



Established

1996

SPRINGFIELD WATER AND SEWER COMMISSION

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Minutes of Meeting

December 15, 2021

The Springfield Water and Sewer Commission held a virtual meeting on December 15, 2021. The virtual meeting was held in accordance with Chapter 20 of the Acts of 2021.

Commissioner Otero called the meeting to order at 9:03 a.m. and announced the Commissioners that are participating remotely. Secretary for the Commission 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
Darlene Buttrick, Director of Engineering
Bob Stoops, Chief Engineer
Frank Zabaneh, Senior Engineer
Ryan Wingerter, Deputy Director of Field Services
Stephanie Douglass, Human Resources Manager
Theo Theocles, Director of Legal Affairs/Chief Procurement Officer
Katie Shea, Educational Outreach and Communications Specialist
Jaimye Bartak, Communications Manager/Secretary for the Commission

Business Matters

1. Approve the minutes of the meeting held on November 10, 2021, 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 November 10, 2021.

2. Approve the minutes of the executive session held on November 10, 2021, 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 executive session held on November 10, 2021.

New Business

3. Presentation of MWWA Pride Awards: Report by MWWA Executive Director Jennifer Pederson.

MWWA Executive Director Jennifer Pederson presented the MWWA Pride Award to Stephanie Douglass for her work during the pandemic

Ms. Pederson also presented the Paul F. Howard Award to Executive Director Josh Schimmel for his leadership on water issues.

Mr. Schimmel thanked Ms. Pederson and the work of the MWWA.

4. Financial Update: Report by Comptroller.

Comptroller Anthony Basile reported that there was ending cash of \$111.6 million, and a -\$91,598 cash flow from reserves.

The operating budget is projected to be 97% spent. Personal services will be spent at 92% or a little below.

There was \$408 million in capital spending. Out of that, \$26 million has been expended, mostly on the River Crossing and Clearwell and Backwash Pump Station projects.

There is a negative variance of \$2.2 million in the revenue budget due to true-ups due for wholesale and retail water and sewer accounts.

There was \$111.6 million in cash, of which \$27.6 million was unrestricted. The capital reserves are funded from revenue, and need to be spent since rates are raised to fund those projects.

There was \$6.2 million in outstanding receivables in November, and \$1.9 million was over 60 days old, which is down from \$2.7 million the previous month.

The total assets and liabilities, which include the WIFIA program, are just under \$900 million. Most of the liability is long-term debt as it pertains to the WIFIA program.

5. Financial Policies Certification: Report by Comptroller.

Mr. Basile reported that the comptroller, finance director, and commissioners are required to certify financial policies for FY18-FY21. Mr. Basile presented the certification that the Commission was in compliance with its adopted Financial Policies.

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

Director of Finance Domenic Pellegrino reported net billings of \$7 million, collections of \$8.2 million, and an outstanding receivables balance of \$5.4 million. Mr. Pellegrino noted that collections are starting to normalize, as last year there was an outstanding receivables balance of \$8 million at this time. The three-year average is \$4.8 million.

There were 5,923 accounts with 60-day overdue receivables. There are still accounts with large amounts overdue, but the trend is downward. A portion of these accounts are in payment plans. The over-60-day balance is down by 46% compared with last year.

Commissioner Otero asked about the status of the Low Income Water Assistance Program (LIWAP). Executive Director Josh Schimmel reported that the state's program has been approved by the federal government. The Commission will have to sign a contract (which has legislative exemption) with the state. Customers eligible for LIHEAP will be eligible for a \$300-400 LIWAP benefit. Based on those utilizing LIHEAP, there may be additional funding available for a second round. Payments will be made from LIHEAP administrative agencies to the Commission when the Commission provides the agencies with proof of the bill and property ownership. Emphasis will be placed on those in line for shutoff. Mr. Schimmel noted there was a related federal pilot study he was also looking to join.

Commission Counsel Norm Guz asked whether Wayfinders was reaching out to the City for more CARES Act funding, and suggested that if so, a Commission letter supporting this request may help.

Commissioner Otero asked whether landlords will qualify for funding if they claim that water is included in their tenants' rent. Mr. Schimmel responded that renters will need to apply for other resources besides LIWAP. Mr. Schimmel also noted that Wayfinders cleared the accounts of 70 homeowners, for a total of \$137,000.

Mr. Guz added that Wayfinders can help renters prevent a shutoff on a property they do not own by getting housing court to ask the landlord if they have applied for any assistance programs. Commissioner Otero noted that Wayfinders can help landlords access rental assistance programs, as there does not seem to be any other assistance for landlords that may have tenants not paying rent. But if there was water assistance for landlords, then they would no longer be competing for rental assistance funding.

Commissioner Rodriguez agreed there were not many programs to assist landlords, and if landlords are having problems paying the water bill, it is a symptom of a larger problem that usually ends up in housing court. He added that programs are designed to help tenants more than landlords, and rightfully so. Commissioner Otero agreed, but noted that the Commission also wants landlords to pay their water bill.

Mr. Pellegrino reported that there were 102 CAP credits issued in November. There were 531 CAP applications for a total of \$28,000 last year. Mr. Pellegrino noted the partnership with Wayfinders, New

England Farm Workers Council, and Valley Opportunity Council has been extremely beneficial to Commission customers and the Commission itself. Mr. Schimmel added that he hoped a permanent federal program was forthcoming.

Mr. Pellegrino report 171 credits were issued for a total of \$31,158.65.

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

VOTED YES –

**COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO:**

to approve credits in the amount of \$31,158.65 as presented.

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

Mr. Pellegrino reported on a request to transfer \$27,000 to the 2021 sewer rehabilitation/construction account, as the amount listed on the contract was incorrect.

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

VOTED YES –

**COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO:**

to approve CIP Amendment 2022-10.

8. Reconsideration of Contract CA-22-02 due to Transposition Error: Report by Director of Engineering and Sustainability.

Engineer Dave Szymczakiewicz reported that Commissioners voted previously to approve CA-22-02 for \$1,851,178.36. The bid price was \$1,878,178.36. CIP Amendment 2022-10 corrected the appropriation, and now the new contract value needs to be approved by Commissioners.

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

VOTED YES –

**COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO:**

to award contract with Baltazar for a new contract value of \$1,878,178.36.

9. Consideration of CIP Amendment 2022-11: Report by Director of Finance.

Mr. Pellegrino reported on a request to increase the National Fish and Wildlife Foundation grant by \$25,500 in order to purchase additional equipment. Director of Wastewater Operations Bill Fuqua added that the additional funds are part of a match to install nitrogen monitoring equipment, as during design it was discovered that the supply of power to the necessary meter was not adequate. The additional funds will buy additional cable and conduit.

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

VOTED YES –

**COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO:**

to approve CIP Amendment 2022-11.

10. Discussion of Quarterly CIP Report: Report by Director of Finance.

Mr. Schimmel reported on the Quarterly CIP report, and noted a more readable format was forthcoming. Commissioner Otero suggested summarizing each project by financial information, project completion, funding allocation, responsible party, and issues as to why the project is not complete.

11. Consideration of Contract with Del Rio Advisors LLC: Report by Director of Finance.

Mr. Pellegrino reported that Del Rio Advisors LLC is the Commission's municipal advisor that has assisted with CWT loans, WIFIA financial documentation, and running loan scenarios. This is a renewal of a three-year contract.

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

VOTED YES –

**COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO:**

to authorize the Finance Director to enter into contract with Del Rio Advisors as presented.

12. Consideration of Contract Amendment No. 1 to the Service Contract with SUEZ: Report by Director of Wastewater Operations.

Mr. Fuqua reported on an amendment to the wastewater service contract with SUEZ. The Commission received a low-interest loan from SRF to finance initial capital improvements (ICIs). Price escalation details were negotiated into the contract based on ENR indices, and a price index was created. The index anticipates labor and material costs, and calculates these potential changes over the delay to the project start. A notice to proceed was issued, which starts the clock on the design/construction of the improvement, but the clocked stopped for the escalation calculations. Once the price indices were published there were no labor or cost impacts, but prices for supplies and materials were reflected in the amendment. The increase is \$1,850,297.20. ENR indices are preliminary for four months, so there may be

an opportunity to revise minor changes in the materials cost during the time the indices are being finalized.

Mr. Fuqua continued that there is also a change order to advance design to the second phase for the electrical upgrades. Phase 2 work includes cabling and conduit to replace the main circuit power feeds throughout the plant. This amendment will advance the cabling and conduit design under the initial work, and then put Phase 2 out to bid next year. The amendment value is \$152,384.

Commissioner Otero asked whether supply chain issues would impact the cost of the project. Mr. Fuqua responded that ICI costs were fixed, but there is a delay built in, in case of price escalation. The Commission opted not to lock in a construction price for phase 2 because of recent radical price differences. It is difficult for vendors to lock in prices now if they are not purchasing materials for six months.

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

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

to approve Contract Amendment No. 1 to the Service Contract with SUEZ substantially in the form as presented to the Board.

13. Consideration of Field Services Construction Inspector Job Description: Report by Human Resources Manager.

Human Resources Manager Stephanie Douglass reported that this job description is for a non-bargaining position to add an additional layer of support to the field services inspector team. The job includes coordinating in-house construction and DigSafe, organizing crew work, ensuring material availability, and pavement management. This position offers a potential opportunity for growth for existing employees. The suggested starting salary is \$58,000-\$68,000.

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

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

to approve Field Services Construction Inspector Job Description.

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

Mr. Schimmel reported that the reservoir is over 95% full and above the three-year average.

Mr. Schimmel reported the proposed budget schedule was set for Board review, with the budget to be sent to the mayor and city council in mid to late April.

Water Resources Manager Nicole Sanford reported that roadway improvements to roads adjacent to Commission property are needed. Many of the roads are discontinued for maintenance by Blandford, but the Town still owns them. The improvements will include the addition of drainage swales and stone for future forest management activities. The IGA has been signed by Blandford. Commission Counsel Norm Guz added that the agreement would allow the Commission to do work over the next five years.

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

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

to authorize the Executive Director to enter into an IGA with the Town of Blandford for road improvements as presented.

Mr. Schimmel reported that HAA5 levels are expected to be high in the latest sampling. Laboratories are having staffing issues and results are taking longer to arrive, which might result in the Commission needing to send customers a separate public notice (rather than within the bills).

Commissioner Otero asked how much higher the HAA5 levels were. Mr. Schimmel responded that they are not significantly higher than the MCL, but still in violation. Mr. Schimmel added that the WIFIA projects will address this issue, since the plant is more susceptible to extreme weather patterns now.

Mr. Schimmel reported that there is a new Lead and Copper Rule about to be finalized by EPA. Approximately 400-500 galvanized service lines will need to be replaced under the new regulation. Commission crews are already beginning that process in-house, and the work will be bid out if crews cannot finish or if it no longer is cost-effective.

Mr. Schimmel reported that due to Springfield Public Schools not allowing field trips this year, World is Our Classroom will need to shift to virtual. Staff are working with World is Our Classroom to make the shift, if possible.

Mr. Schimmel reported that preliminary efforts at WIFIA program management are wrapping up, even though construction activities are still a few years away. WIFIA officials seemed favorable to the notion of increasing funding in future years, though the program will still be competitive.

Mr. Schimmel reported that line items directing ARPA funding to the Commission were removed, though other communities were successful in receiving funding. Mr. Schimmel commented that working with state legislators is key to securing more funding, as well as working with the WIFIA program again in the future.

Mr. Guz noted that in the WIFIA loan agreement, projects can be replaced if other required funding is unattainable, or in the event of a project exceeds the initial budget.

Mr. Basile reported that he has received the final audit for distribution, and is currently collecting raw data for the FY23 budget process.

Mr. Fuqua reported that the York Street Pump Station project is past the 50% stage, and the building project is going smoothly though there are delays in tunneling. Trenching under the river will start as winter weather allows.

Director of Engineering Darleen Buttrick reported that the Backwash Pump Station and Clearwell project is beginning, with demolition of the slow sand filters starting next week. Work continues on WIFIA program administration and selecting a consultant for the design of the new treatment plant.

Mr. Pellegrino reported that collections letters for overdue balances will begin to go out in January.

Director of Water Operations Jim Laurila reported that the treatment plant was optimized as much as possible to remove high organics. Two new operators are in training. Mr. Laurila thanked the Commissioners for their support of the scholarship program and STCC online operator class.

Safety Manager Kristin Monfette reported that the incident reporting process is being revamped in order to be proactive on injury prevention.

Deputy Director of Field Services Ryan Wingerter reported that crews are wrapping up as many projects as possible before the winter moratorium, as well as replacing galvanized service lines.

Ms. Douglass reported that Covid continues to be an issue, but employees are sharing positive feedback about the Commission's management of the situation. Ms. Douglass reported she is also working with Mr. Laurila on the scholarships, and new employees are referring their friends to the Commission for potential positions.

Commissioner Otero asked about employee vaccination rates. Ms. Douglass replied that 84% are vaccinated, and 23% of those have received their boosters.

Director of Legal Affairs Theo Theocles reported he is working on revamping the procurement office. Mr. Theocles introduced Raemarie Walker, the new Assistant Procurement Officer.

Mr. Schimmel reported that he was still concerned about the potential spread of Covid and mass-absenteeism, and was regularly conferring with Ms. Douglass and directors to respond as the situation evolves.

Ms. Guz reported that a customer commended Commission staff to him regarding the replacement of a galvanized service line. Mr. Guz also commended Educational Outreach Specialist Katie Shea for her work as Acting Secretary in the fall.

15. Update on FY23 Budget Schedule: Report by Executive Director.

Addressed in item 14.

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

Mr. Guz reported that litigation is held in state court, and a mediation date is set for April to work toward some kind of settlement. Some of the insurance claim has been paid to the Commission. A submittal for

an additional insurance claim is also being prepared for additional expenses related to obtaining water while the 42” pipe is not operative. The original insurance claim is in title court with mediation anticipated.

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

None considered.

The next Commission meeting will be Wednesday January 19, at 10 AM.

There is a year-end, all-staff year-end call next Thursday, December 23, at 11:30 AM.

Commissioner Rodriguez concluded the meeting by noting that it has been a stressful time with Covid affecting people across the community. Meanwhile the Commission has also taken on an aggressive workload. Commissioner Rodriguez advised all that however they celebrate the holidays, to also use that time to recharge and take care of mental health.

Vote to adjourn at 10:47 AM.

Submitted By:

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

Jaimye Bartak, Secretary