

December 4, 2013

Chairperson Langlois called a work session meeting of the Board of Water Commissioners at 12:00 pm. Members present were Commissioner Dave Bertrand, and Michael Caron. Absent from this meeting was Commissioner Paul Poulin and ex-officio member Mayor Grenier. Also present were Superintendent Roland L. Viens and Debbie Baillargeon.

Superintendent Viens informed the Board that he has spoken to Ed Solar and Dennis Pednault about energy credits for the BWW solar system. The process requires an inspection of the solar system for \$100.00 then we would receive payment for approximately \$1,200.00 per year for 25 mega watts of power produced annually.

The Board discussed Superintendents' outline of current billing issues with the Industrial Customer Burgess Bio Mass.

1. First item was the discrepancy with the proposed block "9" of usage before the \$0.45 per 100 cubic feet is applied. The intent was 3,500,000 cubic feet of water per quarter and Charles Greco from Cate Street Capital said in a phone call yesterday that he understood the 3,500,000 cubic feet of water to be implied, even though the letter stated it as 350,000 cubic feet, and the spreadsheet attached to the letter showed it as 3,500,000 cubic feet. The Board said the agreement was for the 3,500,000 cubic feet that was used to prepare all estimating models for water usage during the contract negotiations. The contract letter, dated July 18, 2011, spreadsheet attachment used the 3,500,000 cu-ft level for calculating \$751,700 annually for 1.2MGD average usage. The Board also reviewed final negotiations e-mail communications dated June 01, 2011 between Dammon Frecker and Superintendent Viens and dated July 6, 2011 from Charles Grecco to Superintendent Viens. These communications also support the 3,500,000 cu-ft quarterly usage level to start bucket "10" for the highly discounted water.
2. The charge of \$0.45 per 100 cubic feet for Water and Assessment after the usage of 3,500,000 cubic feet is accurate.
3. \$21,000 minimum Charge for 3 months start up is not an issue because it was not charged in September and the usage for October and November has been over the \$21,000. Estimated project completion is sometime in December 2013.
4. \$21,000 minimum monthly charge is not an issue because the bills have been higher since start up has begun.
5. 1,000,000 gallons per day usage was quoted to Burgess Bio Mass at \$708,400 per year based on our calculations in 2011.
6. 1,200,000 gallons per day usage was quoted to Burgess Bio Mass at \$751,700 per year based on our calculations in 2011.
7. 1,400,000 gallons per day usage was quoted to Burgess Bio Mass at \$795,000 per year based on our calculations in 2011.
8. Number of meters (2) at Bio Mass facility. The Board discussed the fact that there are two meters but one system; the bill shall be based on the two meter usages added together. Under this same issue the Board discussed the SCADA system being used to watch usage on a daily basis. Charles Fritz of Electrical Installations Inc. has informed us that a ACT PAC (Programmable

automation controller) is needed on each meter so that we can see and document the daily flows on the SCADA system. Superintendent Viens has asked Charles Fritz to provide Bio Mass with a proposal to install the ACT PAC on each meter. The daily use will be used to discuss penalties if usage is over the proposed 1.2 million gallons of water.

9. 15% Discount for Bio Mass. The Board discussed a 15% discount for “industrial” customers who use water above 3,500,000 cubic feet per quarter or 1,166,667 cubic feet per month. It was moved by Commissioner Caron, seconded by Commissioner Bertrand, with all in favor, to propose a 15% discount rate for Industrial high water use if water bill is paid by the end of the month in which the bill is issued.
10. Proposed new Quarterly rates with water usage bucket “9” of 40,001 cu-ft to 3,500,000 cu-ft, bucket “10” of 3,500,001 cu-ft to 14,400,000 cu-ft, bucket “11” 14,400,001 cu-ft to 16,800,000 cu-ft, and bucket “12” 16,800,001 cu-ft and over. It was moved by Commissioner Caron, seconded by Commissioner Bertrand, with all in favor, to accept the new industrial rate of usage as proposed above on the Quarterly Rates.
11. Proposed new Monthly Rates for Institutional and Industrial Customers who are billed on a monthly basis. The review of these rates showed that the total long term customer billing would be the same with the proposed monthly rates. It was moved by Commissioner Bertrand, seconded by Commissioner Caron, with all in favor, to accept the monthly rates for Institutional and Industrial Customers effective with water billing for usage in January 2014 (except for the Bio Mass that is effective December 4, 2013). The Board suggested that we send a letter to the monthly customers with a copy of the monthly rates to be effective with the February 2014 Billing.
12. Burgess Bio Mass request for reducing the agreed water fees to match their budget of \$272,000/year or \$22,667/month for Fiscal 2014 water purchases was reviewed by the Board. The Board concluded that the \$708,400 and the \$751,700 sums for 1MGPD and 1.2 MGPD average usages were clear in the discussions leading to the contract and in the contract. The Berlin Water Works has no authority to review and approve the Bio Mass budget. All our budget figures were based on the amounts discussed in 2011 negotiation and contract for example items 5, 6 and 7 above and we stand by those agreed upon amounts.
13. 3 month start up – The Board discussed the fact that the water usage has exceeded the minimum amount of \$21,000 per month so it is not an issue.

There being no further business to come before the Board at this time, it was moved by Commissioner Caron, seconded by Commissioner Bertrand, with all in favor to adjourn this meeting.

The meeting did so adjourn at 1:18 pm.

A True Record:

Dave Bertrand , Acting Clerk of the Board