

March 21, 2019
Conference Room B
Town Hall

Present:

DPW Board Members Tom Nephew, Paul Brinkman, George Clark; Water & Sewer Supt. Joe Jordan, DPW Director Ken Kalinowski

3/21/2019 - Minutes

1. Call To Order

1.a. Call Meeting To Order At 6:30p.m.

Chairman Tom Nephew called the meeting to order at 6:32 p.m. and announced that it was being recorded but not live broadcast.

2. Acceptance Of Minutes

2.a. February 21, 2019

Paul Brinkman made a motion to accept the minutes as presented. George Clark seconded the motion. The motion passed unanimously.

3. Abatements

3.a. 22 Nashua Road (Hamilton)

Joe explained that this was a vacant residence owned by an elderly customer who lived in another dwelling on the property. A pipe broke and went unnoticed until the bill was issued; therefore the repair was not made until after the most recent bill was issued. Joe represented that there was a sump pump but it was broken and likely did not discharge to the town sewer. Paul asked if there was anyone representing the customer and Joe informed the Board that he had spoken with the owners' son who lives out-of-state and that they were in agreement with the proposed relief. There was some brief discussion about the appropriate methodology to be used to calculate the relief. Paul Brinkman made a motion to abate the account of 22 Nashua Road, account #1732, in the amount of \$13,111.69 in water, and \$30,266.55 for sewer. George Clark seconded the motion. The motion passed unanimously.

4. Water & Sewer

4.a. Groton IMA (Update)

Paul Brinkman did not have an update, but had communicated with Groton's engineer about the possibility of increasing Groton's available capacity. George Clark inquired about the establishment of Vac-Truck charges, and was told that we use a national billing system (Blue Book) for these rates.

4.b. Water & Sewer Recruitments

Ken noted that one of our water operators had gone to Townsend and we would be recruiting for a replacement. A sewer staff who acquired the necessary water licenses will be transferring to water, thereby creating 2 vacancies in sewer, exclusive of an operator's position that will be filled with an in-house candidate whose position is being reclassified. Joe mentioned that there is an internal candidate from Highway who is interested in transferring to one of the collection positions.

4.c. Sewer Fees (Discussion)

Ken reviewed the memos from 2007 that addressed the SEA report and rate increases, as well as the

establishment of the fee schedule that is basically in place to this day, save for minor increases over the past decade. Tom outlined the financial case for a developer putting in wells potentially being cheaper than installing municipal water, and how this impacts the expansion of our customer base. Joe reminded the Board that the GASB34 approach is used to define the maximum defensible fees, but that we are not obligated to charge that amount. The discussion centered on the cost incurred by the town when expanding the service area via new development. Ancillary impacts such as demand on the system and components imposed by larger users is what dictates the higher fees for larger taps. Paul noted former Director Lee's interpretation that the fee should be based on the impact of the development, not necessarily the size of the tap. Tom noted connection fees from Groton as an example of having flexibility in assessing fees and noted that he would like to make it easy and economical for developers to tie in. Joe queried the Board as to their interest in investing in expansion of the systems, and it was noted that this would be considered if the return on investment time period was reasonable. Joe noted that the income from fees varies from year to year, do not constitute a large percentage of our income, and ultimately would go away if and when the town is entirely served by water and sewer. Tom would like Joe to review the current fee schedule and, understanding the objectives, make recommendations to the Board.

5. DPW

5.a. FY20 Budget - Update

Ken informed the Board that the Town was looking into presenting a \$1.46M override. Some of this was predicated on the final school budgets. Ramifications to the Highway Dept. if the override fails would include the loss (through attrition) of another position. It was also noted that if the override failed, the Town would start FY21 with a budgetary shortfall of approximately \$600k which would in turn create more staffing cuts. Ken noted that there are several enterprise fund positions currently available and one more opening scheduled for June, but these will be filled before the FY21 budget discussions commence. Ken noted that the override would not dramatically alter the Town's tax rate as compared to the surrounding communities, but it would provide stability and start to fund a proper capital plan.

5.b. Financial Controls (Discussion)

George Clark inquired as to whether or not the Board still signed the DPW warrants. Ken informed the Board that this practice had effectively ceased when Greg Rice and John Dee (both former Chairs) left the Board. It was also noted that an ancillary benefit of this practice was that the Chair could discuss in detail any DPW related issues without the need for a public meeting. George noted that this was an excellent checks and balances process that he would like to see revived. Paul mentioned that the Board's authority may have changed as a result of the charter, but agreed that the process could supply the Board with insight as to DPW expenditures. Ken offered to copy the Board on the electronic expense and revenue reports generated by the Accountant. Tom suggested that he and George share the responsibility on a trial basis for a couple of months. George also inquired as to the procurement process. Ken and Paul briefly recounted the current state-mandated thresholds for quotes and bids versus good business practice. Tom offered to meet with Ken on Mondays, with George could filling in as necessary.

6. Review, Approve And Sign Any Documents Requiring Board Signatures

6.a. February Commitments

The February 2019 water and sewer commitments were signed by the Board.

6.b. As Requested

None.

7. Commissioners Comments

- George inquired about road cut permits, and Ken said he would have something to review at the next meeting.
- Tom noted that he and George had visited the Reedy Meadows subdivision, and noted drainage concerns particularly on the Groton portion of the project. Ken walked the Board through the issues, likely causes and potential solutions being discussed by Groton officials. The issue of significant rain events coupled with

temporary drainage system constraints (raised castings, siltation fabric) was likely a key contributor to the issues in Pepperell, and it was felt that this would not be a problem going forward. Groton did face significant challenges with their proposed solutions as regards Article 97 amendments and the Groton Town Meeting.

- Joe asked the Board to formally sign the water and sewer rates that were voted and adopted in December of 2018.

8. Next Meeting Date/Dates

8.a. April 25, 2019

The next proposed meeting date is April 25, 2019.

9. Any Other Matters That May Arise Which The Chair Could Not Reasonably Anticipate.

None

10. Adjournment

Paul Brinkman made a motion that the meeting be adjourned. George Clark seconded the motion. The motion passed unanimously.

The meeting adjourned at 8:21 p.m.