

Route 20 Sewer CAC/Steering Joint Meeting, October 10, 2012 – Agenda Item 1 – New Business  
presented by John Baranowsky

Interview Michael Sullivan – Town of Maynard Executive Assistant

Mr. Mike Sullivan (tel. 978-897-1301) is our contact person with the Town of Maynard. He has held this position for three years having previously served four terms as Mayor of the City of Holyoke.

I began our October 9, 2012 conversation by describing how as member of the Route 20 Sewer CAC, have been tasked with researching nearby Town DPW organizational structures for insight into successes, challenges and lessons learned.

Mr. Sullivan confirmed that the Director of Public Works position is currently vacant (since February 2012); however replacement in kind is not imminent as a *change* in organizational structure from Director of the DPW to an Operational Manager has been initiated on his watch.

Mr. Sullivan proceeded to described in an unanticipated level of detail the “three structures available to the Town as 1) Municipal, 2) Public/Private Partnership, and 3) Private Design/Build/Operate”.

In listening to his descriptions of these alternatives, it appeared as though he was reciting from some sort of official reference document and not simply “off the cuff”. Ultimately, through further research, I confirmed the existence of many such publications (see GAO/GGD-99-71 document provided in your package consisting of seventeen pages).

Option 2 seems to fit well under the Contract Services Section, Operations and Maintenance category (GAO/GGD-99-71 pages 4 and 5).

Option 3 was not available to the Town of Maynard as a municipal treatment plant (POTW or Publically Owned Treatment Works) preexisted.

Option 1, the DPW municipal model is being phased out under Mr. Sullivan’s guidance. This model is the one used by the Town of Hudson and favored by DPW Director Bill Place for the Town of Sudbury.

The public/private partnership (PPP) is possible moving forward using the firm of Weston and Sampson Engineers (WSE) to operate Maynard’s POTW as this firm won the operations Contract competitively as the sole bidder. The PPP is defined on page 13 of GAO/GGD-99-71.

Mr. Sullivan enumerated advantages for the Town of Maynard using PPP alternatives. WSE can provide three to four licensed operators as needed and as a large company they possess necessary resources and capacity to perform not ordinarily found when using a single municipality-employed licensed operator. Such capacity allows the overall operation to be much more nimble and able to adapt during plant outage for causes such as equipment failure or permit violation according to Mr. Sullivan.

He cited a case in the City of Holyoke where replacement of three Achimedes screw pumps was accomplished in just two days (using option 3) thereby ending the State’s worst CSO discharge into the

Connecticut River associated with municipal plant operation using these more flexible design-build initiatives.

One key problem easily overcome using design/build/operation method is that the firm plans and builds the facility consistent with their operational skill set in mind beforehand (these skill sets vary significantly by firm).

The term of the Contract Management Contract could initially be very high (up to twenty-years) and then renewal less long term, say five years as the investment and risk are paid off.

Another major advantage to private Operation Management is that the Federal and State regulators highly prefer dealing with knowledgeable professional more likely coming from the private sector than municipal employees who may lack a full range expertise.

We talked about advantages of enterprise funds (EF) versus betterment use charges. Those who pay must know where the money goes. Criticism directed to the EF approach often can be resolved by better accounting methods and equipment. For a large industry or user, an effluent sewer-meter may be required in cases where a discrepancy exists between metered water use and unmetered wastewater volumes. Tight accountability and controls over how the EP is spent is required as these volumes contribute in direct ways to both capital and operational and maintenance costs. The car wash example was also mentioned as water/wastewater unbalance.

Betterment costs were discussed with respect to availability to actual use-allocation charges. The property owner who has access to the wastewater disposal utility but elects not to use it (Title V system works fine) should be granted the option and not have to pay for others who “need” the utility.

I thanked Mr. Sullivan for his assistance and left open the door for further conversation from members of the Joint-Committee.