



SPRINGFIELD WATER AND SEWER COMMISSION

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Minutes of Meeting

February 25, 2021

The Springfield Water and Sewer Commission held a virtual meeting on February 25, 2021. 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 Dan Rodriguez called the meeting to order at 9:07 a.m. and announced the Commissioners that are participating remotely. Temporary Secretary for the Commission Katie Shea called the attendance roll:

William E. Leonard, Participating Remotely
Daniel Rodriguez, Participating Remotely
Vanessa Otero, Participating Remotely (after 10:07 AM)

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
James Richardson, Director of IT
Nicole Sanford, Water Resources Manager
Scott Loomis, Procurement Officer
Christina Jones, Deputy Director of Water Operations
Jim Laurila, Director of Water Operations
Ryan Wingerter, Deputy Director of Field Operations
Bob Stoops, Chief Engineer
Frank Zabaneh, Senior Engineer
Dave Szymczakiewicz, Project Engineer
Kristin Monfette, Safety Manager
Stephanie Douglass, Human Resources Manager
Anne Kulig, Customer Service Manager
Jim O'Connor, Credit and Collections Manager
Attorney Katharine Shea-Higgins for the Owner of 165 Hampden Street
Peter Houser, Owner of 165 Hampden Street
Katie Shea, Educational Outreach Specialist/Acting Secretary for the Commission

Business Matters

(Non-agenda item.)

Commissioners agreed to appoint Katie Shea as acting secretary of the Commission for the meeting held on February 25, 2021.

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

VOTED YES –

**COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ:**

to appoint Katie Shea as acting secretary of the Commission for the meeting held on February 25, 2021.

1. To approve the minutes of the meeting held on January 14, 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 LEONARD
COMMISSIONER RODRIGUEZ:**

to approve the minutes of the meeting held on January 14, 2021.

2. To approve the minutes of the executive session held on January 14, 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 LEONARD
COMMISSIONER RODRIGUEZ:**

to approve the minutes of the executive session held on January 14, 2021.

New Business

3. Appeal by the Owner of 165 Hampden Street: Report by Executive Director.

Executive Director Joshua Schimmel reported that the Appeals Committee denied an appeal of the meter tamper charges for the property at 165 Hampden Street, Indian Orchard.

Attorney Katharine Higgins-Shea announced she was representing the owner, Peter Houser.

Commissioner Rodriguez asked to hear the position of the Commission. Finance Director Domenic Pellegrino explained that during the property closing process in December 2020, the Commission discovered the meter at the property had been tampered with and the wire cut.

Mr. Pellegrino explained that the meter tamper dates back to 2012. The last meter reading with accurate consumption occurred March 20, 2012, when the previous owner requested the water be turned off. As of March 30, 2021 the property was vacant, and bank-owned. From March 2012 to October 2013 the Commission received consumption of zero on meter readings, as expected based on the water shut-off. In December 2013 the water was requested turned on at the property after changing ownership. As is standard procedure for water turn-on, Commission crews inspected the meter and conducted a pressure test of the meter to ensure no leaks. No issues were found at that time.

Mr. Pellegrino stated that in December 2015 it was noted that meter readings were reporting zero consumption. A postcard was sent to the property requesting access for an inspection. The Commission did not receive a response from the customer, and the account remained active with zero usage. Mr. Pellegrino noted that the monthly meter fee was billed, and paid sporadically from 2014 through 2017, with the last payment received in 2017. Mr. Pellegrino explained that zero usage and sporadic payment of the meter fee is typical of vacant properties.

Mr. Pellegrino continued that in December 2020 a real estate closing was requested, but the current reading did not match the Commission's last recorded reading. Mr. Pellegrino further explained that this inconsistency in meter readings, as indicated on the closing form, promoted an inspection of the meter by Commission crews. During this inspection it was discovered that the meter wire had been cut. As a result, in accordance with its Rules and Regulations, the Commission fined the property owner for meter tampering and for unbilled water and sewer charges. This was calculated at \$7,300 in seven years of unbilled water and sewer usage, which was multiplied by three for the penalty, for total of \$29,000.00.

Mr. Pellegrino stated that an offer was made to reduce charge to \$1,000 per year for the tamper plus unbilled water and sewer charges of \$7,300, pending approval from the Board. (Since that time unbilled water and sewer was recalculated to reflect only six years past, not seven, per law.) The Owner did not agree to this offer, stating that they did not believe they were responsible as they did not intentionally tamper, and it was the tenant that was responsible for the water and sewer bill, per the Section 8 lease agreement. The Owner offered to pay \$10,000 to resolve the issue.

Ms. Higgins-Shea explained that her client has owned several rental properties in Springfield over the past decade and makes regular payments for water and sewer bills for all properties. The Owner has agreed to pay the unbilled water and sewer usage over the past 6 years.

Commissioner Rodriguez asked if Ms. Higgins-Shea represented the Owner at closing. Ms. Higgins-Shea responded that she did not. Commissioner Rodriguez asked what was conveyed at the property closing due to the unpaid water and sewer bill. Mr. Houser responded that the closing had taken place. Mr. Pellegrino said that there was still no payment on the account for the outstanding water and sewer charges and tamper fines.

Commissioner Rodriguez noted that it was an unusual circumstance for the property to have been sold with no payment on the account, as it could lead to a lien, and in most cases the closing would be delayed. Ms. Higgins-Shea explained that there was an agreement between Mr. Houser and the new owner while this issue is resolved.

Mr. Schimmel responded by stating the Commission's Rules and Regulations specify that the owner is ultimately responsible for the water and sewer account, and if an owner chooses to pass the payment of water and sewer bills and receipt of notices on to the tenant that is their choice. Mr. Guz added that there is a provision in the Rules and Regulations which states that the owner is responsible for the property.

Commissioner Rodriguez asked if the owner was also filing a claim with Section 8 housing, as the tenant violated the terms of their lease. Ms. Higgins-Shea responded stating that no claims had been filed, nor was the owner planning to file anything.

Mr. Schimmel recommended that a final decision on this appeal be tabled for further review by Mr. Guz. Mr. Guz asked if the Commissioners would be agreeable to delegating the decision to the Executive Director to further pursue the tamper fine and charges, as applied by the Commission for approximately \$13,300, or accept Mr. Houser's offer of \$10,000.

Commissioner Rodriguez commented that since the difference was only \$3,300 it would be appropriate to delegate the decision to the Executive Director, and perhaps resolve the issue prior to the next meeting.

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

VOTED YES –

COMMISSIONER LEONARD

COMMISSIONER RODRIGUEZ:

to authorize the Executive Director to resolve the issue regarding the appeal for 165 Hampden Street.

4. Financial Update: Report by Comptroller.

Comptroller Anthony Basile reported that the fiscal year is 58% complete. There is currently a cash balance of \$109,581,420. It is currently projected that the Commission will spend 97% of its budget by June 2021. Mr. Basile noted that budget savings were realized by job vacancies, fringe benefits, and debt service that was deferred until fiscal year 2022. Any excess will be re-appropriated as necessary.

Capital spending totaled \$21.2 million through January, with the York Street Pump Station project spending at the highest rate. There is an overall CIP balance of \$132.6 million unspent for approved projects on the books.

There was \$90.6 million in revenue anticipated for this fiscal year, and \$52.1 million collected year to date. There is a projected positive variance of approximately \$900,000. Interest earnings and late payment fees are expected to be deficient. Higher water sales during the summer helped compensate for the deficiencies in other categories. Revenues are therefore expected to come in within the original estimates. Mr. Schimmel commented that the surplus of \$1.7 million in water sales made up for the negative variances.

Mr. Basile reported revenues of \$56 million so far this fiscal year. Projected revenues are \$90.6 million. Mr. Guz noted although revenues may end up being \$90 million, it is important to also look at receivables – even if \$90 million is billed, the Commission may only receive \$86 million. Mr. Basile noted that there was a \$3.9 million increase in aging receivables through January.

Commissioner Rodriguez added that the Commission may be getting some relief from the federal government. Mr. Schimmel confirmed that the Covid relief bill signed in December did include \$638 million nationwide for low-income water ratepayer assistance, and is expected to be allocated to the states through the LIHEAP programs.

Mr. Schimmel reported the Commission coordinated a meeting through the Massachusetts Water Works Association with the Department of Housing and Community Development (DHCD) to discuss how the Covid relief funding will be administered in the state. The funding is expected to be allocated for low-income households that receive LIHEAP fuel assistance. The Commission anticipates receiving no more than \$500,000- \$1 million, which will not eliminate the approximately \$4 to \$5 million in outstanding receivables.

Mr. Schimmel added that the last round of advisory letters were helpful and approximately 200 customers paid off their outstanding balance. Mr. Guz noted that although the advisory letters prompted some customers to pay, the receivables stayed the same.

Mr. Basile continued that there was \$109.5 million in cash at the end of January. Unrestricted revenue is used for working capital and day-to-day operations and represents 31% of the overall cash. Other categories are restricted, in line with the Commission's financial policies.

Commissioner Rodriguez noted that there had been a payment out of the stabilization fund. Mr. Basile confirmed that the transfer was made in January to move \$1.8 million from the stabilization fund to the revenue fund, as was approved as part of the fiscal year 2021 budgeting process. Mr. Basile added that he would like to discuss replenishing the stabilization fund for long-term stabilization purposes.

Mr. Basile stated that there was \$8.9 million in receivables before credits. Of that, \$4.6 million is over 60 days old.

Commissioner Rodriguez noted that there was a significant increase in the under-30 day receivables, with about \$1 million in December, and \$4.1 million in January. Mr. Basile stated that this was because of when financial reports are run in each billing cycle. Reports are run around the same time each month, but billing can differ. Mr. Pellegrino added that billing is run on the second business day of the month, which can be as late as the 5th or 6th of the month.

Mr. Guz commented that post office delays may also be contributing to customers paying later in the month than typical because of delays in receiving the bill. Though the delivery of bills by the postal service is out of the Commission's control, Mr. Pellegrino mentioned that a complaint was sent on behalf of the Commission to the U.S. Postal Service this week regarding issues with mail. Mr. Basile noted that mail delays are also affecting the Commission's accounts payable checks.

There was \$602.8 million in assets and \$418.5 in liabilities. There is \$4.6 million in the OPEB trust fund.

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

Director of Finance Domenic Pellegrino reported that there were net billings of \$6.4 million in January and collections of \$6.3 million. This leaves an accounts-receivables balance of \$8.2 million. This is an increase of 96% from this time last year. Typically accounts receivables this time of year are approximately \$4.2 million.

Mr. Schimmel commented that the receivables trend shows consistency over the past several months. Mr. Pellegrino added that the Commission has been averaging about \$8 million in receivables each month. The number of receivable accounts over 60 days old in January was 6,618, the first decline in the number of these accounts since February 2020. Mr. Pellegrino noted that the decline in the number of accounts with balances over 60 days old could be caused, in part, by the three advisory letters sent out in January, and the reinstatement of late fees beginning in February 2021.

Mr. Schimmel noted that although there was a decline in receivables accounts over 60 days old in January, it is similar to the number in January 2020 of 6,700, but it is important to note the dollar amount. In 2020 the 6,700 accounts were approximately \$1.7 million, but in 2021 that number of accounts represents over \$2 million. The outstanding balances are also continuing to increase. The number of receivable accounts over 60 days old with a balance of greater than \$200 has grown with approximately 1,500 accounts in January 2020 to over 3,000 in January 2021.

Commissioner Rodriguez asked how many of the 6,618 receivable accounts were on payment plans, and how the numbers compared historically. Mr. Pellegrino responded that approximately 500 customers were currently on payment plans, compared with typical averages of 200-300. The Covid advisory letters and late fee reminder letters helped move the needle on some, but other customers are conditioned and will not make a payment until they are posted for shut-off.

(At 10:07 AM, Commissioner Otero joined the meeting.)

Mr. Schimmel added that collecting data on arrears is important for shaping programs like the Customer Assistance Program (CAP) and making them more effective. There is also a push, nationally, to collect more data regarding shut offs and how they are taking place. Mr. Schimmel noted is critical to keep in mind that the Commission's only revenue is through bill payment. Mr. Schimmel reminded the Commissioners that there will be no late fees applied to accounts that keep current with a payment plan.

Commissioner Rodriguez commented that it will be difficult to recover all the unpaid bills.

Mr. Pellegrino continued that in reviewing the number of receivables accounts month to month, the impact of suspending the shut-off program is evident. Additionally, if shutoffs continue to be suspended the trend is estimated to be consistent with the last half of 2020.

Mr. Pellegrino reported that in January 393 credits were issued in the amount of \$33,285.34. This includes the Customer Assistance Program credit. There have been 223 CAP sewer credits and 247 CAP water credits to date.

Commissioner Rodriguez asked why the number of credits is not the same for water and sewer. Mr. Pellegrino responded saying that Ludlow customers only receive water service from the Commission, and the difference in water and sewer credits reflects that. Mr. Schimmel commented that customer assistance programs nationwide are underutilized and the program is doing well since its launch in November.

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

**VOTED YES –
COMMISSIONER LEONARD
COMMISSIONER OTERO**

COMMISSIONER RODRIGUEZ: to approve credits in the amount of \$33,285.34.

6. Consideration of CIP Amendment 2021-08: Report by Director of Finance.

Mr. Pellegrino reported on CIP Amendment 2021-08, which transfers funds from the CIP Reserve to support legal services for the 42" conduit repair.

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

VOTED YES –

COMMISSIONER LEONARD

COMMISSIONER OTERO

COMMISSIONER RODRIGUEZ: to approve CIP Amendment 2021-08.

7. Consideration of CIP Amendment 2021-09: Report by Director of Finance.

Mr. Pellegrino reported on CIP Amendment 2021-09, which transfers funds from the CIP Reserve to support legal services for the NPDES permit appeal.

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

VOTED YES –

COMMISSIONER LEONARD

COMMISSIONER OTERO

COMMISSIONER RODRIGUEZ: to approve CIP Amendment 2021-09.

8. Consideration of CIP Amendment 2021-10: Report by Director of Finance.

Mr. Pellegrino reported that the CWT approved SRF financing for the total construction cost of \$20 million for the clearwell and backwash pump project. The Commission had originally appropriated \$5 million for the project, in addition to the \$15 million awarded in SRF financing. This request is to decrease the item by \$5 million, as that funding will now be covered by SRF.

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

VOTED YES –

COMMISSIONER LEONARD

COMMISSIONER OTERO

COMMISSIONER RODRIGUEZ: to approve CIP Amendment 2021-10.

9. Consideration of CIP Amendment 2021-11: Report by Director of Finance.

Mr. Pellegrino reported that this amendment was to reduce available appropriations for some CIP projects. There has been a reconfiguration of when project 130-0020 will take place. Appropriations will be transferred to the CIP reserve account for future use.

Commissioner Otero asked if a report with the balance of the CIP reserve account would be made available to the Commissioners at some point, as they often vote to move funds in and out, but do not currently know the status of the account.

Mr. Pellegrino responded that after approval of this amendment the balance would be \$772,745.68. Mr. Pellegrino added that the balance is usually below \$100,000, depending on transfers to cover project costs or legal fees associated with some projects. The Commission uses these funds to cover project costs and allows the Commission to keep rates as low as possible.

Mr. Schimmel added that the CIP reserve account is a protected account, and spending or transfers must be approved by the Board.

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

VOTED YES –

COMMISSIONER LEONARD

COMMISSIONER OTERO

COMMISSIONER RODRIGUEZ: to approve CIP Amendment 2021-11.

10. Consideration of CIP Amendment 2021-12.

Mr. Pellegrino reported that this amendment would establish a new CIP account for the WIFIA loan. There is a \$200,000 application fee that needs to be submitted with the loan application. The funds will be transferred out of the CIP reserve account and into the new account established for WIFIA.

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

VOTED YES –

COMMISSIONER LEONARD

COMMISSIONER OTERO

COMMISSIONER RODRIGUEZ: to approve CIP Amendment 2021-12.

11. Consideration of Temporary Suspension of Posting Fee: Report by Executive Director.

Mr. Schimmel reported that late fees were re-instituted as of February 1, 2021, and the Commission has continued to send out notification letters to customers with past due balances, reminding them that late fees are being applied and that payment plans are available. Mr. Schimmel recommended that whenever

shutoffs resume, they should be conducted in the same manner in which they have always been, including a \$45 demand fee.

Commissioner Rodriguez added that the probability of reinstating the shut-off program needs to be considered, especially with concerns about customers falling further into debt on their water and sewer accounts. Mr. Schimmel added that it is important to utilize the CAP and any new federal/state relief money.

Mr. Schimmel also stated that in previous years shutoffs were conducted by zip code for logistical reasons, but suggested that this year's program could target those with the highest outstanding balances first, including businesses that are still operating and profitable, but have large outstanding balances. Commissioner Rodriguez added that it would be good to target shut-offs by a specific dollar figure for unpaid balances.

Mr. Schimmel noted that the Customer Service Department has been attempting to communicate with customers, and to offer them pay plans or put them in touch with other social service agencies, so that their balances do not continue to grow into unmanageable amounts. Commissioner Rodriguez stated that the Commission should avoid shutting off, for example, low-income customers on a fixed income that do not have the cash flow to cover a large bill. Mr. Schimmel stated that the Commission was sensitive to those situations.

Commissioner Otero requested a list of customers with outstanding balances in order to see if some populations are disproportionately affected by potential shutoffs, adding that maybe it is a national problem. Commissioner Otero and Commissioner Rodriguez agreed that a map with zip codes would be most helpful. Mr. Schimmel suggested that he and Mr. Pellegrino could put together a map of receivables accounts and determine if they are concentrated in certain neighborhoods or spread out.

Mr. Schimmel added that there is no bias in the shut-off program. If a customer does not pay their bill on time, they are put into the shut-off cycle based on that criteria alone. Nationally, utilities do not collect demographic data. In different parts of the country renters are billed as opposed to owners. There is a major discussion nationally about the need for a national assistance program, but data still lacking on which populations to target.

At 10:34 AM Commission Leonard announced he was leaving the meeting.

Mr. Guz commented that a lot of thought and consideration went into the Commission's shut-off program, including that customers receive notices prior to being posted for shut-off, payment plans are offered, and there are discount programs for senior or disabled homeowners. The Commission has worked with the housing court so that if a tenant is facing shut-off because the landlord has not paid the water and sewer bill, the Commission will not shut-off the property and different payment options through the court can be set up. Mr. Guz noted this is one example of the programs in place based on the economic makeup of the city, despite what was suggested in a recent report published by the Massachusetts Advisory Committee to the U.S. Commission on Civil Rights, which suggested that some water utilities are not sensitive to the needs or socioeconomic factors of the communities they serve.

Mr. Guz suggested that Mr. Schimmel and Mr. Pellegrino report back to the Board with a plan for a shut-off program that starts with accounts with \$10,000 or more in outstanding balances. Many landlords will be listed in low-income neighborhoods. Some landlords may be struggling with non-payment of rent due to the COVID-19 pandemic, or as a business practice do not pay the water and sewer bill until there is a potential for shut-off. Mr. Guz also stated that looking at zip codes could still be helpful, adding that it is public record.

Mr. Guz continued that directing benefits to tenants, which are not direct customers, is a struggle. He suggested the Executive Director and other Commission personnel could do additional public outreach through the local media, perhaps coordinating outreach with local social service agencies like Wayfinders, to highlight all the different relief programs available in the community, in addition to Commission-specific customer assistance programs.

Mr. Schimmel agreed that the dialogue regarding shut-offs and outreach was ongoing. He also noted that currently there were only 12 accounts with over \$10,000 in outstanding balances, 10 of which are real estate companies. These 12 accounts add up to about \$500,000 in overdue balances. Commissioner Otero asked what types of properties they were. Mr. Schimmel responded that they were housing, and that staff would continue to collect more data to obtain a better sense of current conditions.

Mr. Schimmel also followed up on Mr. Guz's comments regarding the report published by the Massachusetts Advisory Committee to the U.S. Commission on Civil Rights, stating that the report has been circulated nationally and has added to the conversation about water affordability and the need for more federal support. Mr. Schimmel also stated that he is on several state and national committees, including serving on a national committee for affordability, which helped secure the \$638 million for water and sewer bill relief. Mr. Guz added that the report contained some statements that are inaccurate, including statements regarding tenant rights. Mr. Schimmel also considered parts of the report to be inaccurate and misleading.

12. Consideration of Contract # CA-21-08 for West Parish Filters Nos. 2-6 and Under-Drain Cleaning:
Report by Director of Water Operations.

Director of Water Operations Jim Laurila reported that this contract is for the cleaning of filters and underdrain, which is critical for the operation of the filtration plant.

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

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER RODRIGUEZ:

to authorize the Executive Director to execute the contract # CA-21-08 for West Parish Filters Nos. 2-6 and Under-Drain Cleaning.

13. Consideration of RFQ-21-01 for On-call Professional Engineering Services: Report by Director of Water Operations and Chief Engineer.

Mr. Schimmel reported that the Commission was seeking to update the format in which engineering services are obtained. Under the current format, the process and forms required to be submitted for consideration can be lengthy, especially for smaller or more specialized firms, and in some cases limits the amount of qualified engineering firms applying for contracts with the Commission. Mr. Schimmel added that the Commission has a lot of work ahead that will require engineering services.

Director of Wastewater Operations Bill Fuqua explained that what is being proposed is an on-call RFQ. Each specific project that an engineering firm could apply for would have specific costs depending upon the project. The RFQ also permits the Commission to enter into a three-year service agreement, with the option to renew for three additional one-year terms.

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

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER RODRIGUEZ:

to authorize the Executive Director to issue RFQ-21-01 for on-call professional engineering services for a period of three years with additional one-year terms for a total of six years.

14. Consideration of Contract with Fuss & O’Neil: Report by Senior Engineer.

Senior Engineer Dave Szymczakiewicz reported that each year the Commission works with the Massachusetts Department of Transportation (MassDOT) and Springfield Department of Public Works (DPW) on road projects, and in most cases it is beneficial for the Commission to work with the engineers already contracted for the projects through MassDOT.

There is much water and sewer work to be done at The X, and this contract will give the Commission the opportunity to complete these critical projects. Mr. Szymczakiewicz explained the contract would be with the engineering firm Fuss and O’Neil, the firm already contracted by MassDOT for the X project. The contract would be for a period of four years.

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

VOTED YES –

COMMISSIONER OTERO

COMMISSIONER RODRIGUEZ:

to authorize the Executive Director to enter into a contract with Fuss and O’Neil for a period of four years.

15. Consideration of Contract with Greenman-Pedersen for Saint James Avenue Water Infrastructure Improvements: Report by Senior Engineer.

Mr. Szymczakiewicz reported that this request was similar to the previous item. MassDOT and Springfield DPW are planning road improvements at Saint James Avenue and this would allow the Commission to utilize the engineer already contracted by MassDOT for the project, in order to complete critical water and sewer upgrades.

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

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

to authorize the Executive Director to enter into a contract with Greenman-Pedersen for a period of 3 years.

16. Consideration of Acceptance of Grant from the National Fish & Wildlife Foundation: Report by Director of Wastewater Operations.

Mr. Fuqua reported that this is the second grant the Commission has been awarded by the National Fish & Wildlife Foundation. With these grant funds the Commission will be able to purchase aeration equipment to better treat nitrogen, which is needed to reduce effluent nitrogen loads, and remain in compliance with wastewater regulations. The amount of the grant is \$290,384.93

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

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

to authorize the Executive Director to accept the grant from the National Fish & Wildlife Foundation.

17. Consideration of WIFIA Application: Report by Executive Director.

Mr. Schimmel reported that the Commission was preparing to submit the final WIFIA application. As part of this financing program the Commission will be spending approximately \$500 million dollars over the next several years in critical infrastructure renewal and upgrades. The WIFIA financing opportunity allows the Commission to accelerate projects that would otherwise be challenging for the budget. It also allows for necessary upgrades for both water and wastewater to bring the Commission into regulatory compliance, saves millions in financing costs, and stabilizes rates.

Mr. Schimmel added that the Commission would be receiving approximately \$240 million in WIFIA financing, along with SRF financing for other critical projects. These funding programs will provide financing for the new water treatment plant, and supplementary projects, which will serve the system for the next 75 years. Mr. Schimmel noted that securing a WIFIA loan was a tremendous accomplishment considering the competitive nature of the program. Mr. Schimmel commended the team that pulled the application together, including Anthony Basile, Domenic Pellegrino, Jim Laurila, Bill Fuqua, Bob Stoops, Christina Jones, Steve Frederick, and others.

Mr. Guz added that through the WIFIA loan, cash reserves, and other loan programs, the Commission was committing to the CIP plan for the next five years. Mr. Guz noted there will be many requirements to address for the WIFIA program, but the program will allow the Commission to continue to provide clean drinking water, treat wastewater, and keep rates affordable while supporting large-scale upgrades.

Mr. Schimmel reported that one other water utility in New England has been awarded a WIFIA loan in previous funding cycles, the Narragansett Bay Commission. Mr. Schimmel has spoken with their leadership and plans to work closely with them to learn more about how they are managing their WIFIA program.

Mr. Schimmel also noted that the process for applying for WIFIA began last year by contacting WIFIA ahead of the RFI advertisements in summer 2020, putting the Commission in the position it is in today.

Mr. Guz commented that as much work went into the application, there is also much work ahead, and that Mr. Schimmel was already in contact with WIFIA to address some of the questions or concerns ahead of time. He also noted that as part of the process the Commission will need to obtain two credit ratings. The Commission is currently rated by S&P but will also need a second rating.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER LEONARD

COMMISSIONER OTERO:

to authorize the Executive Director to submit the WIFIA application as presented and submit application fee of \$200,000.

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

Mr. Schimmel reported that Cobble Mountain Reservoir is at about 85% capacity.

Mr. Schimmel reported that there are discussions, at the State level, to condition water registrations under the Water Management Act. Conditioning registrations would impact the Commission's ability to sell water during the summer months. As experienced in summer 2020, the ability to sell water in the hot summer months allows the Commission to cover some other revenue shortfalls. The Commission is the second largest registrant in the state, behind MWRA.

Mr. Schimmel reported that the Commission would like to enter into an agreement with Narragansett Bay and Upper Blackstone to fund a study on the feasibility of a regional sludge processing facility. This is in response to the biosolids crisis in the region, as the trucking and disposal of sludge is the highest cost for the Commission at the Wastewater Treatment Plant. Currently sludge from the plant is trucked to Maine for land application, however it is expected that land application of sludge will be eliminated in the coming years, in part because PFOA and PFAS will be regulated in sludge. The study would look at the feasibility of establishing a new, regional sludge processing facility, which could receive state and federal funding because it would serve the entire region. This request is to sign an MOU with Narragansett Bay and Upper Blackstone, with costs of the study to be shared equally.

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

VOTED YES –

COMMISSIONER OTERO
COMMISSIONER RODRIGUEZ:

to approve the MOU as substantially presented and to authorize the Executive Director to execute the MOU.

Mr. Schimmel reported that the Commission had updated the contract for added staffing at West Parish Filters to help cover open shifts due to vacancies and sick time. Currently the Commission has to rely on overtime shifts, but it would be helpful to utilize qualified individuals in an on-call capacity to fill staffing needs.

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

VOTED YES –
COMMISSIONER OTERO
COMMISSIONER RODRIGUEZ:

to authorize the Executive Director to execute the contract as substantially presented for on-call water operations services.

19. Consideration of Contract to Rebuild SCADA Data Center: Report by Director of IT.

Addressed in executive session.

20. Update on Cobble Mountain Road Ownership in Blandford: Report by Executive Director.
(Taken out of order after Item 18.)

Mr. Schimmel reported a meeting was held with the Blandford Town Administrator, Select Board chair, and the Town of Blandford attorney to discuss the Cobble Mountain Road ownership and access issue. The Commission, Mayor Sarno, and Representative Puppolo have all submitted letters to DCAMM expressing the critical reasons the road should remain closed to public access. Mr. Schimmel and Mr. Laurila had a follow-up conversation with DCAMM, and the current understanding is that the Commissioner of DCAMM and Governor Baker will make the decision about road ownership.

Mr. Schimmel thanked Commissioner Otero for her help and outreach regarding this matter. Mr. Schimmel added that the Commission was still pursuing letters of support to the extent possible. Mr. Schimmel concluded by stating that there was a misrepresentation by the Town that the road could be used for access to more natural resources, and the Commission has been very clear to correct that assertion in its outreach.

21. Update on Appeal of Final NPDES Permit by USEPA: Report by Executive Director.

Mr. Schimmel reported that arguments before the EAB for the NPDES permit are scheduled for March 31, 2021, and there are no other updates at this time.

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

Mr. Schimmel reported that there was no update on the 42-inch bypass. Mr. Guz added that a request was made to the Commission for documents and Attorney Liebel and Deputy Director of Water Operations Christina Jones assembled the request.

23. 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 held Thursday, March 18, 2021 at 9:00 AM.

AT 11:25 AM UPON MOTION DULY MADE BY COMMISSIONER OTERO AND SECONDED BY COMMISSIONER RODRIGUEZ

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

to enter into executive session to discuss technology and computer systems. It was determined that holding the discussion in public session could be detrimental to the Commission. It was announced that public session will not resume at the end of executive session.

Submitted By:

Katie Shea, Acting Secretary