

WAYLAND WASTEWATER MANAGEMENT DISTRICT COMMISSION

MEETING OF 12 Mar 2014

DRAFT MINUTES

In attendance: Fred Knight, Sam Potter, Jan Hawley

Absent:

Guests: Abhilash & Priti Barot, Woody Baston, Ron & Mary Beresgniewicz, Michael Bradley, Gary Bruell, Jonathan Buchman, Leonard & Mary Carapezza, Bill & Donna Carleton, Sherrie Coval-Goldsmith, Frank Dougherty, Joan Duffy, Carlos Estrada, Mary Farley, Kurt Fliegauf, Iryna & Vadim Ganchin, George Grey, Jill Korff, Michael Lebrun, Sherman & Pei Lin, Jeff Maimon, Frank Normandin, Lyn Perry, Jim Powers, John Sokel, Marian Stanton, Sonja Starmer, Leslie Stern, Richard Turner, Ralph & Elaine Wegener

Location of meeting: Selectmen's Room, Wayland Town Building

Fred Knight called the meeting to order at 7:30 PM.

7:30 1. Public comment (extended)

- Kurt Fliegauf-case for shifting more payments away from users toward 20Wayland. Mr. Fliegauf shows a basic misunderstanding of the difference between capacity and (average) flow. The allowed 52,000 gpd (gallons per day) under the WWMDC's NPDES operating permit is an annual average daily flow to the Sudbury River whereas the allocations of users are expressed in Title V capacity, with a total of 76,395 gpd. Based on DEP regulations, the explicit ratio between these is a factor of two, and capacities are assigned to users based on type of business, e.g., 35 gpd per restaurant seat. On the average, 52,000 gpd flow is equivalent to 104,000 gpd Title V capacity. An individual user may use less or more than 50% of Title V capacity, but on the average, the aggregate ratio of flow to Title V capacity is assumed to be 50%---and experience bears this out. Over the years, the WWMDC has had 45-55% aggregate ratio of flow to Title V capacity for connected users. Currently, the ratio is even lower due to not all users producing flow. Currently, the daily

totals are in the range 18,000 to 25,000 gallons. Without this basic understanding, it is hard to discuss WWMDC operation. As has been noted often, equating flow and capacity is like mixing apples and oranges. In this case an apple (flow) is half an orange (capacity). Properly using this factor of two is necessary in discussing wastewater allocation.

- Frank Dougherty, 20Wayland, commented on need to charge Town allocations on the surcharge, a desire by 20Wayland to pay the promised \$175,000 once the Town fulfills its part of the agreements, and a desire to put off for one more year the charging of betterments.
- Many other expressions of difficulties with WWMDC charging, delayed billing, inadequate explanation to users, lack of available information, failure to respond to user concerns, and general frustration with WWMDC operation.
- Acceptance by WWMDC that more communication is important. WWMDC will work to get a joint meeting with the BoS where users can express their views.
- Jim Powers, CPA with Powers and Sullivan: Jim attended to hear users' concerns and to take the next step to provide services to the WWMDC. Immediate needs are the following.
 1. Get 20Wayland bills out. Since this is a majority of our billing and difficulties remain, getting this done is important. Aspects to put on a firm foundation are weighting due to changing capacity, increasing flows as businesses open, and defensible use of rates.
 2. Provide the details of the betterment process. Assess whether the fraction of charging (see item 6.1. below) should be lower than 100%.
 3. Create a financially sound method of billing to replace the spreadsheets currently used.
 4. Work with the Vadar Systems company to allow input of WWMDC charges directly into the Town's Vadar billing and collection system.

8:55 2. Update on WWMDC Staffing - discussion of hiring an Executive Director.

- Discussion of motion to appoint Cynthia Cincotta as 19-hour/week executive position. Cynthia is currently an employee of the Town's treasurer/collector. She would fill the

position approved by the Personnel Board for the WWMDC executive. In addition, Jan Hawley, will continue in her 1-day/week job to provide clerical help for the WWMDC. This is a reasonable allocation based on the current needs of the WWMDC. Reassessment of these needs will occur once billing gets up to date and the WWMDC is in a more stable configuration.

- Move to appoint Cynthia Cincotta to executive position by Sam, second Fred, vote 2-0.
- 9:00 3. Review for rate hearing on 5 Mar 2014.
- Brief discussion indicating more information needs to flow to users. Also, if the surcharge is continued in FY2015 instead of instituting the betterment, another rate hearing would have to be held.
- 9:05 4. Discussion of cash balance, billing, and reports of meetings with FinCom and BoS last week.
- See notes in 1 above concerning Jim Power's assignment. Fred has already been authorized to negotiate spending up to \$15k for work by Powers and Sullivan (see 26 Feb 2014 meeting). Next steps will be to convey the tasks, have Powers and Sullivan respond with quote, and complete the tasks.
- 9:10 5. FY2013/FY2014 billing: status and next steps. Plan is to bill monthly to catch up on quarterly billing. Necessary also for collecting sufficient fees to balance budget.
- No further discussion
- 9:10 6. Update on construction and betterment process. Need to discuss the three questions and possibly take a vote. From last week's hearing, these questions are:
1. Question #1: What portion of debt to cover with betterment (between 0 and 100%) Not ready to select this amount, but one of the tasks for Jim Powers is to determine if reducing the amount from 100% is a reasonable consideration. Needs more discussion and analysis to determine how to weigh these two conflicting notions. The WWMDC wants to make sure that users are not "over-charged" for the betterment, but WWMDC has to be careful that there will not be too many users who opt for upfront payment and thus save themselves interest cost but decrease the payback to the WWMDC. In other words, the WWMDC wants to earn enough from the betterments but not too much. Anticipating what users will opt to do will be part

of the process of determining the portion of debt (between 0 and 100%). One other point is that the WWMDC might want to choose a portion to provide not only repayment of the bond but also provide an additional amount for capital improvements. When we catch up on quarterly charges, the retained earnings will be significantly above zero, but the amount is still not completely known.

2. Question #2: How to apportion the betterment. There are three options permissible by law. Apportionment can be applied 1. on a per unit basis, 2. on a frontage basis or 3. by Special Act based upon capacity or winter water usage. WWMDC preference is to base on capacity. Arguments against using water use include highly variable water use, Town Center not fully developed so flow is lower than expected.
3. Question #3: Which rate should be charged to customers for betterments. Law allows for two options - 5% or borrowing rate+2%. WWMDC preference is to use 5%.

- 9:15 7. Discussion of fulfilling public records request.
- Fred will send some email messages that have no possibility of litigation information that needs to be expunged. Jan will peruse the email messages that might have executive session information to expunge information that cannot be divulged.

- 9:18 8. Pay bills
- Verizon, Nstar, and Whitewater.
 - Nstar (159.53, 1377.56) 1537.09
 - Verizon (50.11, 222.78) 272.89
 - White Water 3921.21
 - Total \$5791.19

9. Approval of minutes
 - Meeting of 2014 Feb 26
 - Hearing of 2014 Mar 5

- 9:23 10. Topics not reasonably anticipated by the chair 48 hours in advance of the meeting, if any.
- None

- 9:23 11. WWMDC composition: new member needed
- None

- 9:25 12. Calendar: upcoming meetings and events, including hearings.
- Sam will try to arrange a meeting of users with BoS and

WWMDC

- Large Hearing Room, 2014 Mar 26, 7:30. Presentation on important information and discussion.

9:25 13. Public comment

- None

9:27 14. Adjourn

Respectfully submitted,
Fred Knight

Distribution:

Fred Knight,
Sam Potter,
Board of Selectmen,
Web site,
File

MOTION TO GO INTO EXECUTIVE SESSION

MOVER: I move that the Wastewater Management District Commission enter into executive session pursuant to Massachusetts General Laws Chapter 30A, Section 21(a)(3) to discuss strategy with respect to litigation between Twenty Wayland, LLC and the Commission and / or the Town of Wayland over sewer use charges, if an open meeting may have a detrimental effect on the bargaining or litigating position of the Town.

CHAIR: Is there a second to the motion to enter into executive session? The Chair declares that discussion of strategy with respect to litigation between Twenty Wayland, LLC and the Commission and / or the Town of Wayland over sewer use charges as stated in open session of the Commission on May 19, 2011 in an open meeting may have a detrimental effect on the litigating position of the Town.

CHAIR: Roll call vote. Mr. Potter. Aye. Chair votes aye. Motion passes.

CHAIR: The Board invites Administrator Ira Montague, Town Counsel Mark Lanza (if present), Town Administrator John Senchyshyn (if present). The Board will return to open session in approximately 40 minutes.