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Water Commission Minutes
Tuesday, April 24, 2018

Approved: 5/22/18

Chairman Karl Huber called the meeting to order at 6:00pm

Members present: Scott Wilkins

Members absent: John O'Brien

Meeting held: At the Dunstable Town Hall, 511 Main Street, lower level

In attendance: Town Administrator Tracey Hutton, Karen and Michael Thompson, David Kimpton

Reviewed & Signed:

- Monthly bills
- Monthly payroll

Public Hearing Regarding Water Rate Increase

Mr. Huber formally opened the public hearing. He began by explaining that the Commission is in the process of revising the rates. He then addressed those in attendance explaining their rights as rate payers and elaborating on the rate study. Ms. Hutton then took over and gave some further detail on the study and the towns that Dunstable was compared to. Mr. Huber then noted that the main reason for these rate changes are due to the need for infrastructure upgrades. Changes, modifications, and other requirements for compliance have to be done. DEP requires a sanitary survey that checks the day to day operations of the system, how reporting is done, emergency response is done, and what the rates are. DEP advises that Water Departments consider rates on a regular basis to ensure that they are supporting the system and defraying costs. This process also gives the Commission the ability, at town meeting or elsewhere, to say how rate payers are supporting the system. The upcoming project will have to be covered by more than just rate payers, it will need support and help from the rest of the town. So making that case is important. Further emergency and maintenance costs have to be covered. The last time this was done was in 2015. This hearing gives those present an opportunity to ask questions and for the Commission to provide information. Ms. Hutton then spoke about the schedule of rates and fees explaining where the schedule is the same as the last one and where it is different.

The biggest change is going from \$30 to \$40 for the service charge per billing period, and the minimum rate for up to the first 10,000 gallons will increase to \$100, with the cost per gallon after that being .008. This is up from .0073. The bulk rate will be .035 a gallon. Mr. Huber noted some of the costs driving the increases, many of them being due to aging infrastructure, operator costs, and DEP requirements. He noted that the Dunstable Water Department is the smallest in the Commonwealth. There are 102 connections, of which 95 are residents. The rest are governmental or commercial, such as Swallow Union, the Post Office, the Town Hall, the General Store, and the Café. The budget for a general fiscal year is about \$65,000 for an operating budget. There are three other sources of funds that have to do with the Enterprise Fund aspect of the department. But these can only really be used in emergency situations that are outside of the normal operating budget. Mr. Huber noted that everything is public and information is posted on the department's page of the town's website. And of course, citizens may always attend Commission meetings and ask questions. He then elaborated on some of the future projects that may impact the water system and lead to growth. This included the possibility of an affordable housing project or other 40B project, the

possibility of a new Public Safety Building, or other development. While other challenges include the fact that much of the existing system is old and fragile. The system was started about 100 years ago. So much of it does need to be updated and improved.

Rate payers clearly cannot pay for all of the needed upgrades and updates. And there are numerous Commonwealth and Federal requirements that drive much of the needed change. So the town will need to help. But making that case to the residents who aren't on the system will be easier if rate payers do see an increase. Ms. Hutton then elaborated on when the rate increases would take effect. They would not take effect until the fall billing cycle. Mr. Kimpton interjected to ask about the service charge. It was \$30. It will be \$40, and the minimum bill for the first 10,000 gallons used would be \$100. Mr. Kimpton then had some questions about the water hydrants. Mr. Huber responded by outlining some of the ongoing issues with hydrants and what the Commission is doing to maintain those that work, repair those that are having issues, and ensure sufficient pressure. He noted identifiers for which hydrants are ready to produce, and which ones are not or can only sustain for a period of time. Mr. Kimpton noted this would be a point of sensitivity for many, but even those not on the system are benefited given the fact that the Library, Town Hall, Swallow Union, Fire Station, Police Station and Post Office are all on the system. Mr. Huber agreed, stating that Swallow Union alone makes an impact. Mr. Kimpton stated that members of the community not on that system have occasionally expressed confusion as to the terminology.

The fact that rate payers are often called "water takers" makes people assume that rate payers are getting the water free when they aren't. Ms. Hutton suggested changing the language on department materials and on the rate schedule to reflect rate payers as just that, rate payers. Mr. Huber then spoke about other changes to the system including backup systems that are or need to be put in place. Mr. Kimpton then inquired about some emergency situations such as frozen pipes. Mr. Huber explained that the department covers up to the curb for repairs. Beyond the curb, to the house, the homeowner is responsible. That said the Water Department will assist the rate payer as much as possible should a situation arise, but there will be a cost to homeowners. Most homeowners are covered by insurance. He then noted some meter issues that can occur, and occasionally fixing that can be at the cost of the rate payer. Mr. Kimpton asked whether the meter is the departments or the homeowners elaborating on a situation he encountered. Mr. Huber responded that most of the time when meters have an issue it's from freezing and the department often can help the rate payer solve the issue without cost to either party. Meters do occasionally go bad, and they do have a shelf life. The department has an inventory of whose been changed and they do replace them. Ms. Hutton noted that the meters are not owned by the rate payers, but it is the rate payer's responsibility to keep meters from freezing by heating the immediate area where the meters are located.

Mr. Huber outlined the rules and regulations again noting that they are based in no small part on what other systems have for rules and regulations and are presented to various state bodies as well. So they are vetted in essence. Mr. Kimpton noted some concerns about the matter further and how to deal with them even if rate payers have to pay. Ms. Hutton elaborated on what the water operators will do, and what attempts are made to reduce any incidental bills to the rate payer. Mr. Huber interjected to say that this was one of the evaluation criteria for the choice in water operator, their cost effectiveness for repairs as well as their ability to respond quickly. Mr. Kimpton then outlined some other concerns, noting that it appears that 3 people would respond to a meter issue, which seemed like overkill to him. Ms. Hutton responded that the department doesn't send out more people than are needed. Mr. Huber agreed noting the practice of the department. The idea is to operate the most efficient way possible while still resolving the problems that arise in a quality way. Mr. Wilkins suggested rate payers put something like heat tape around their meters if they have a concern about heating a basement. That usually is enough to prevent freezing of the meters. Hair dryers can help too. Mr. Kimpton finished by noting that he recently had a guest in his home from out of town who was blown away by the quality of the public water.

A motion was made to approve the new rates by Mr. Wilkins with a small modification from water taker to rate payer or similar language. The motion was seconded by Mr. Huber and passed by majority vote.

Report of VFD Quotes

Ms. Hutton reported on the latest quote for Well No. 1. This quote is more detailed and is about \$1,300 cheaper than the last quote. The focus is on Well No. 1 right now; Well No. 2 will come after. She's spoken to National Grid and is continuing to work on the rebates and possible grant funds. There are a couple of ways the town can qualify. Mr. Wilkins noted this quote is far more comprehensive, describing it as "turnkey." He feels that the town will see energy savings. Ms. Hutton agreed noting that the Town Hall just got a new boiler and saw a significant savings. So it is possible that there will be similar savings with this project. She then reported on the funding for this. The funds would come out of the capital account. Mr. Wilkins asked if this would affect other projects. Mr. Huber responded it would not. Ms. Hutton agreed stating the Water Department has the funds.

A motion was made by Mr. Wilkins to move forward with the VGD project. The motion was seconded by Mr. Huber and passed by majority vote.

Infrastructure Project Update

Ms. Hutton reported that the surveying is done and the engineers are going full tilt. She is working with Wright Pierce, the project engineers, and the construction would be scheduled for next spring. The idea is to get the funding in the fall at a possible special town meeting, and to begin the projects initial stages going in the late fall. Mr. Huber then inquired as to where things stand with the inter-municipal agreement with Pepperell. Ms. Hutton reported that she's sent the current draft agreement to Town Counsel. Town Counsel's law firm has assigned a different attorney to review it so as to prevent any possible conflict as Pepperell has been a client in other unrelated matters. This different attorney has never done work for either town.

Monthly Bills & Payroll

Ms. Hutton provided the Commission with copies of the bills and briefly went over some of them. These included bills from Wright Pierce, White Water, and National Grid. She noted that the weekly bills and weekend bills are done separately by White Water. The Commission determined to proceed with signing the bills.

A motion was made by Mr. Wilkins to authorize the signing of the monthly bills. The motion was seconded by Mr. Huber and passed by majority vote.

Minutes

The Commission considered its minutes from March 27th, 2018. Seeing no necessary changes or modifications, the Commission proceeded with adopting them.

A motion was made by Mr. Wilkins to adopt the minutes of March 27th, 2018. The motion was seconded by Mr. Huber and passed by majority vote.

Additional Topics Discussed Not Noted on the Agenda

92 Pleasant Street

Ms. Hutton reported on the situation with 92 Pleasant Street. The house experienced a frozen pipe that burst and the basement was flooded. It appears likely to be 12,000 gallons a day. The freeze occurred on the rate payers side. It appears to have been an issue that went on for close to a month, possibly two. The towns usage has gone down substantially since the house was turned off. Unfortunately, this will likely result in a substantial bill for the rate payer. The house was empty as the owners weren't living in it and did not have a tenant.

Continued Follow Up on 14 Hillcrest

There is an ongoing drip issue at the connection to the meter that has to be resolved. Ms. Hutton reported that the matter is being worked on with the homeowner. Ms. Hutton reported on her discussions with the homeowner. He'll need a shut off and some permitting. She's offered her help, but currently the homeowner has made it clear he intends to speak with Inspections directly. There is nothing further to add.

Hydrants

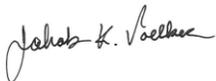
White Water would like to know what the Commission wants to do about repairs and replacements. Currently they are getting prices. Mr. Huber noted that usually the department does 3 at a time, but 5 wouldn't be out of the realm of possibilities. Mr. Wilkins inquired about the possibility of getting commercial or private support. Ms. Hutton stated that in a prior town she's worked in, such a sponsorship plan worked, but the Fire Chief may not be comfortable as many sponsors want their name on them or to paint them an unusual color. She agreed to consult with the Fire Chief about it further. Ms. Hutton then turned to a different issue with some of the hydrants including what repairs she has been made aware of. The good news is that if the inter-municipal agreement goes through, it'll be easier to get things in bulk and lower repair costs.

Inter-Municipal Agreement

Ms. Hutton briefly reported on where things stand, including the costs. The agreement will see lower costs than what the town is paying for White Water. Full comprehensive coverage from Pepperell's operators will save the town a lot of money and provide great coverage for the system. As she mentioned earlier the draft agreement is under legal review.

A motion to adjourn at 6:45 pm was made by Mr. O'Brien and seconded by Mr. Wilkins. The motion passed by majority vote.

Respectfully submitted by



Jakob K. Voelker
Administrative Assistant
Dunstable Water Department