



Established

1996

SPRINGFIELD WATER AND SEWER COMMISSION

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Minutes of Meeting

May 27, 2021

The Springfield Water and Sewer Commission held a virtual meeting on May 27, 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. 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
Steve Frederick, Deputy Director of Wastewater Services
James Richardson, Director of IT
Jim Laurila, Director of Water Operations
Bob Stoops, Chief Engineer
Frank Zabaneh, Senior Engineer
Dave Szymczakiewicz, Senior Project Manager
Kristin Monfette, Safety Manager
Stephanie Douglass, Human Resources Manager
Scott Loomis, Procurement Officer
Katie Shea, Educational Outreach Specialist
Jaimye Bartak, Secretary for the Commission
Rhonda Pogodziński, AECOM

Business Matters

1. Approve the minutes of the meeting held on April 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 OTERO

**VOTED YES –
COMMISSIONER LEONARD**

COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO:

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

2. Approve the minutes of the executive session held on April 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 OTERO

VOTED YES –
COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO:

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

New Business

3. Financial Update: Report by Comptroller.

Comptroller Tony Basile reported on the cash plan for fiscal year 2021. There was an ending cash balance of \$109,491,691, which is less than a \$50,000 decrease.

The operating budget year to date expenses are at an 80% overall spending level, slightly less than expected. It is projected that the budget will be spent out at 92%, which is lower than the previous estimate of 95%.

The capital plan has \$33.7 million in spending year to date. The largest spending has been in wastewater collection, and 75% of all capital spending has been on the river crossing project.

The revenue budget has a positive variance of \$2.1 million due to last summer's dry weather, which offset under-collection in other revenue areas.

The decrease in receivables is \$1.2 million, compared with revenues billed at \$2.1 million, which is a 1% variance of overall revenue.

There is working capital of \$37 million, which represents 34% of overall cash. Another 66% is restricted for various reasons.

There were \$6.3 million in outstanding receivables, and \$2.3 million is over 120 days old.

There were \$606.7 million in assets, and \$416.8 million in liabilities.

The investment strategy has been changed for the OPEB trust, moving allocations to 70% in equities from 60% previously.

4. Consideration of Contract Amendment with FutureComp/USI Insurance Solutions: Report by Comptroller.

Mr. Basile reported on a contract extension for workers' compensation claims administration. The fee is \$15,000 annually, which is the same since 2007. This would be a one-year contract with four additional option years. Mr. Basile recommended staying with this company as the service has been satisfactory.

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

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

to authorize the amendment to the contract with FutureComp/USI Insurance Solutions as presented and to authorized the executive director to sign.

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

Director of Finance Domenic Pellegrino reported that there was \$6.4 million in receivables and collections of \$6.2 million, for a balance of \$5.5 million. The outstanding receivables are consistent from the previous month. The over-60 day receivables through April were \$3.2 million. The amount of outstanding receivables are 67% higher than last year and the three-year average. There is a small decrease of over-60 day receivables compared to the previous month (March 2021).

Commissioner Rodriguez asked how many CAP credits and payment plans have been issued. Mr. Pellegrino responded that there has been approximately \$47,000 in CAP credits issued to 373 customers. There are 286 current payment plans, which is down from roughly over 500 a month ago due to people not adhering to payment arrangements.

There were 165 credits issued for \$30,399.90. Some of the credits are reclassifications due to outstanding claims/checks that were misapplied.

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

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

to approve credits in the amount of \$30,399.90 as presented.

6. Consideration of Amendment No. 2 to Kleinfelder Work Order No. 58 York St Pump Station/CT River Crossing Project Construction Phase Services: Report by Director of Wastewater Operations.

Director of Wastewater Operations Bill Fuqua reported that the amendment will cover continued oversight and management services through the remainder of the construction period for the York Street Pump Station project.

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

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

to approve Amendment No. 2 to Kleinfelder Work Order No. 58 York St Pump Station/CT River Crossing Project Construction Phase Services as presented and to authorize the executive director to sign.

7. Consideration of PVPC CSO Grant Amendment: Report by Director of Wastewater Operations.

Mr. Fuqua reported that Chicopee was unable to spend its CSO grant allocation of \$125,000, so this funding is now available for allocation to ongoing construction at the York Street Pump Station project.

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

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

to approve PVPC CSO Grant Amendment as presented.

(Non-agenda item taken out of order.)

Mr. Fuqua reported that this CIP amendment allocates the funding from the PVPC CSO grant.

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

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

to approve CIP Amendment 2021-17 as presented.

8. Consideration of Contract with Palmer Paving Corporation for Purchase of Various Bituminous Concrete Products: Report by Director of Field Services.

Director of Field Services Dan DiRienzo reported that this contract is for operations personnel to purchase asphalt as needed between June 1 and December 31, 2021. The contract is not to exceed \$325,000.

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

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

to approve the contract with Palmer Paving Corporation for purchase of various bituminous concrete products and authorize the executive director to sign.

9. Consideration of Amendment 4 to Contract with Longmeadow: Report by Commission Counsel.

Commission Counsel Norm Guz reported that this additional amendment to the wholesale contract with Longmeadow addresses border accounts. Executive Director Josh Schimmel noted that the border accounts are addressed in detail and that the amendment outlines which accounts are served by which entity. The Commission will approach Longmeadow once the new DPW director is named. Some Commission customers would become Longmeadow customers because they receive water from the town.

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

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

to approve Amendment 4 to contract with Longmeadow water supply agreement as presented and to authorize the executive director to sign.

10. Update on WIFIA Loan: Report by Commission Counsel.

Mr. Schimmel reported that the term sheet for the WIFIA loan was received approximately two weeks ago and comments were provided to the WIFIA team. The first loan is anticipated to be approved sometime in July. Interviews with rating agencies regarding the WIFIA debt are also upcoming, and the WIFIA team has requested a presentation on the Commission's capital program on June 3, 2021.

Mr. Guz reported that the next step after the term sheet is to negotiate the loan agreement with WIFIA and outside counsel. Due to staff limitations, Mr. Guz reported that outside bond counsel is needed to assist in closing the agreement in a timely manner. Mr. Guz recommended Matt Fairer of KP Law in Boston, who assisted during the 2019 bond issuance. Mr. Guz presented his engagement letter with a spending cap of \$125,000.

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

**VOTED YES –
COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ**

COMMISSIONER OTERO:

to approve engagement letter with KP Law as presented, and to authorize the Director of Finance to sign.

11. Consideration of Job Description for Executive Administrative Assistant: Report by Human Resources Manager.

Human Resources Manager Stephanie Douglass reported that following the departure of the previous executive assistant in January, the job description has been updated to include more software knowledge and new responsibilities. The proposed starting salary is \$40,000 - \$50,000.

Commissioner Otero commented that the salary range seemed low based on the breadth of expertise desired. Ms. Douglass responded that the goal for the position is to provide room for growth and the salary range can be amended based on the quality of applicants.

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

VOTED YES –

**COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO:**

to approve Job Description for Executive Administrative Assistant.

12. Consideration of Wholesale Wastewater Contracts: Report by Executive Director.

Mr. Schimmel reported that the wholesale wastewater contracts will expire at the end of June. There has been no response to the drafts provided due to staffing changes in East Longmeadow, West Springfield, and Longmeadow.

Mr. Guz reported that if the contracts are not signed by the end of June, they will no longer be in effect. In order to support the bond rating process, it would be beneficial to extend the existing contracts to December 31, 2021.

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

VOTED YES –

**COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO:**

to extend the wholesale contracts with East Longmeadow, Longmeadow, and West Springfield to December 31, 2021, and to authorize the executive director to execute the amendments.

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

Mr. Schimmel reported that bids for the clearwell project were higher than anticipated due to rapid inflation in the bidding market. The Clean Water Trust has agreed to cover the difference in cost. This

CIP amendment would allocate an additional \$3,339,000 to the project in order to enable the loan agreement with CWT.

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

VOTED YES –

**COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO:**

to approve CIP amendment 2021-16 as presented.

Mr. Schimmel reported that to build a pipeline of potential operators and future Commission staff, scholarships for license training programs will help attract people from outside the field. Mr. Schimmel requested approval for up to three class scholarships per semester, possibly associated with an internship or part-time position. The cost would be less than \$5,000 per semester and withdrawn from the existing scholarship account which currently has a balance of \$83,000.

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

ABSTAIN –

COMMISSIONER OTERO

VOTED YES –

**COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ:**

to authorize the executive director to administer the scholarship program as presented.

Mr. Schimmel reported that Covid safety protocols remain in place, and the Commission will follow state protocols that are soon to change regarding mask wearing. In-person meetings may resume over the summer. Approximately 75% of staff are vaccinated. The Commission provided a \$200 incentive to promote vaccinations. Vaccinated persons will be exempted from wearing masks.

Commissioner Rodriguez asked when in-person Board meetings would resume. Mr. Schimmel responded that an outdoor space has been constructed near the Administration Building where Board and other meetings could be held. The governor also filed legislation to continue with remote meetings through the summer. If that legislation is enacted, Board meetings will continue remotely through the summer and in-person meetings will be re-considered in the fall.

Mr. Guz added that Open Meeting Law will need to be followed. Allowing customers to return in-person to do business may also need to be considered.

Commissioner Otero suggested outdoor meetings in the summer may be uncomfortable and indoor meetings should be held as allowed and appropriate in those conditions. Mr. Schimmel responded that technology was also being installed in meeting rooms to hold hybrid meetings.

Mr. Schimmel reported that the new Director of Engineering Darlene Buttrick would start in July.

Mr. Schimmel reported that staff met with aides of Senator Lesser and Gomez to discuss the new proposed WMA regulations, which would limit the sale of water during state-declared “droughts” regardless of the capacity in the reservoir. Based on consumption during the last drought in 2016, new WMA regulations could result in a potential loss of \$3-6 million in revenue. Water age would also become an issue, and more flushing would be needed. Commission staff will continue to advocate against these proposed regulations.

Mr. Schimmel reported that the water quality report was issued in early May.

Mr. Schimmel reported that due to a problem with the bill-printing vendor, bills went out one week late, so the due date was extended for everyone.

Mr. Schimmel reported that staff met with the Federal Congressional delegation during Water Week to advocate for the needs of the water/wastewater sectors.

Mr. Schimmel reported that the proposed budget was presented to City Council last week and all questions were answered.

Mr. Schimmel reported that staff are tracking the new LIHWAP program. The existing CAP program places the Commission in a good position to distribute funds once they reach local LIHEAP agencies. As a “non-entitlement unit,” the Commission is not directly eligible for other Covid-relief funds. The Commission is considering partnering with the Boston Water and Sewer Commission and MWRA to petition the governor’s office to designate funds for non-entitlement units.

Mr. Schimmel reported the reservoir is currently full at 98%.

Mr. Fuqua reported that the York Street Pump Station project had its last concrete pour for the foundation. Excavation work is ongoing for deep new structures that will tie into the pumping station. River work equipment, including a large crane, is currently being assembled for launch next week. River work will commence next week with dredging. The goal for MBE and local workforce participation is 4.2%. That goal is being met for MBE. For WBE, the goal is 4.45% and current participation is 4.9%. Local workforce participation is 34%. Many of the same goals will be incorporated for WIFIA projects. Mr. Fuqua invited Commissioners to tour the projects.

Chief Engineer Bob Stoops reported that he is working with Water Operations and AECOM for the design-build of the clearwell. The diversion gates pipe improvements project will be done at the end of June, and the Cobble hydraulic bypass projects will be done at the end of August. The chlorine storage and in-line hydropower plant projects will soon have work orders for final design. Next year’s water and sewer projects are also being designed.

Director of Field Services Dan DiRienzo reported that water mains were being replaced on Hamburg Street, and large valves were being replaced on Berkshire Avenue. Mains will also be replaced on Worcester Street.

Mr. Pellegrino reported on upcoming presentations for ratings agencies.

Director of Water Operations Jim Laurila reported on several large capital projects and thanked the selection committee. Staff are being added at Borden Brook Reservoir and in the lab. Mr. Laurila thanked Ms. Douglass for her support in hiring. Work is ongoing with the WPF facilities plan. A renewal application for the WMA registration is due June 15.

Mr. Schimmel added that a temporary cover will be placed on the existing clearwell, which is important for regulatory reasons, and will be achieved cost-effectively by using in-house WPF staff for installation.

Director of IT James Richardson reported that cybersecurity remains a central concern, and antivirus, malware detection and other software is rotated out on an irregular basis. Cybersecurity awareness training for all staff takes place monthly. Mr. Richardson noted that staff regularly call IT about suspicious activity which indicates the results of the training.

Safety Manager Kristin Monfette reported that the Health and Safety Plan is in the hands of employees. Safety continues to be monitored in the field, and work is ongoing to increase awareness of injury prevention.

Ms. Douglass reported that many new staff are coming on board, and commended the leadership team on the interview process. Covid safety continues to be communicated to staff and new tools such as the employee website and mass-texts will be put into permanent use.

Mr. Schimmel reported that the proposed starting salary for the executive assistant was misstated previously. The proposed salary is \$45,000 - \$55,000.

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

VOTED YES –

**COMMISSIONER LEONARD
COMMISSIONER RODRIGUEZ
COMMISSIONER OTERO:**

to amend the starting salary range for the Executive Assistant position to \$45,000 - \$55,000 as presented.

Mr. Guz reported that the Commission previously authorized the executive director to make an offer for property in Blandford. The offer has been accepted and a purchase and sale agreement is being prepared.

The next Commission Board meeting is Wednesday, June 23, 2021 at 9 AM.

AT 10:32 AM UPON MOTION DULY MADE BY COMMISSIONER LEONARD AND SECONDED BY COMMISSIONER OTERO

VOTED YES –

**COMMISSIONER LEONARD
COMMISSIONER OTERO
COMMISSIONER RODRIGUEZ:**

to adjourn.

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

Submitted By:



Jaimye Bartak, Secretary