



TOWN OF MEDWAY
WATER & SEWER COMMISSION
MEDWAY, MASSACHUSETTS

Commissioners

Cranston Rogers, Chair
Robert Wilson, Member
Leo O'Rourke, Member

Meeting Minutes

March 24, 2014 – 5:00pm
DPS Office
155 Village Street, Medway MA

Present: Chan Rogers, Robert Wilson, Leo O'Rourke, DPS Director Thomas Holder, and Operations Manager Sarah Pawluczzonek.

The Water/Sewer Commission meeting was motioned to start at 5:00pm by Robert Wilson. Leo O'Rourke seconded, unanimous vote, 3-0.

Water & Sewer Rates

Tom Holder explained that the the FY15-17 Rate study was being performed in house with coordination between the DPS and the Finance group. He noted that we were about 70% complete.

Leo O'Rourke stated that he had put together some spreadsheets to come up with his own potential rate increase and handed those documents out. He went over his spreadsheet. Leo asked why the Adams St water main extension was necessary since only three homes benefited.

Tom Holder explained that it was not designed to benefit the three homes it was actually designed to create a loop system benefiting the entire section of Town including the High School.

Leo O'Rourke noted that he had included on his rate study a 15% DPS Facility funding coming out of the water enterprise fund. He had averaged a residential customer's annual water bill and looked at how debt service for the Water Main improvements and the DPS Facility would increase the rate. He also asked about the design costs for a DPS Facility. He went over the numbers asking the group for their take on the impact to the rates, adding that he is very interested to see how the DPS Rate Study aligns with his own calculations.

Tom Holder explained that the water rate study which is not yet complete, does include a forecasted retained earnings balance in FY17 of 22% of the operations budget.

Utility Abatement Requests:

91 Oakland St:

Tom Holder explained that this abatement was already granted at the last meeting, however the document was not signed. He passed the form around for signature.

12 Holliston St:

Sarah Pawluczzonek explained the abatement which was for a large leak under a crawl space on a kitchen. The leak was not heard nor was any pressure lost in the house. As soon as they had gotten their 2/28/14 bill they saw how high their usage was and called a plumber. The plumbing invoice was submitted showing it was repaired on 3/06/14. The graph was presented showing the spike in usage at the end of January 2014. Sarah took the average usage which was 1700 cubic feet and came up with what their normal cost of water and sewer would be, and what amount would need to be abated to arrive at those average costs.

Robert Wilson made a motion to approve the abatement for water and sewer charges down to the average charges based on 1700 cubic feet.

Leo O'Rourke seconded, unanimous vote, 3-0.

Vote on Fee Change:

Tom Holder explained that this was a request to handle situations where a final bill is created shortly after a regular bill is generated causing very little usage in the short time frame to be charged at the minimum plus pay the final bill fee of \$40. The thought was that charging for actual usage on final bills would be fairer since the administrative cost is captured in the final bill fee.

Sarah Pawluczonek explained that the idea is to eliminate the minimums from final bills and charge for actual usage even if it is 5 cubic feet. Regular bills have minimums to cover the administrative costs but finals have a final bill fee for that so a minimum is really not necessary. Sarah also requested that the name of the fee be changed from "final bill fee" to "administrative fee" better explaining its purpose and allowing a broader use for the fee.

Robert Wilson made a motion to remove the minimum fee from final bills, charging actual usage instead, and to change the name of the fee to Administrative fee.

Leo O'Rourke seconded, unanimous vote, 3-0.

Vote on Past Meeting Minutes:

After a brief discussion on which minutes were sent out for review so far it was decided that we would resend them all and address a vote of approval at the next meeting.

FY15 Budget:

Tom Holder handed out the FY15 budget going to Town Meeting and went over a few changes such as the Water Mains Maintenance lines being lower due to more work being contracted out. Also the Lease Expense was up due to the addition of a newly leased garage space. He noted that the Vehicle Maintenance Expense line was down as well.

Leo O'Rourke asked why the Water Chemicals line was up from the prior year.

Tom Holder explained that it was due to the cost of the chemicals going up. He also mentioned that regulations had gotten stricter and that more sampling was required to be performed.

Leo O'Rourke asked which chemicals we used.

Tom Holder answered that there were four, a Polyorthophosphate for corrosion control, another for odor control, Fluoride for teeth, and Sodium Hypochlorite.

Leo O'Rourke asked why the short term debt was up to \$50,000.

Tom Holder answered that the finance group decides on how to borrow and that determines the amount needed in short term debt.

Leo O'Rourke asked for a report on what we were actually borrowing. He questioned why we had a million dollars in retained earnings yet we borrow money.

Robert Wilson remarked that it was important to have a decent retained earnings balance in water in case of a major system failure.

Tom Holder explained the major changes in the sewer budget which are to the Charles River Pollution control Districts Assessment. The capital cost was still as expected however there was a \$200k increase to the operations and maintenance assessment due to a dramatic increase in Industrial Strength at the Chicken Brook Interceptor. The formula used to determine our costs takes into account the industrial strength and flow rate. He had met with Liz at CRPCD last week, bringing along a Wastewater Engineer. The plan is to look into this further to determine the source of this increase. One

point the Engineer had made was that the industrial strength seemed normal at its current measurement whereas in 2011 it seemed abnormally low.

Robert Wilson mentioned that 10 years ago Cassidy Farm caused an issue at Choate Pond with biologicals contaminating the water.

Tom Holder replied that yes, however that affected surface water and could not be what is getting into the sewer pipes. He mentioned he had another meeting this coming Thursday at CRPCD and it was a much larger one including all the member communities.

Robert Wilson asked if other Towns were affected similarly.

Tom Holder replied that no, Franklin had in fact had a decrease in Industrial strength due to process reductions at the Garelick Farms Plant.

Tom Holder finished saying that the sewer rates would have to handle this increased assessment.

Member Prerogatives

Robert Wilson asked about the 33% unaccounted for water and what determinations had been made so far.

Tom Holder replied that the Department was doing a lot to look into the causes, but no sizeable leaks had yet been found. He was starting to consider data integrity, and Deputy Director, David D'Amico was suspicious of possible unmetered water being a cause.

Leo O'Rourke asked what the rate increase is potentially going to be in water.

Tom Holder said that it could potentially be 8% over each of the next 3 years.

Chan Rogers asked about what Town Meeting Articles were on the BOS Agenda.

Tom Holder listed out the purchase of a water gate box vacuum and I&I mitigation. Also the rescinding of the remaining funds for past articles for the Industrial Park Wells and Water Meter Replacement Program.

Chan Rogers asked when Town Meeting was scheduled for.

Tom Holder replied May 12, 2014.

Robert Wilson made a motion to adjourn the meeting at 6:00pm.

Leo O'Rourke seconded, unanimous vote, 3-0.

The next meeting was tentatively scheduled for Thursday, April 17th, 2014 at 5pm in Tom Holder's Office.

Respectfully submitted by,

**Sarah Pawluczonek
Operations Manager**