

BOARD OF WATER COMMISSIONERS
MINUTES FOR THE MEETING OF
March 15, 2024

Chairperson Boyd called the open meeting to order at 2:00 p.m., and announced that the virtual version of the meeting was being recorded, and asked for each Commissioner to state their name for the record by roll call:

Board Members Present Virtually: Joshua M. Fox, Commissioner – Present; Robert H. Sheldon, Commissioner - Present; and Robert E. Boyd, Jr., Commissioner and Chairperson - Present.

Others Present Virtually: Vincent J. Roy, Executive Director; Blake Martin, Engineering Consultant with Weston & Sampson; and Jake Ducharme, Engineering Consultant with Weston & Sampson.

1. REVIEW AND VOTE ON PROPOSED CHANGE TO 88TH ANNUAL MEETING WARRANT:

Director Roy provided a brief explanation of the March 12th bid results for the East Street Water Treatment Plant/PFAS project. Mr. Roy stated that five bids were received and the total price of the apparent lowest bidder, Barbato Construction, was about \$1.32 million above Weston & Sampson's estimate of \$4.5 million. He also stated that the bid amount exceeded the District's authorized amount to borrow project funding through the SRF program. Mr. Roy informed the Commissioners that he had confirmed with Greg Devine of MassDEP that the District was preapproved for additional funding through the SRF program but would need authorization from the District to borrow additional funds.

Blake Martin stated that the District is already pre-approved for \$5.8 million through the SRF program for this project and that the State could increase the amount once the District authorized the borrowing. He also reminded the Commissioners that the loan is at zero percent interest rate and that the State has been generous in providing communities principal forgiveness for these types of projects. Commissioner Fox asked the representatives from Weston & Samson why the bid price was 25% above their project cost estimate. Mr. Martin responded that revised stricter "buy America" requirements for SRF had recently gone into effect and especially impacted the price of steel. This will be a steel-clad building, as opposed to the rubber fabric cladding at the Raymond Road facility. Also of significance was the HVAC system because of its steel components. Another factor for the high bid prices is the current bidding climate, that there are a lot of similar projects being bid, and contractors have been less competitive recently. Director Roy said that Barbato had unofficially stated they would hold their bid price until after the District's annual meeting. Barbato was planning to contact the filed subbid contractors to get assurance that they also would hold their bid prices. Commissioner Sheldon asked that the District obtain commitments in writing to hold their prices.

The Commissioners asked Mr. Roy and Mr. Martin if \$1.32 million additional would be sufficient to cover the costs. Mr. Martin said that there was adequate contingency in that amount to address any potential unforeseen issues that might arise.

Mr. Roy said that Bid Alternate 1 would be included in the award to the contractor. That is for the addition of solar panels, and the bid amount is \$78,000, and Mr. Martin said that is a low price, based on prices in other Weston & Sampson projects. Mr. Roy noted that the payback period to recoup that expense through electrical cost savings would be relatively short.

Mr. Martin stated higher bids typically result in the question of potential rate increase to pay for the increased total. He recommended that the District provide a cost breakdown for the 20-year loan and show the resultant impact on the District's budget, in this case about \$65,000/year). He also emphasized to publicly convey the

real cost for clean water is not in this bond; the increase in O&M cost for regulatory monitoring and treating PFAS (changing out the GAC media, etc.).

There was some discussion about how to best sequence the articles for the next Annual District Meeting, since the warrant had been organized with Article 13 to appropriate funds for engineering PFAS treatment for Wells 4 and 6. It made sense to insert a new article to borrow the additional amount before that, which would make the new one Article 13 and the Wells 4 and 6 article renumbered Article 14 (and the others after that renumbered accordingly).

Commissioner Sheldon moved to add Article 13, to the 88th Annual Meeting Warrant to borrow under Chapter 44 of the General Laws the sum of \$1,320,000.00 or any other sum to pay cost for construction of “PFAS Water Treatment Facilities”. The motion was seconded by Commissioner Fox, and approved by unanimous roll call:

Robert H. Sheldon, Commissioner - Aye
Joshua M. Fox, Commissioner - Aye
Robert E. Boyd, Jr., Chairperson and Commissioner - Aye

Conclusion of Open Meeting:

Chairperson Boyd moved to adjourn the meeting. The motion was duly seconded by Chairperson Fox and approved by unanimous roll call:

Robert H. Sheldon, Commissioner - Aye
Joshua M. Fox, Commissioner - Aye
Robert E. Boyd, Jr., Chairperson and Commissioner - Aye

There being no further discussion, the meeting adjourned at 2:52 p.m.