

**MASSACHUSETTS WATER RESOURCES AUTHORITY**

Meeting of the Board of Directors

March 16, 2022

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A meeting of the Massachusetts Water Resources Authority (“MWRA”) Board of Directors was held on March 16, 2022. The meeting was conducted virtually, pursuant to Chapter 20 of the Acts of 2021, An Act Relative to Extending Certain COVID-19 Measures Adopted During the State of Emergency. Chair Theoharides presided remotely. Also participating remotely from the Board were Messrs. Carroll, Cook, Flanagan, Foti, Pappastergion, Peña, Vitale, J. Walsh, and P. Walsh. Ms. Wolowicz was absent.

MWRA staff in attendance virtually included Frederick Laskey, Executive Director; Carolyn Francisco Murphy, General Counsel; David Coppes, Chief Operating Officer; Carolyn Fiore, Deputy Chief Operating Officer; Thomas Durkin, Director of Finance; Kathy Murtagh, Director, Tunnel Redundancy; Andrea Murphy, Director, Human Resources; Paula Weadick, Director, MIS; Douglas Rice, Director, Procurement; David Duest, Director, Deer Island Treatment Plant; and, Assistant Secretaries Ria Convery and Kristin MacDougall. Vandana Rao, Executive Office of Environmental Affairs (EEA), and Joseph Favaloro, MWRA Advisory Board, were also in attendance virtually.

Chair Theoharides called the meeting to order at 1:37pm. MWRA General Counsel Francisco Murphy took roll call of Board Members in attendance. On behalf of the Chair, Ms. Francisco Murphy announced that except for Executive Session, the meeting was open to the public virtually, via a link posted on MWRA’s website ([www.mwra.com](http://www.mwra.com)). She added that the meeting would be recorded, and that the agenda and meeting materials were available on MWRA’s website. She also announced that the meeting would move into Executive Session after the Executive Director’s report, and that the Open Session would resume after the adjournment of Executive Session.

General Counsel Francisco Murphy explained that all motions would be individually presented and given an opportunity for discussion and deliberation; further, that after discussion and deliberation, any Board member could request an individual roll call vote on that motion, where Board Members could vote affirmatively or in the negative, or abstain from voting. She also noted that if no request for an individual vote were made or concerns raised, the motion would advance for an omnibus roll call vote at the conclusion of all the presentations.

**APPROVAL OF FEBRUARY 16, 2022 MINUTES**

A motion was duly made and seconded to approve the minutes of the Board of Directors’ meeting of February 16, 2022. Chair Theoharides called for any questions, discussion, or objections. Hearing none, she referred the motion to an omnibus roll call vote. (ref. I)

**REPORT OF THE CHAIR**

Chair Theoharides briefly reported on Baker-Polito administration initiatives, including federal funding, the development a Transportation Bond Infrastructure Bond Bill, and American Rescue Plan Act (ARPA) funding for Massachusetts infrastructure (ref. II)

### REPORT OF THE EXECUTIVE DIRECTOR

MWRA Executive Director Frederick Laskey reported that staff, pursuant to Governor Baker's Executive Order 597, had performed a thorough review of all MWRA contracts and investments and had found no ties to Russia. He added that the MWRA Retirement System held an "emerging markets" investment, and that staff would follow the lead of PERAC (Public Employee Retirement Administration Commission) and the State Treasurer. Next, Mr. Laskey announced that MWRA had received \$1.2 million in debt service assistance, and funding for system expansion studies; he thanked the Baker-Polito administration for its support. He then noted that Congresswoman Clark was expected to hold a press conference to announce \$10 million in federal funding for local projects, including an aqueduct trail connection in honor of the late State Representative Chris Walsh; \$3.36 million in lead funding for Malden; and, the Mystic and Charles Regional Coastal Flood Interventions Project. Finally, Mr. Laskey reported that staff had strategically purchased diesel fuel for the Deer Island Treatment Plant at \$2.98 per gallon on March 7, 2022; he noted that on March 13, 2022 the cost had risen to \$3.78 per gallon, and that the vendor would hold the lower price.

There was general discussion about rising fuel costs. (ref. III)

### EXECUTIVE SESSION

Chair Theoharides requested that the Board move into Executive Session to discuss litigation and collective bargaining, since open session could have a detrimental effect on the litigation and bargaining positions of the Authority. She announced that the planned topics of discussion in Executive Session were a Notice of Intent to File Suit from the Conservation Law Foundation, and the approval and ratification of collective bargaining agreements for NAGE Unit 3 and MOSES Unit 9. She also announced that the Board would return to Open Session after the conclusion of Executive Session.

A motion was duly made and seconded to enter Executive Session for these purposes, and to resume Open Session after Executive Session adjournment.

Upon a motion duly made and seconded, a roll call vote was taken in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Theoharides		
Carroll		
Cook		
Flanagan		
Foti		
Pappastergion		
Peña		
Vitale		
J. Walsh		
P. Walsh		

Voted: to enter Executive Session, and to resume Open Session after Executive Session adjournment.

The Board moved to Executive Session to discuss litigation and collective bargaining, since discussing such in Open Session could have a detrimental effect upon the litigation and bargaining positions of the Authority.

\*\*\* EXECUTIVE SESSION \*\*\*

The meeting entered Executive Session at 1:44pm and adjourned at 2:08pm.

\*\*\* CONTINUATION OF OPEN SESSION \*\*\*

Open Session resumed at 2:08pm. Chair Theoharides presided.

COLLECTIVE BARGAINING ANNOUNCEMENT

Chair Theoharides announced that during Executive Session the Board voted to approve and ratify the collective bargaining agreements with NAGE Unit 3 and MOSES Unit 9, which included ATB (across the board) increases of 2.5%, 2.0% and 2.0% for FY21, FY22 and FY23, respectively, and a one-time signing bonus payment of 1.5% (with a minimum of \$1,000); and that Board also authorized a one-time Hazard Pay payment of either \$2,000 or \$1,000 for certain members of NAGE Unit 3 and MOSES Unit 9.

PERSONNEL AND COMPENSATION

Approvals

PCR Amendments - March 2022

A motion was duly made and seconded to approve amendments to the Position Control Register (PCR) as presented and filed with the records of the meeting.

MWRA Director of Human Resources Andrea Murphy summarized the proposed PCR amendments, which included two title and grade changes and the addition of a two new Tunnel Redundancy Program positions.

At the request of a Board member, staff presented a Tunnel Redundancy Program organizational chart that highlighted the new positions.

Chair Theoharides asked if there was further discussion or any objections. Hearing none, she advanced the motion to an omnibus roll call vote. (ref. V A.1)

Appointment of Manager, Occupational Health & Safety

A motion was duly made and seconded to approve the appointment of Mr. Timothy Wooster to the position of Manager, Occupational Health and Safety (Non-Union, Grade 14) in the

Administration Division, at an annual salary of \$138,000 commencing on a date to be determined by the Executive Director.

Ms. Murphy summarized the proposed candidate's work history, experience, education, and qualifications.

Chair Theoharides asked if there was any discussion or objections. Hearing none, she advanced the motion to an omnibus roll call vote. (ref. V A.2)

## ADMINISTRATION, FINANCE AND AUDIT

### Information

#### Delegated Authority Report – February 2022

MWRA Director of Procurement Douglas Rice reported that the January 2022 Delegated Authority Report did not reflect any actions taken under new delegated authority policy approved by the Board in January 2022. He added that the February 2022 Delegated Authority Report was expected to include actions taken under the new policy.

Hearing no questions or discussion, Committee Chair Foti proceeded to the next agenda item. (ref. VI A.1)

#### FY22 Financial Update and Summary through February 2022

MWRA Director of Finance Thomas Durkin reported that wages and salaries were approximately \$9.8 million under budget due to ongoing hiring and retention challenges. Next, Mr. Durkin discussed potential budget variances on direct expenses such as maintenance, chemicals and utilities due to the impacts of inflation, supply chain issues and the ongoing war in Ukraine. Finally, Mr. Durkin noted that MWRA's budget structure had muted the impacts of inflation on capital finance and indirect expenses to date, and that staff would engage with the MWRA Advisory Board to make any necessary adjustments to the proposed FY23 budget.

There was general discussion about methods for measuring inflation.

Hearing no further questions or discussion, Committee Chair Foti proceeded to the next agenda item. (ref. VI A.2)

### Contract Amendments/Change Orders

#### Renewable and Alternative Energy Portfolio Services: Next Grid Markets, LLC, Contract RPS-68, Amendment 3

A motion was duly made and seconded that the Executive Director, on behalf of the Authority, approve Amendment 3 to Contract RPS68, Renewable and Alternative Energy Portfolio Services, with Next Grid Markets, LLC, in accordance with the pricing established under Massachusetts State Contract FAC109, extending the contract term by 730 days, from March 31, 2022 to March 30, 2024, and increasing the contract amount by \$35,000, from \$105,000 to \$140,000. Approval of Amendment 3 will be contingent on DCAMM extending the FAC109 Contract.

MWRA Deputy Chief Operating Officer Carolyn Fiore described the purpose of renewable energy credits, MWRA's earnings from energy credits, and the general terms of the proposed contract with aggregator Next Grid Markets, LLC, pending the Division of Capital Asset Management and Maintenance (DCAMM) approval of renewal.

There was discussion about MWRA's efforts to install solar canopies at MWRA facilities, and the battery storage pilot program.

Board Member Vitale requested an estimated total number of vehicles in MWRA's fleet, and the percentage of electric fleet vehicles. Ms. Fiore advised that staff would forward that information at a later date.

There was discussion about the process of siting battery storage in communities.

Chair Theoharides asked if there was further discussion or any objections. Hearing none, she advanced the motion to an omnibus roll call vote. (ref. VI B.1)

## WASTEWATER POLICY AND OVERSIGHT

### Information

#### Infiltration/Inflow Local Financial Assistance Program Annual Update

MWRA Director of Planning and Sustainability Stephen Estes-Smargiassi presented an overview of the Infiltration/Inflow (I/I) Financial Assistance Program's goals, structure and accomplishments.

There was discussion about MWRA system I/I reduction volumes and how they were calculated, the I/I Annual Report, and the program's benefits.

Hearing no further questions or discussion, Committee Chair Jack Walsh proceeded to the next agenda item. (ref. VII A.1)

### Approvals

#### Approval of Memorandum of Agreement with Massachusetts Bay Transportation Authority, ADA Compliant Bus Offload Area at Public Access Parking Lot, Deer Island Treatment Plant

A motion was duly made and seconded to authorize the Executive Director, on behalf of the Authority, to approve a Memorandum of Agreement with the Massachusetts Bay Transportation Authority, relating to bus offload ADA accessibility at the Deer Island public access parking lot, substantially in the form attached to the March 16, 2022 Staff Summary presented and filed with the records of this meeting.

MWRA Deer Island Treatment Plant Director David Duest presented a summary of the purpose and terms of the proposed Memorandum of Agreement with the Massachusetts Bay Transportation Authority relating to bus offload accessibility at Deer Island.

There was brief discussion about the motion.

Hearing further discussion or any objections, Chair Theoharides advanced the motion to an omnibus roll call vote. (ref. VII B.1)

### Contract Awards

#### Preferred Service Agreement for the Combustion Turbine Generators: Mitsubishi Power Aero LLC

A motion was duly made and seconded to approve the award of a Preferred Service Agreement to provide technical support, emergency repair services and spare parts for the combustion turbine generators to the original equipment manufacturer, Mitsubishi Power Aero LLC and to authorize the Executive Director, on behalf of the Authority, to execute said contract for an amount not to exceed \$586,000 for a period of three years.

Mr. Duest presented a summary of the purpose of critical backup generators (CTGs) and the terms of the proposed sole source contract. He explained that the contract included on-site technician coverage during high profile storm events and cable outages. Finally, Mr. Duest noted that the CTGs fulfill NPDES requirements for backup power and generate revenue.

There was brief discussion about Mitsubishi Power Aero, LLC's ownership of Pratt and Whitney, and the estimated uses and lifespans of MWRA's CTGs.

Chair Theoharides asked if there was further discussion or any objections. Hearing none, she advanced the motion to an omnibus roll call vote. (ref. VII C.1)

### WATER POLICY AND OVERSIGHT

#### Information

##### Update on Lead and Copper Rule Regulatory Issues

Mr. Estes-Smargiassi presented an overview of changes to the EPA's Lead and Copper Rule (LCR). He reported that in February 2022, the EPA had directed the Massachusetts Department of Environmental Protection (DEP) to accelerate aspects of the revised LCR. He explained that the changes would immediately impact five MWRA communities (Boston, Winthrop, Medford, Melrose and Malden), and that all other fully supplied water communities in the Metro Boston area were expected to be effected in September 2022. Mr. Estes-Smargiassi described new LCR sampling, investigation and reporting requirements, and explained that staff were in negotiations with regulators.

There was general discussion about the potential implications of the new LCR reporting requirements on MWRA and its water system communities, the relative numbers of lead service lines in various service communities, lead service line replacements, corrosion control testing, and the ongoing negotiations with regulators.

Next, Mr. Estes-Smargiassi presented more details on MWRA's corrosion control improvements testing program, and an update on MWRA's lead service line and gooseneck replacement programs. Finally, Mr. Estes-Smargiassi described a joint program with the Massachusetts Department of Public Health to sample the homes of children with elevated lead blood levels.

Mr. Laskey acknowledged Board Member Carroll's role in the development of the joint lead testing program for children.

Chair Theoharides asked if there was further discussion or any objections. Hearing none, she advanced the motion to an omnibus roll call vote. (ref. VIII A.1)

#### Local Water System Assistance Program Annual Update

Mr. Estes-Smargiassi briefly presented MWRA's distribution of Local Water System Pipeline Assistance Program (LWSAP) funds to communities in calendar year 2021, and described how the program contributed to water quality improvements at customer taps.

Mr. Cook commended LWSAP Program staff.

Hearing no further questions or discussion, Chair Theoharides proceeded to the Omnibus Roll Call Vote. (ref. VIII A.2)

#### OMNIBUS ROLL CALL VOTE

Chair Theoharides called for an omnibus roll call vote on the motions made and seconded. An omnibus roll call vote was taken in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Theoharides		
Carroll		
Cook		
Flanagan		
Foti		
Pappastergion		
Peña		
Vitale		
J. Walsh		
P. Walsh		

Voted: to approve the minutes of the Board of Directors' meeting of February 16, 2022; (ref. I)

Further, voted: to approve amendments to the Position Control Register (PCR) as presented and filed with the records of the meeting; (ref. V A.1)

Further, voted: to approve the appointment of Mr. Timothy Wooster to the position of Manager, Occupational Health and Safety (Non-Union, Grade 14) in the Administration Division, at an annual salary of \$138,000 commencing on a date to be determined by the Executive Director; (ref V A.2)

Further, voted: that the Executive Director, on behalf of the Authority, approve Amendment 3 to Contract RPS68, Renewable and Alternative Energy Portfolio Services, with Next Grid Markets, LLC, in accordance with the pricing established under Massachusetts State Contract FAC109, extending the contract term by 730 days, from March 31, 2022 to March 30, 2024, and

increasing the contract amount by \$35,000, from \$105,000 to \$140,000. Approval of Amendment 3 will be contingent on DCAMM extending the FAC109 Contract; (ref. VI.B.1)

Further, voted: to authorize the Executive Director, on behalf of the Authority, to approve a Memorandum of Agreement with the Massachusetts Bay Transportation Authority, relating to bus offload ADA accessibility at the Deer Island public access parking lot, substantially in the form attached to the March 16, 2022 Staff Summary presented and filed with the records of this meeting; (ref. VII B.1), and,

Further, voted: to approve the award of a Preferred Service Agreement to provide technical support, emergency repair services and spare parts for the combustion turbine generators to the original equipment manufacturer, Mitsubishi Power Aero LLC and to authorize the Executive Director, on behalf of the Authority, to execute said contract for an amount not to exceed \$586,000 for a period of three years. (ref. VII C.1)

#### CORRESPONDENCE TO THE BOARD

There was no correspondence to the Board.

#### OTHER BUSINESS

There was no other business.

#### ADJOURNMENT

A motion was duly made and seconded to adjourn the meeting.

A roll call vote was taken in which the members were recorded as follows:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Theoharides		
Carroll		
Cook		
Flanagan		
Foti		
Pappastergion		
Peña		
Vitale		
J. Walsh		
P. Walsh		

The meeting adjourned at 3:06pm.

Approved: April 13, 2022

Attest:

 for  
 Andrew M. Pappastergion, Secretary