DEDHAM-WESTWOOD WATER DISTRICT

General Business Meeting

Hybrid Meeting
In-person attendance: 50 Elm Street, Dedham, MA 02026

Tuesday, June 16, 2026 | 6:30 PM

Louis Kustwan, Chair
John Healy, Vice-Chair
Jennifer Perkins, Clerk
Robert Lexander, Member
Mark Phillips, Member
Eric Merithew, Member

Blake Lukis, Executive Director & Assistant Treasurer
Bob Marsh, Business Manager
Pauline Donoghue, Treasurer
Steve Locke, Operations Manager

I. Announcement of the Audio and/or Video Recording
Roll-Call Attendance

Chair Louis Kustwan called the meeting to order at 6:30p.m., and announced the meeting would be audio- and video-recorded.

Mr. Kustwan requested a Roll-Call Attendance: Mr. Lexander, Mr. Phillips, Ms. Perkins,
Mr. Merithew, and Mr. Kustwan Present.
Quorum was confirmed.

Absence:
John Healy, Vice-Chair

Also Present:
CBIZ, Inc. Managing Director Erica Olobri and Senior Manager Jared Swanson
DWWD Customer Service Superintendent, Paula Coe, and Accounting Supervisor, Elissa Cohen

Mr. Lukis invited Paula Coe to join the meeting, as the District's newly appointed Customer Service Superintendent. At the last Commissioners' meeting, it was mentioned that over-20-year-Superintendent Stephanie Costa will be retiring in August. After a search, it was decided to promote an internal candidate. Mr. Lukis provided Ms. Coe's District employment history. The Board welcomed Ms. Coe to her new employment capacity. Ms. Coe expressed thanks for the employment opportunity, looking forward to this next role.

II. Public Participation
Mr. Lukis confirmed no public participants were present.

III. Approval of Minutes for May 19, 2026

Mr. Kustwan requested a motion to approve the meeting minutes of May 19, 2026. A motion was made by Mr. Merithew to approve the meeting minutes as reviewed for May 19, 2026; Mr. Phillips seconded the motion. With no discussion necessary, a roll-call vote was taken.

Roll-Call Vote: Mr. Lexander, Ms. Perkins, Mr. Merithew, and Mr. Kustwan, voted Aye;
Mr. Phillips abstained.

Motion passed.

IV. Review of 2025 Audit

Presentation of 2025 Audit by CBIZ

Mr. Marsh introduced CBIZ Managing Director Erica Olobri and Senior Manager Jared Swanson as presenters. DWWD Accounting Supervisor Elissa Cohen was also present. Mr. Marsh informed that CBIZ worked on the District audit for four to five months.

Ms. Olobri stated Mr. Swanson would review the final communications letter draft and then the financial statement draft. Mr. Swanson shared his screen to display and review:

- Required letter to governance at the conclusion of the audit review for year-end 12/31/2025

Mr. Marsh asked if this is the standard letter required for the Board and Management Team; Ms. Olobri confirmed it is sent annually. The difference is the settlements revenue stream, and uniform guidance is based on received Federal money to be reviewed in the audit report.

Ms. Olobri shared her screen to display and review for the Year Ended December 31, 2025:

- Financial Statements and Required Supplementary
- Independent Auditors' Report
  Highlighted differences from last year regarding opinions and basis for opinions
- Supplementary Information Regarding Schedule of Expenses of Federal Awards, including
  - Management Discussion & Analysis
  - Statement of Net Position, Enterprise Fund
    Highlighted Current Assets and Noncurrent Assets different from last year
  - Statement of New Positions (continued), Enterprise Fund
    Highlighted Current Liabilities and Noncurrent Liabilities different from last year
  - Statement of Revenue, Expenses, and Changes in Net Position Enterprise Fund
    Total Operating Expenses differences
    Non-operating revenue (Expenses) differences
    Income before Capital Contributions differences

Mr. Lukis confirmed for Mr. Phillips that the settlement revenue is from DuPont and 3M, and that the loan forgiveness is SRF.

  - Statement of Cash Flows (continued), Enterprise Fund
  - Statement of Fiduciary Net Position
    Fiduciary component unit
  - Notes to Financial Statements

Required Supplementary Information
- Schedule of Proportionate Share of the Net Pension Liability - Last Ten Fiscal Years
- Schedule of Pension Contributions - Last Ten Fiscal Years
- Schedule of Changes in the Net OPED (Asset) Liability - Last Nine Fiscal Years
- Schedule of Net OPED (Asset) Liability, Contributions, & Investments Return - Last Nine Fiscal Years

- Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in accordance with *Government Auditing Standards*
- Independent Auditors' Report on Compliance for Each Major Federal Program; and Report on Internal Control over Compliance
  - Schedule of Expenditures of Federal Awards
  - Notes to the Schedule of Expenditures of Federal Awards
  - Schedule of Findings and Questioned Costs
    Highlighted - See all audits' full results
  - Schedule of Findings and Questioned Costs (continued)

Mr. Kustwan asked if anything stands out; Ms. Olobri answered that only difference this year was settlement receivables and the new interim loan.

For Mr. Marsh, Ms. Olobri confirmed this was a clean audit; the CBIZ team appreciated the District's Team assistance with expediting requests. Mr. Marsh asked if the audit will be finalized for presentation to the public, since it has now been presented to the Board; Ms. Olobri confirmed the results will now 'go live.' Mr. Marsh stated the financial disclosures will be provided to the District's financial advisor for publicizing and website posting; Ms. Olobri confirmed the process.

Thanks were exchanged as the CBIZ representatives left the meeting.

Mr. Marsh listed what the District Team accomplished, giving credit to recordkeeping. Mr. Phillips asked if this is the first time the District used CBIZ; Mr. Marsh answered that this is the second year used. Mr. Lukis added that prior firms used have since been bought out by this firm.

V. Financials and Warrants

Treasurer's Report
Submission of Warrants 42 through 49

Ms. Donoghue presented Warrants 42 to 49 for activity from May 21st to June 11th, for the Commissioners' review and approval,

The unreconciled cash report and graph through May 2026 have also been included. Ms. Donoghue confirmed some warrants were forwarded for review last week. The graph was displayed by Mr. Lukis, to refer to the cash balance. The report is unreconciled, as deposits may be in transit.

Mr. Kustwan asked, when the District is experiencing a drought and sprinklers may not be used, is the percentage of how the financials are affected known? Mr. Lukis explained why the tier structure may not show a water-usage reduction. Discussion was held regarding legislation, revenue percentages, and river flow.

Mr. Merithew motioned to approve Warrants 42 to 49 for period May 21st to June 11th;
Mr. Lexander seconded the motion.
Roll-Call Vote: Mr. Lexander, Mr. Phillips, Ms. Perkins, Mr. Merithew, and Mr. Kustwan voted Aye.
Motion passed unanimously.

VI. Business Manager Report

Business Operating Reports

Mr. Lukis shared his screen for Mr. Marsh to highlight the Schedule for First Quarter 2026:

Total Revenue YTD Variance - Billed Revenue - March is down, January and February were above - Tracking to last year

Proceeds

PFAS Funds

Operational Funds

Capital Spending

MWRA Usage

Mr. Lukis clarified that MWRA usage was greater in the First Quarter than Budget; Budget had been increased but not to recoup all, so rates not greatly increased.

Mr. Phillips asked if user charges were higher than budgeted, 'following standard,' as happened last year; Mr. Lukis explained why this is so. Mr. Phillips asked if next year's budget will be increased, and Mr. Merithew stated usage will be tracked through the year. Mr. Phillips commented on no outdoor watering being done during the first quarter, and Mr. Merithew stated the possibility of the timing impacting.

Mr. Marsh clarified that Aquarion Water Company reimbursement has been included in reporting. Mr. Lukis explained the user charges and how Aquarion affects them.

Mr. Kustwan asked about water purchasing. Mr. Lukis described the reasons MWRA water is being used this year and was used last year; with MWRA total of 25% usage, rates have been increased nominally rather than severely increased.

Discussion and additional clarification took place.

VII. Action on Riverside Drive Water Main Replacement

Review of bids and vote to approve the Riverside Drive Water Main Replacement Project

Mr. Lukis shared his screen to highlight received bids. APEX performed background and reference checks, and suggested awarding to Gravity Construction.

In response to Mr. Phillips' inquiries, Mr. Lukis referred to the Capital Budget allocation for commencement in July.

Mr. Merithew read the motion: The Dedham-Westwood Water Commissioners vote to award the Riverside Drive Water Main Replacement to Gravity Construction, Inc. of Plainville, MA for their total bid amount of $1,766,511.26. Further that the Executive Director be authorized to execute the contract.

Mr. Phillips seconded the motion.
Roll-Call Vote: Mr. Lexander, Mr. Phillips, Ms. Perkins, Mr. Merithew, and Mr. Kustwan voted Aye.
Motion passed unanimously.

VIII. Action on White Lodge Filter Repairs
Review of information regarding the White Lodge Filters and vote to approve corrective action

Mr. Lukis reiterated that the quote with notes has been provided. Mr. Locke acknowledged the higher-than-normal levels and exceeding of the secondary MCL, so the raw water was looked at. Mr. Lukis clarified that the .3 secondary MCL was not exceeded.

For Mr. Phillips, Mr. Lukis confirmed this refers to color acuity, which he further explained. Mr. Locke stated that nothing in the wells had changed; with some Manganate seen, the distribution headers were found broken and some channeling was noticed. Hungerford & Terry inspected, finding the filters malfunctioning after 1.5 to 2 years rather than 15 as previously. Mr. Locke further explained and confirmed that Hungerford & Terry will determine the cause; this report has been delayed, after three firms' inspection to evaluate the plant. Mr. Locke believes the issue is insufficient backwashing correlated to pressure transmitters and valves malfunctions, describing the same methodology used and reasoning through the issue. An independent report from Tighe & Bond is also expected.

Mr. Merithew asked if the factors caused over-pressurizing; Mr. Locke confirmed that is his speculation. Mr. Lukis further described the process and the resulting issue.

Discussion included headers, valve, filter control, differential pressure, and operator.

Mr. Phillips asked if the manufacturer is looking to help support the District; Mr. Lukis stated the manufacturer, representative, and installer are not at-fault; he described the prior larger project.

Media removal, reasons, backwash, pump capacity, new parts, and firms' inspection were discussed.

Mr. Merithew asked if all filters display the issue; Mr. Lukis informed that four filters will likely be replaced at a time. Mr. Merithew asked if the green sand vendor changed; Mr. Lukis stated he believes the same firm was used since very specific specifications must be followed. Mr. Locke listed the components which were inspected to determine the reason for the issue.

Ms. Perkins asked if it is possible that the other four filters will not be acceptable; Mr. Locke informed that one is requiring much quicker backwashes. Backwash timing was discussed.

Mr. Lukis shared his screen to review the process for determination, allow for details, and future steps to be discussed. As this was not included in the budget, Mr. Lukis suggested transferring unused budgeted categories to the Production Budget: Emergency Repairs, UTS Scan of Filter Vessels, and Emergency, which has not been used in the past five years.

Discussion ensued regarding project timing and tank thickness.

Mr. Merithew read the motion: The Dedham-Westwood Water Commissioners vote to award the White Lodge Filter Media Replacement to Carbon Filtration Systems of Johnston, RI for the amount of $239,743.13.

Ms. Perkins seconded the motion.
Roll-Call Vote: Mr. Lexander, Mr. Phillips, Ms. Perkins, Mr. Merithew, and Mr. Kustwan voted Aye.
Motion passed unanimously.

IX. Operations Manager Report

Pumping and Operational Report

Mr. Locke reported:

Pumpage has been up an average of 5.41 million gallons per day, with a high of almost 5.8, very high for this time of year.

Mr. Lexander asked if flushing has been completed, and Mr. Locke confirmed it has.

Leak Detection

Leak detection has been completed; Miles Leak Detection found 9 leaks and 31 hydrant leaks, the hydrant leaks mainly attributed to the flushing and that newer technicians are not tightening valves.

Manganese and water restrictions have already been reported during this meeting.

Mr. Lexander asked how many hydrants are out of service; Mr. Locke relayed that eight hydrants are out of service, though the number is unverified. Mr. Lexander asked if the hydrants will be repaired; Mr. Locke informed that another issue has arisen, a leak on Corporation on our lock joint bite which may be transferred over, but not many know how to repair. Mr. Lexander asked about a company for repair; Mr. Locked responded that ownership of the company which had been used has changed several times, so other companies have been called.

The District purchased a lock joint in 1958, and repair could be very expensive. Digging must be to the exact diameter, which many assisted with. Mr. Locke relayed the process. A system shutdown will be planned.

Mr. Lukis asked if it is a concrete bite; Mr. Lexander confirmed it is a concrete stress. Mr. Locke added that it is a reinforced concrete circulate bite, same as the MWRA uses. He described the joint and its repair.

Discussion then covered the process, adaptors, manufacturer, prior project, wire, past employees, contractor, set order, and MWRA's process.

The hydrants are being inspected for replacement. Mr. Lexander commented on fire safety also being a concern.

Schoolmaster Lane, Dedham
Preconstruction will take place in the next weeks.

Riverside Drive, Dedham
The Project will begin in July. Mr. Locke will forward the report when received.

Mr. Phillips stated he had not seen the water production reports; Mr. Lukis shared his screen to show the production reports folder.

Mr. Locke relayed that, in five weeks, reads have skyrocketed from less to 4.3 to 5.4.

Discussion took place.

X. Executive Director Report
Contracts Signed By ED

Mr. Lukis shared his screen with the updated PFAS change orders and potential change order spreadsheet; PCO's finalized for Change Order 3 not yet issued. Highlighted in orange are those reported previously and being finalized shortly. Some control value downsizing results in some credits and some debits while trying changes. Floor drains will be added to the sumps, resulting in offset credits. Mr. Locke added that pouring will be done on Thursday.

Mr. Merithew asked when is the planned Plant shutdown, based on the current schedule? Mr. Locke answered that the plan is for November but subject to change, and Mr. Lukis added that shutdown may potentially extend from November to January.

Mr. Lukis reported that all estimated and actual transactions to-date total 1.5% of the contract. Weston & Sampson and Tighe & Bond have done an excellent job reviewing all PCO's for unnecessary costs; Mr. Locke described the review process.

XI. Old/New Business*

No additional business was presented to the Board.

The next fully remote Board meetings are scheduled for Tuesday, July 14th, and Monday, August 10th, beginning at 6:30pm.

Mr. Kustwan requested a meeting adjournment motion. Mr. Lexander motioned to adjourn the meeting; the motion was seconded by Ms. Perkins.
Roll-Call Vote: Mr. Lexander, Mr. Phillips, Ms. Perkins, Mr. Merithew, and Mr. Kustwan voted Aye. Motion passed unanimously.

The meeting was adjourned at 8:12pm.

Respectfully Submitted,
Kathy Travers Reynolds
Recording Secretary