

Minutes - Harvard Board of Water Commissioners - approved 9/13/2011

July 27, 2011 – DPW Barn

Attending: Josh Gould, Ron Ricci, Tim Clark, Rich Nota, Lorraine Leonard

Open Meeting - 4:04pm

Approval of Minutes: Minutes of July 5th 2011 were approved unanimously

Old Business - Budget

Rich/Lorraine submitted draft water rates and draft 5yr budget plan. Budget plan included debt service for current water project, annual reserves for future capital and \$5,000 increase in annual budget for unforeseen expenses, O&M costs and soft costs for labor associated with operating the water system.

Average annual revenue from all rate payers (including the town) \$38,000

Omnibus appropriation \$16,000, soft costs estimated by Rich at \$40,435.

Commission debated the methods for considering “expenses related to water system” extensively and disputed that accounting methods proposed for calculating the cost of operating the water system.

Revolving fund suggested by Leonard for managing O&M to reserve revenues collected from rate payers rather than having them flow into the general fund.

Nota recommendation \$5000 reserve annually for “unanticipated” O&M costs above \$16,000 annual operating budget was not endorsed by the Commissioners.

5 Year Planning

Should portion of rate payer income be reserved to Pre-fund future improvements? Cannot increase rates sufficiently to cover investments made in system beyond those covered by betterments. Town has been willing in the past to pay for 100% of capital costs to maintain system.

Discussion of Capital & Debt - Pay off of debt for next water main improvement. Agreed to put this discussion of until the fall when new rates take affect.

5 Year goals - Recent \$340,000 appropriation collapses planed 5 year upgrades into a single year for significant savings.

New source production was discussed to be included in 5 year plan as well.

Water Rates

Rates were last raised in spring 2005, raise prior to that was perhaps a decade before that (date unknown)

Gould Investigated rates of - smallest district, Tighe and Bond Survey of towns with under 2000 services. Harvard's rates are higher than the surrounding communities, but average for districts of similar size. Rates increases of 10-20% were discussed. Readings 2x a year, going to quarterly. October and May. Rate increase would begin after October reading.

Clark motioned to raise rates by 20% seconded by Ricci,, voted unanimous.

Public hearing required for increased rates - Tuesday September 13 proposed for public hearing regarding rate increase - Leonard to find out posting requirements and notice to users.

New DEP Regs for Zone 1

New zone 1 enforcement rules may place Harvard in Non-compliance. Waivers available. Discussion of possible ways to respond to the issue, IF we are placed in non-compliance. Develop new source? Alternatives? Level of risk? Back-up source? Should Barba's Point be investigated for a new well source? Discussion needs to happen before a CR is placed on the land.

Clark to Contact HCT about prospect - BOS liaison (?) - Conservation Commission to be contacted.

Ask Wickman about water quality from their heat pump installation -

Nota to contact Ted Morine about Barba site potential

Adjourned 6:05pm

Minutes Submitted by Tim Clark