

Wayland Board of Public Works
January 10, 2011
7:00 PM
WAYLAND TOWN BUILDING
Meeting Minutes
Approved January 31, 2011

Present: Brown, Abdella, Mishara, Wegerbauer, Ouellette, Gorham.

7:07 Mishara opened the meeting.

Mishara addressed the audience and explained that there would be no public comment tonight. He also said that the water report is available.

Ouellette addressed the board and explained the different type of water accounts in Wayland. Ouellette said that the Board needs to choose several different water rate options for Mark Abrahams to create using the information from the report. Once a new rate structure has been established it will be implemented in the billing season beginning July/August 2011. Ouellette continued to say that iron and manganese levels have been checked recently and they are almost non existent. He said that sodium is very low too. Ouellette said that there may not be a big need for a second treatment plant. Ouellette said that the Chamberlain well is high in iron and manganese but this well is only used in the Summer.

Water Rate Report

Mark Abrahams Present

Abrahams addressed the data & spreadsheets in the report. He briefly summarized the different sections of the report. Abrahams reviewed the base data with the board. Abrahams described the current tiers and consumption by tier to the board. Abrahams told the board that table 4 shows how the minimum water users see a huge jump in their bill because of the capital improvement fee. This is a big kicker to those in the first tier. Abramson said that table 5 shows 4800 accounts by meter size. Abrahams told the board about the special revenue fund with available money. Abrahams said that best practice suggest an operating reserve equal to 25% of the operating budget. Ouellette said that the goal is to keep 2.2 – 2.3 millions in reserve. Ouellette said that the money will be needed for a new water tank. Discussion ensued about reserve money and the differences of different funds.

A discussion ensued about large multi user customers (page 4). Should all multi user customers be treated equally? In a tier system, multi user customers go to higher tiers quickly. A discussion ensued about 1 meter vs. many meters and associated charges. A discussion ensued about the capital assessment and how it is a burden for those with a minimum water charge.

Abrahams told the board that page 5 shows that the capital assessment is based on total debt service not just the treatment plant. Abrahams asked the board if the assessment should just be on the treatment plant. Minimum bill and Service charge – Abrahams said that currently minimum users (1500<) with the current rate structure there is no incentive to conserve water. In fact there is reason to use more water. Abrahams suggested replacing the minimum charge with a service charge. Tiers would then start at 1. Abrahams said that there would be more conservation. Ouellette asked how many minimum users are there? Abrahams said that he has the data and will figure it out. High end users – Abrahams said that high end users bring in more revenue through less volume. The town has seen a reduction in the number of tier 4 & 5 users recently as more commercial accounts are drilling wells.

Table 8 – Abrahams pointed out that the top 28 users (Recreation Department is 28th) represent 8% of flow and 15% of use. A discussion ensued about drilling a well at the Middle School. Discussion about irrigation and

water flow through treatment plant. A discussion ensued about the fixed meter program. A discussion ensued about multi user accounts.

Page 6-3.

Shows % of flow through each tier. Abrahams noted that tier 1&2 show a lot of consumption (23%+24%) Tier 3 9%, tier 4 13% and tier 5 shows only.3%. Abrahams suggested consolidating the 5 tiers into 4.

Table 9 – Low End User

This table compares neighboring communities. Abrahams pointed out that Wayland is higher in lower tiers and more favorable in higher tiers than neighboring towns. Ouellette pointed out that with a newly built treatment plant, the town will be at the high end.

A discussion ensued about abatements and 41C's.

Table 11

Fiscal '12 Water budget

Abrahams said that the operating budget is 3.3 million with 3.9 million additional for Capital. Pump station repair (\$500,000.00) is required by DEP. Wegerbauer asked what was factored in? Ouellette described the work that needs to be done. Ouellette said that there are a lot of violations at the facility, upgrades are desperately needed. A discussion ensued about other capital projects including route 27&30 and the Chamberlain wells. Abdella asked if the indirects and Administrative costs listed at the bottom were similar to other towns. Abrahams said the use the same percentage in each town (10%).

Table 12

FY '12 Water Budget

Most accounts are level funded except fringe benefits. \$500,000.00 is needed to address capital needs. A discussion ensued about rates staying the same as other town's rates go up as capital is needed. Abrahams said that he is not comfortable that the flow will stay the same. Brown asked if he is concerned about high end users going to wells? Abrahams said yes, that top tier users may not continue current pattern. Discussion about service charge. Ouellette said that 9 out of the 28 high users are recreation or school. Abdella asked if the operational costs for the treatment plant are fixed or can you cut back when less demand. Ouellette said that the costs are pretty much fixed. Abdella asked if we lose high end users can we sell to other towns? Ouellette said that the DEP won't let us, we are limited in what we are able to do. We have a limit on how much water we can use daily. Right now we go over the limit in the summer. Mishara asked about recalculating the Capital improvement fee. Ouellette said that it may drop \$10.00. Abrahams said that he sees a higher amount depending on whether or not the intent is to base it on just the treatment plant or the whole debt service.

A discussion ensued about how much to keep in reserve. A discussion ensued about debt service.

Abrahams asked if the board wants a minimum charge or service charge? Should 1st tier start at 1 cubic feet? A discussion ensued about different ways to set up the rates. Ouellette briefly described the difficulties with the Vadar water software program. Abrahams said that Vadar is more for general ledger accounting software. Abrahams said that even though Munis is expensive, one set up right it performs well. A discussion ensued about users, rates, tiers, minimum charge, service charge, etc. Brown suggested matching Capital fee to user – linear. Capital fee would go up as usage goes up.

Board asked Abrahams for three models showing:

1. Set up to flow/use. Capital improvement fee based on use, start at zero, linear vs. big jumps
2. Set Capital fee and administrative cost and average multi users.
3. Current system

A discussion ensued about capital improvement fee for treatment plant only. A discussion ensued about dropping to 4 tiers.

Mishara made a motion to hold a water rate hearing with public comment where Abrahams will present 3 options on February 8, 2011.

2nd Brown

Unanimous in favor

Ouellette told the board that Turkington asked that someone else be elected as chairperson.

Wegerbauer made a motion to elect Mishara chairman of the Board of Public Works

2nd Brown

Unanimous in favor

A discussion ensued about budget and goals & objectives.

Mishara made a motion to adjourn at 9:20 to join the Finance Committee in the Senior Center.

2nd Abdella

Unanimous in favor.

Finance Committee

Ouellette covered the capital request with the Finance Committee:

Water

- Pump Station upgrades – DEP insists on the upgrades. The pump station has multi code violation that need to be addressed.
- Generators – DEP mandate that we must have a standby generator at all pump stations.
- Route 27/30 intersection – Pre work that needs to be done. Ouellette explained the need for the water main to be increased from a 4” main before the intersection is done.
- Fixed Meter Program – Ouellette explained that this program will detect leaks immediately. The town will save \$190,000 per year.
- Drainage Improvements Library and Rolling Lane – to assist in reducing the flooding damage.
- Water Pumps – to handle storm water in an emergency
- Vac Truck - \$20,000 in cost savings if we do this work ourselves
- Swap Truck – Year round use vehicle. Can use multiple attachments.
- Swap Truck Trash Attachment – Use to haul trash from fields, will save man power.
- Gang Mower – Scheduled replacement for a 10 year old vehicle
- Field Renovations – to improve athletic fields
- Hannah Williams playground – Playground is 20 years old and has serious defects rotting, splintering

A discussion ensued about perhaps moving the Hannah Williams playground up on the priority list

A discussion ensued about the Middle school priority.

The Finance Committee asked for a more detailed project description. A discussion ensued about the Highway Garage the earliest it could happen is 2014. A discussion ensued about a prefab structure for the Highway garage.

A discussion ensued about adding Sherman Bridge. Ouellette said that we are waiting for the cost and we may be able to use State money.

Meeting Adjourned

10:20 pm