commission decided on that target and S&P would find it favorable. Mr. Basile noted that simply contributing helps the Commission's S&P rating.

Commissioner Rodriguez asked if other entities are using the same demographic tables. Mr. Basile replied that the demographic tables are standard. Mr. Basile continued that Commission contributions have decreased to \$250,000 annually, which is not too big of a step backwards. Total contributions are over \$4 million assuming the markets stabilize. Reduced contributions are in an effort to not overburden ratepayers this year.

Commissioner Otero asked how the reduced contributions affect the Commission's rating. Mr. Basile responded that municipalities have likely stopped contributing under the current economic circumstances. Mr. Guz added that he agreed that contributing any contributions would help, and that contributing less should not affect the Commission's rating. Mr. Schimmel added that the ability to collect rates is also being considered by rating agencies as well.

Commissioner Rodriguez asked if the City is not contributing to its OPEB account. Mr. Basile responded that the City has made some contributions, but their liability is \$1 billion.

7. Consideration of CIP Amendment 2021-04: Report by Director of Finance.

Mr. Pellegrino requested to transfer available appropriations to a West Parish Filters chemical filter cleaning project from the watershed protection acquisition account. Mr. Schimmel explained that during the initial stages of the pandemic staff were hesitant to bring in outside contractors to the plant for filter cleaning, but doing so now before the half-plant trial is recommended.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER LEONARD

COMMISSIONER OTERO:

to approve CIP Amendment 2021-04.

8. Update on Disinfection By-Product Compliance: Report by Director of Water Operations.

Director of Water Operations Jim Laurila provided an update on disinfection byproducts. Mr. Laurila noted that the existing filters only remove 55-60% of dissolved natural organic matter (NOM), and the remaining NOM interacts with chlorine. The heavy rainfall in the fall of 2018 caused the initial non-compliance issues. There are currently two sample locations that exceed the regulatory limit. Drier weather has helped with DBP compliance. Mr. Laurila noted that based on the level of dissolved NOM

entering the plant today, the upcoming sampling round may bring the Commission back into compliance at all sampling locations.

Mr. Laurila noted that \$1 million has been invested in the pilot treatment plant. The third and last season of the pilot study will end November 13. Preoxidation was ruled out as ineffective after the first season, and dissolved air floatation (DAF) was studied in the second and third, along with a variety of coagulants.

Mr. Laurila continued that ferric sulfate could be used in the existing direct filtration process and remove more NOM. DEP is currently reviewing a proposal for a half-plant trial with ferric sulfate and approval is expected within a couple of weeks. Ferric sulfate is commonly used in other treatment plants.

Mr. Laurila continued that short-term strategies are continuing, including limiting the use of slow sand filters. The new plant upgrades include construction of a DAF and new electrical systems to support it. Design is expected in FY22-FY23 and treatment plant construction is set to begin in FY24. In the meantime, information from the pilot plant is being put to immediate use.

Mr. Guz suggested sharing the presentation with elected officials. Mr. Schimmel responded that the Commission was invited to present a similar update to City Council next week. Mr. Schimmel commented that data is now being used more effectively than it was even five years ago, and the trend in water quality data is good. There has been no lack of commitment to this issue. Mr. Guz recommended sharing the presentation with new state representatives in order to assist a discussion about state funding.

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

Mr. Schimmel presented contracts that were signed by him over the last month. Cobble Mountain Reservoir levels are within the normal range.

Mr. Schimmel reported that outreach about the CAP has started and will continue over the winter.

Mr. Schimmel reported that a recent MWWA roundtable among other utilities discussed late fees. Mr. Schimmel reported that based on data presented by Mr. Pellegrino, the advisory letter received a good response. Mr. Schimmel recommended implementing late fees at the beginning of the February cycle. Many other utilities have not provided flexible payment plans, nor lifted late fees. Mr. Schimmel noted that more flexible payment plans help customers get used to paying their bill.

Commissioner Otero asked whether the advisory letter was generating payments or payment plans. Mr. Pellegrino responded that there has been an uptick in payment plans. There is an average account balance of \$450. Mr. Pellegrino agreed with Josh that late fees should be reinstated.

Commissioner Otero asked if late fees are charged to accounts with payment plans. Mr. Pellegrino replied no. Commissioner Otero suggested future advisory letters include a note that late fees can be avoided with a payment plan. Commissioner Rodriguez agreed that future advisory letters should be sent and said he is concerned that outstanding balances will become so onerous that people will not be able to pay.

Commissioner Otero asked if other utilities were sending out advisory letters. Mr. Schimmel responded payment plans are being offered during the pandemic until a set date, and after that customers are susceptible to being shut off. Mr. Schimmel stated the Commission has more customer assistance programs than other utilities. Mr. Guz stated that reconsideration of late fees is scheduled for the December 10 meeting.

Mr. Schimmel reported that the Commission received two MWWA awards related to its online water treatment course at STCC and for the service of Mike Popko at West Parish Filters.

Mr. Schimmel reported an uptick in Covid-related staff absences, which is reflective of what is happening within the community. There have been no cases of spread among Commission employees to date.

Mr. Schimmel reported that a letter of appreciation was issued to all Veterans within the Commission.

Mr. Schimmel reported that the WIFIA loan letter of interest was submitted.

Mr. Schimmel reported that the Commission continues to participate in the distribution of masks to all water utilities across the state. Masks are provided by MassDEP and FEMA.

Mr. Schimmel reported that there has been an uptick in trespassing within the Cobble Mountain Reservoir watershed, and citations have been issued for several trespassers found to be riding ATVs near the reservoir.

Mr. Basile reported that the annual audit is progressing, and drafts will be presented in December. Covid-related expenses will be submitted to FEMA in December.

Director of Wastewater Operations Bill Fuqua reported that the service contract with SUEZ has started and is progressing smoothly. The river crossing project work is ongoing, and includes pouring concrete at the pumping station, increasingly moving towards the mid- and upper-levels. Pipes are also being installed at the river's edge on the influent side. All permits from state agencies and local conservation commissions have been issued. All other remaining federal permits should be in place for early December, when pier construction will begin.

Chief Engineer Bob Stoops reported that an RFP has been issued for the booster pump stations. The power plant project will be online by December. Mr. Stoops reported that there were many recent service applications and DigSafe markups.

Mr. Laurila reported that the RFQ for the clearwell project had been issued, and replacement of the filter actuators was moving forward. Forestry work would commence in the watershed this winter with the approved cutting plan.

Safety Manager Kristin Monfette reported that there was no internal spread of Covid-19 to date, and Covid safety protocols were in place. The Health and Safety Plan was nearing completion. An ergonomics training program was being implemented to reduce strain and sprain injuries.

Human Resources Manager Stephanie Douglass reported that she is working on new guidelines for recruiting amid the pandemic.

Mr. Guz reported that the Clean Water Trust notified the Commission that they will finance the river crossing project, and any payments or interest will not accrue until FY22.

10. Update on Issuance of Final NPDES Permit by USEPA: Report by Executive Director.

Addressed in executive session.

11. Update on 42-inch Bypass and Plunger Valve: Report by Executive Director.

Addressed in executive session.

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

(Taken out of order after item 9.)

None Considered.

**AT 11:00 AM UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND
SECONDED BY COMMISSIONER OTERO**

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

to enter into executive session to discuss the issuance of the final NPDES permit by USEPA and the 42" bypass transmission main project. 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