



Established

1996

SPRINGFIELD WATER AND SEWER COMMISSION

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Minutes of Meeting

July 27, 2023

The Springfield Water and Sewer Commission held a public meeting on July 27, 2023, in accordance with Chapter 2 of the Acts of 2023.

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

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

Also Present
Joshua Schimmel, Executive Director
Norman J. Guz, Commission Counsel
Anthony Basile, Comptroller
Domenic Pellegrino, Director of Finance
Theo Theocles, Director of Legal Services
Nicole Sanford, Water Resources Manager
Jaimye Bartak, Communications Manager/Secretary to the Commission

Also Participating Remotely
Katie Shea, Educational Outreach Manager
Darleen Buttrick, Director of Engineering
Steven Frederick, Director of Wastewater Operations
Jim Laurila, Director of Water Operations
Jennifer Boulais, Director of Human Resources
Rick Gomez, Director of Engineering
Kristin Monfette, Safety Manager
Raemarie Walker, Assistant Procurement Officer

Business Matters

1. Consideration of Appointment of Chair and Vice Chair for FY24: Report by Commission Counsel.

[Taken out of order after item 18.]

2. Approve the minutes of the meeting held on June 15, 2023, without reading, because copies were furnished to each member of the Commission for their review.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN:

to approve the minutes of the meeting held on June 15, 2023.

New Business

3. Financial Update: Report by Comptroller.

Comptroller Anthony Basile reported a cash balance of \$118.2 million at the end of June 2023, which represents a cumulative increase of \$6.5 million in fiscal year 2023 mostly attributed to SRF reimbursements.

There was a positive revenue variance of just under \$3 million due to interest earnings above original estimates. Water usage has been down this summer.

The operating budget in June was expended at 97%. Unexpended funds in debt service will be utilized in FY24 to offset reserve requirements.

Capital spending is at \$84.2 million, with four major projects ongoing. There is \$534.2 million in unexpended funds.

Commissioner Otero asked whether the York Street Pump Station is under budget. Executive Director Josh Schimmel replied that it is under the current appropriation.

There is 20% unrestricted cash, and 80% restricted cash residing in the Stabilization Fund, bond covenant reserve requirements and cash restricted for capital projects.

There was \$5.4 million in outstanding receivables at the end of June 2023, with \$1.9 million over 60 days.

At the end of June 2023, there was \$984.0 million in assets, and \$736.5 million in liabilities of which \$612 million was in long-term debt. There are \$6.4 million in OPEB assets, with \$750,000 contributed in FY23.

4. Internal Audit Report FY23: Report by Comptroller.

Mr. Basile reported on the internal audit report, which will be compared with that of the independent auditors. The internal audit tested transactions, inventory, payroll, receivables, disbursements, procurement, and internal controls and processes followed. There were minimal discrepancies found. As

recommended in prior year reports, the indexing of key metrics has started to be tracked in Commission operation. The customer service department utilizes metrics to track customer activities.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN: to approve the FY23 Internal Audit Report.

5. Certification of FY23 Financial Policies: Report by Comptroller.

Mr. Basile reported on a letter certifying that the Commission is in compliance with its financial policies, as certified by the Finance Director and the Comptroller. The policies were adopted in fiscal year 2017 and amended in fiscal year 2022. There were no changes to the policies in FY23.

6. Consideration of Utility Billing Credit Summary and Summary of Accounts Receivable June 2023: Report by Director of Finance.

Director of Finance Domenic Pellegrino reported for the month ending June 2023, net billings of \$7.3 million, received payments totaling \$6.9 million, resulting in an account receivable balance of \$4.5 million.

There were 5,261 accounts with receivables over 60 days totaling \$1.4 million.

There were 129 credits issued for a total of \$19,569.55.

Commissioner Otero asked if LIHWAP was concluded. Mr. Pellegrino responded that customers are still receiving LIHWAP payments, and the process should be complete in 4-6 weeks.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN: to approve credits in the amount of \$19,569.55.

7. Consideration of Capital Projects Request to Transfer Appropriations - CIP Amendment 2024-01: Report by Director of Finance.

Mr. Pellegrino reported that Amendment 2024-01 was to decrease Project ID 005-0099 Conduit Hydropower Turbine 42" after removing the in-line hydropower project from the WIFIA portfolio. Those WIFIA funds will be transferred to project ID 005-0078 42" Raw Water Conveyance Re-design and Re-

construction project. Mr. Schimmel reported that the project was changed once an engineering analysis concluded that it was not cost-effective under current electricity delivery legislation.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN: to approve CIP Amendment 2024-01.

8. Consideration of Capital Projects Request to Transfer Appropriations – CIP Amendment 2024-02: Report by Director of Finance.

Mr. Pellegrino reported reducing the accounts of three projects that have been completed and directing remaining amounts to the CIP Reserve account.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN: to approve CIP Amendment 2024-02.

9. Consideration of Executive Director Authority Re. Contract Amendments/Change Orders: Report by Director of Legal Affairs.

Director of Legal Service Theo Theocles reported on the current contract amendments and change orders that the Executive Director is authorized to approve. Mr. Theocles presented a proposal to authorize the Executive Director to execute change orders and contract amendments within 5% of project value.

Commissioner Otero requested adding those changes to the monthly list of contracts authorized by the Executive Director. Commissioner Rodriguez requested an annual review of the Executive Director's annual authority during the budget process.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN: to approve Executive Director authority regarding contract amendments and change orders as presented.

10. Capital Projects Update: Report by Director of Engineering.

Director of Engineering Darleen Buttrick reported on capital projects. The 90% design for the Water Treatment Plant is anticipated in late September. Approvals for wetlands and zoning have been received. Contractor request for qualifications will be issued in early September. Commission Counsel Norm Guz congratulated the Engineering Department for receiving ZBA approval for the water treatment plant after just one attempt.

Ms. Buttrick reported that the 90% design for the energy dissipation valve is under review. Permitting for this and the other hydropower project are ongoing and expected in late September and early October pending permit approvals.

Ms. Buttrick reported that completion of the work inside the pump station superstructure is anticipated in the fall. Ms. Buttrick reported that backfilling of trenches and installation of pipe is ongoing at the Locust Street project, while lining installations and emergency sewer repairs are ongoing for the FY23 sewer improvements project.

Ms. Buttrick reported that design for Birnie Avenue continues, with Kleinfelder working towards 90% and updating it for required changes.

Ms. Buttrick reported that the conceptual design for the hydrostation project is anticipated to be complete later this year. An application for grant funding was submitted to FERC.

Ms. Buttrick reported that the Phase 1 design improvements at Provin Mountain are complete, with bidding anticipated next.

Director of Wastewater Operations Steve Frederick reported that ICI projects were completed in Basin #2, which are now filled and running. Basin #3 is now being deconstructed. Electrical upgrades continue at the wastewater treatment plant. A kickoff meeting for the grit removal project will take place next month, which will be a two-year project. Punch list items are moving along at the York Street Pump Station and CT River Crossing project. All five pumps have run this summer due to high precipitation and are performing well.

Commissioner Rodriguez asked if the amount of prevented overflows could be calculated. Mr. Frederick responded that any amount over 32 MGD pumped is overflow that was prevented.

Commission Counsel Norm Guz reported that funding for the grit removal project was received from the Clean Water Trust.

11. Consideration of Change Order No. 1 to RH White Contract No. 20230042 Birnie Ave Transmission Main Repair: Report by Director of Engineering.

Removed from agenda due to outcome of Item #9.

12. Consideration of Amendment No. 1 for T&B Task Order No. R-21-01_T&B_03 WPF Coagulant Bulk Storage and Chlorination Storage System Upgrades: Report by Director of Engineering.

Removed from agenda due to outcome of Item #9.

13. Consideration of Change Order No. 2 for RH White Contract No. 20220002 WPF Coagulant Bulk Storage and Chlorination Storage System Upgrades: Report by Director of Engineering.

Removed from agenda due to outcome of Item #9.

14. Consideration of Amendment to IGA-Blandford (SWSC Contract No. 20220050): Report by Director of Legal Services.

Mr. Theocles reported on an amendment request to add \$3,000 to this project's funding for supplies needed, including stone for the road and Long Pond Conservation area. The amendment also provides more latitude to use a contractor rather than Commission staff.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN:

to approve the amendment to IGA-Blandford (SWSC Contract No. 20220050) as presented.

15. Consideration of Award of Software License Agreement Five Years, With Five One Year in Length Renewal Options (Neptune): Report by Director of Legal Services.

Mr. Theocles reported that a bid went out for metering equipment, and each bid had a one-year contract with two renewal options. This contract would be a software-as-a-service agreement for the support care of those meters.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN:

to approve the Software License Agreement with Neptune as presented.

16. Consideration of Award of Software License Agreement Five Years, With Five One Year in Length Renewal Options, (Stiles): Report by Director of Legal Services.

Mr. Theocles reported on a software license agreement of a 10-year term with five one-year approvals.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN:

to approve the Software License Agreement with Stiles as presented.

17. Consideration of Award of Software License Agreement, three Year Term, ESRI 20240010:
Report by Director of Legal Services.

Mr. Theocles reported on an enterprise license agreement with ESRI for GIS software, which is a better value than individual licenses.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN:

to approve the Software License Agreement with ESRI as presented.

At 9:51 AM, Commissioners unanimously voted to adjourn for a short break. Commissioners returned and conducted roll-call at 9:53 AM to resume open session.

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

Executive Director Josh Schimmel reported on recent press coverage, including about topics regarding disinfection byproducts and CSOs. A story on the SRF loan for the grit removal project was in *The Reminder*.

Mr. Schimmel reported that a draft consent decree was received from MassDEP for disinfection byproducts. A meeting will be requested with MassDEP. Mr. Schimmel requested authorization to engage with a legal firm with a cost not to exceed \$25,000 in order to provide interpretation of the proposed consent decree and the potential opportunities for negotiation.

Commissioner Otero asked if DEP's timeframe is aligned with the water treatment plant construction timeline. Mr. Schimmel responded that it is, but there is a risk that supply chain and labor issues, as well as bidding volatility and other factors outside of the Commission's control, could impact the schedule in the future.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN:

to authorize the Executive Director to enter into a contract with outside legal counsel to review options in regards to the draft consent order dated July 26, 2023.

Mr. Schimmel reported that the Water Management Act regulations were amended that allowed for an exemption for which the Commission is likely eligible. The Commission is awaiting a response from DEP about its exemption.

Mr. Guz added that the Commission has appealed the amendments to the regulations through outside counsel, which filed a motion on July 20 for a judgment on the proceedings. Action in Superior Court will proceed. The Attorney General's office has 30 days to respond. The appeal is in regards to whether DEP had the authority to make changes to the Water Management Act.

Mr. Schimmel reported that the CFO from Boston Water and Sewer Commission will discuss cyber-insurance policy with IT staff and share the experience.

Mr. Theocles reported that an emergency SSO occurred on Woodcliff Avenue and staff mitigated the situation as quickly as possible.

Mr. Theocles reported three that sessions were held for the RFQ process for the water treatment plant for both general contractors and subcontractors.

Educational Outreach Manager Katie Shea reported the Pipeline Program has started and is going well.

Director of IT Rick Gomez reported that cybersecurity remains a main focus. Commissioner Otero noted the new cybersecurity center at Union Station and the potential to be a workforce collaborator.

Safety Manager Kristin Monfette reported on trainings at West Parish and her involvement in the treatment plant design to capture safety issues in the design phase. Six dam emergency response plans were distributed to affected communities during a joint meeting. Another dam emergency response exercise for Ludlow, Cherry Valley, and Knight's Pond dams will be held September 13.

Mr. Pellegrino reported the annual audit will start in September.

Mr. Basile reported that SOPs are being updated.

Water Resources Manager Nicole Sanford reported on a new forest ecologist and ongoing invasive species work plans.

Assistant Procurement Officer Raemarie Walker reported on ongoing procurement for the water treatment plant.

1. Consideration of Appointment of Chair and Vice Chair for FY24: Report by Commission Counsel.

[Taken out of order.]

Commissioner Donnellan nominated Commissioner Otero as FY24 Chairwoman.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN:

to appoint Commissioner Otero as Chairwoman for FY24.

Commissioner Otero nominated Commissioner Rodriguez as FY24 Vice Chair.

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

VOTED YES –

COMMISSIONER RODRIGUEZ

COMMISSIONER OTERO

COMMISSIONER DONNELLAN:

to appoint Commissioner Rodriguez as Vice Chair for FY24.

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

None considered.

Executive Session

20. Status Review of Litigation Matters of the Commission: Report by Atty. Liebel.

Tabled.

Adjourned by unanimous vote at 10:30 AM.

Submitted By:



Jaimye Bartak, Secretary

Exhibits considered:

Financial Report

Internal Audit Report FY 2023

Financial Policies Certification FY 2023

2023 June Finance Director Rpt

Amendment 2024-01 (Tnfs 005-0099 to 005-0078)

Amendment 2024-02 (Tnfs 005-0089, 005-0091, 130-0014 to 090-1000)

Consideration of Change Order No. 1 to RHWhite Contract No. 20230042 Birnie Ave Transmission Main Repair

Consideration of Amendment No. 1 for T&B Task Order No. R-21-01_T&B_03 WPF Coagulant Bulk Storage and Chlorination Storage System Upgrades

Consideration of Change Order No. 2 for RHWhite Contract No. 20220002 WPF Coagulant Bulk Storage and Chlorination Storage System Upgrades

Capital Projects Update

Contracts signed by Josh Schimmel

Executive Director Authority RE: Contract Amendments/Change Orders

Amendment to IGA- Blandford (SWSC Contract No. 20220050)

Award of Software License Agreement Five Years, With Five One Year in Length Renewal Options
(Neptune)

Award of Software License Agreement Five Years, With Five One Year in Length Renewal Options,
(Stiles)

Award of Software License Agreement, three Year Term, ESRI 20240010

Cobble Reservoir Levels