FINANCIAL PLANNING
APPROPRIATIONS COMMITTEE

JOINT MEETING MINUTES
Thursday, February 20, 2014, 7:00 pm
Selectmen's Meeting Room

	Financial Planning Committee	Appropriations Committee
Present:	Chairman, Jason Perreault	Chairman, Elaine Kelly
	Roger Leland	Janice Hight
	David Devries	Dan McInnis
	Heidi Gleason	Rick Nieber
	Richard Smith	Tony Poteete
	Michael Hodge	
Absent:		Bob D'Amico

Also present: John Coderre, Town Administrator
June Hubbard-Ward, Finance Director
Dan Nason, Public Works Director
Bill Pantazis, Board of Selectmen
Leslie Rutan, Board of Selectmen
Brian Shea, Fay, Spofford and Thorndike (FST)
Don Bunker, Fay, Spofford and Thorndike (FST)

The meeting was called to order at 7:00 p.m.

Water System Master Plan Presentation

John Coderre prefaced the presentation by Fay, Spofford and Thorndike (FST) of the Water Master Plan and Wastewater Planning Update by apprising both committees on the work done by the Town staff to date including the recent rate study. Don Bunker of FST presented an overview of the history of the Northborough water supply system.

The Town contracted with FST to evaluate the Town's water needs. The evaluation used historical population data and regional studies to project future water system demands for a 20-year period. Raw and finished water quality data was reviewed to determine required improvements for treatment facilities to comply with current and future drinking water standards. The local well supplies were contrasted with MWRA interconnections and a cost-benefit analysis was performed to assist Town Officials in reviewing future water supply options, including whether the Town should:

1. Utilize the Town's existing wells (and possibly additional subsurface supplies through exploration) with added treatment facilities to meet the water consumption demands,
2. Utilize the Town's existing wells along with MWRA interconnection for summer peak demands, or

3. Utilize MWRA interconnection exclusively for all water supply needs.

The prepared water system master plan was developed, in part, to assist the Town in determining which of the three options would best serve the community. The master plan focused on the entire potable water system and its ability to provide the Town with the most cost effective method of delivering safe, clean potable water to the residents. The study included reviewing sustainable sources of water supply as well as evaluating the current distribution model, calibrating the model and calculating storage and system operating pressures.

The evaluation determined that while Northborough's distribution system is basically sound, the town-owned wells cannot supply the current water demand which averages .87 million gallons per day (MGD) with a maximum or peak demand of 1.73 MGD. The Town wells are capable of pumping 1.47 MGD but withdrawal is being limited by the Department of Environmental Protection (DEP) to only .74 MGD from the aquifer.

The Committees discussed the pros and cons of the various options. Initially, some felt that the combination of MWRA water and bringing the Town wells back online by constructing a $6 million dollar water treatments plant may offer the best solution. Members expressed concern regarding the sole reliance on an outside entity for all Town water.

Further discussion revolved around the constantly changing regulatory environment with regard to construction of a water treatment plant. Several examples regarding recent regulation changes and escalating treatment plant costs were reviewed. The Committees discussed the lack of predictability with regard to estimated pay-back periods and potential regulations that could drive up treatment and operating costs, such as manganese regulations. Based upon the most recent information, it is assumed that a water treatment plant for the Town's wells would have a payback period of between 15 and 20 years, depending upon what DEP would ultimately permit the Town to withdraw from the aquifer.

The Committees discussed the non-quantifiable aspects of the decision such as self-reliance and future rate control. One option discussed is to leave the Town wells off-line but "active" in terms of DEP permits. That way should the Town experience unacceptable rate increases or if technology improved to offer better treatment value, the Town would still have the option in the future to bring the wells back online, if it made good economic sense.

A lengthy discussion ensued and number questions were asked and responded to by the consultant. The Town Administrator pointed out that the purpose of the meeting is to hear the information and ask questions. No decision needs to be made immediately, but future discussions will need to take place and a definitive path chosen in the near future. The Town withdrawal limits are currently permitted through 2017, at which time future treatment standards will be made known. Until such time, the Town is going to leave its plans for a water treatment plant on hold and continue to obtain additional information upon which to make a final decision.

All in attendance felt the meeting was a good start to this very important policy decision and agreed to think about any other information that might be helpful in formulating a recommendation. The Town Administrator again emphasized that all the options are still under review and a preferred supply model has not yet been determined.

Adjournment
J. Hight moved to adjourn; R. Nieber seconded; motion was unanimous.
9:30 pm – adjourned.

Respectfully submitted,

John W. Coderre, Town Administrator

Documents used during meeting:

1. Water System Master Plan & Wastewater Planning Presentation by FST

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