

**BOARD OF COMMISSIONERS' MEETING  
HYBRID MEETING MINUTES  
APRIL 5, 2022  
7:00 P.M.  
CHERRY VALLEY & ROCHDALE WATER DISTRICT**

- I.** CALL TO ORDER - The meeting called to order by Chairman Bergin  
@ 7:00 pm

The following were in attendance:

Kevin Bergin, Chairman	LCAC Unavailable to record
Arthur E.J. Levesque, Commissioner	1 in person 2 – listening audience
Benjamin Morris, Superintendent	
Robert H. Lemieux, Sr., Commissioner	
Jennifer Wood, Treasurer	
Cheryl Balkus, Clerk	

- II.** **District Member Forum** – There were no questions or comments from the Commissioners the attending audience or the listening audience. Commissioner Levesque motions to end the district member forum. Seconded by Chairman Bergin. All in favor. Approved. The forum ended at 1 minute 48 seconds.

**III. APPROVE MINUTES**

- A. March 15, 2022 Meeting Minutes** - Commissioner Lemieux motions to approve the March 15, 2022 meeting minutes. Seconded by Chairman Bergin. All in favor. Approved.

**IV. FINANCE**

- A. Approve March 21, 2022 Warrants** – Commissioner Levesque motions to approve the March 21, 2022 warrants. Seconded by Chairman Bergin. All in favor. Approved.
- B. Approve March 28, 2022 Warrants**- Commissioner Levesque motions to approve the March 28, 2022 warrants. Seconded by Chairman Bergin. All in favor. Approved.
- C. Approve April 4, 2022 Warrants** – Commissioner Levesque motions to approve the April 4, 2022 warrants. Seconded by Chairman Bergin. All in favor. Approved.
- D. Bank Transfer** – Commissioner Levesque motions to transfer from the water checking account to the sewer checking account in the amount of \$62,322.19.

This money is collected by the water district on behalf of the sewer district. The money does not belong to the water district.

- E. Budget Review** – Per the Superintendent we have received notices from suppliers with cost increases such as field supplies. Vehicles with increase of gas costs and based off the current oil prices heating increase to \$3,500. To have an article for the annual meeting to do an upgrade to the heating system. There is an increase in electricity of \$10,000 due to when the Well goes online, chemical feeds and monitoring equipment. The current solar credit will be depleted come July or August if not sooner. The Service Line item increased to \$509.00. This is for trash and fire extinguisher inspections. Even with the significant increases and the decrease in the purchase of water from the City of Worcester the budget is still \$67,000 less than the prior year.

Per Commissioner Lemieux the staff doing a good job to stay ahead of the game and much appreciated.

Per Chairman Bergin he has looked to the staff to get the numbers as close as they can be, and the logic is to try and save as much as we can out of the budget as it gets returned to us as a way of free cash.

Subscriber Buteau handed out a package to each of the Commissioners that primarily had to do with a breakdown of insurance that reflects the cost sharing with the sewer district. He states according to the Weston Sampson Report that there are 3,244 water customers and of that there are 437 that are in the sewer district and states back in 2016 the water district paid about 76% and sewer paid about 24% and with the current budget right now 65% of the people not in the sewer district under the proposed budget are paying 85% of the insurance and does not feel it is fair. He has a problem with the water retirement benefits for health benefits paid by the water district not included \$3,850, life insurance \$1,869, disability life insurance \$4,400 and his understanding that with the workman's comp the water district pays 100% and comes to about \$35,000 that is not cost shared between the water and sewer districts and does not feel that this is fair to those that are not in the sewer district. He is asking the water district to reconsider the distribution that will of course require buy in by the sewer district. He does not agree with the 20/80 percent split and not fair in the amount of insurance. It becomes as a fairness concept for those people that are in a water district but are either or served by another sewer district.

Per the Superintendent the Weston & Sampson numbers are not accurate and they were provided with the correct numbers. Per Subscriber Buteau agrees that their report was not the only inaccuracies. Per the Superintendent we have 1,239 service connections in the water district which accumulates to the census calculations of 3,685 residence that we service and for the sewer will be 1,153 people/437 connections. Based on customers it is at the 70/30 split. Per Subscriber Buteau those of us outside of the sewer district are at a disadvantage.

Per Chairman Bergin in doing the review it would be beneficial to shift how things are done, it makes sense as districts to relook at the service agreement and update it to be more in line since changes when it was written. He does not believe that it can be done between now and the annual budget. To go through the service agreement with the numbers will require legal, it will require the entire scope, cost sharing and with things changing be most beneficial to sit down together.

Per the Superintendent this was discussed last year, and the board did keep it the same. With the next meeting two weeks out, the approval of the warrant articles and notice of the meeting to be sent out with the May 1 bills so we can save on postage we won't meet the deadlines. If the meeting were in June, it could be done but where it is in May does not believe it cannot be met. He agrees that the agreement must be revisited, legal needs to be involved so it is done the right way. Potentially the sewer district could see an increase in their customers and change the numbers completely. Per Chairman Bergin does not know about the sewer district as they are outside of his scope and is aware that the planning board has had meetings for the potential increase of 98 houses that would be part of the sewer district that could begin by end of 2022. In the mean while we should be as the water district looking at or rework the service agreement to reflect more accurately and believes in doing this right at once and not as a temporary agreement.

Per Commissioner Lemieux concerned what is this going to cost and would like not to have to pay lawyers. Always concerned what is the out-of-pocket expense to the bill payer per year. Is it worth doing for a couple of bucks? Per Chairman Bergin reiterates that the service agreement must be reworked.

Per Superintendent Morris the water and sewer districts are to undergo an insurance audit to make sure we are accurately insuring all our properties and there could be a major change once the report is done. This will not be completed for this fiscal year and will have for the next year.

Per Chairman Bergin the approval will be done at the next meeting. There were no further questions or comments or from the listening audience.

## V. ADMINISTRATION –

- A. 3-15-2022 12-month payment plan - Commissioner Levesque motions to approve the 12-month payment plan. Seconded by Commissioner Lemieux. All in favor. Approved.
- B. 3-28-2022 12-month payment plan - Commissioner Levesque motions to approve the 12-month payment plan. Seconded by Chairman Bergin. All in favor. Approved.
- C. 3-22-2022 8-month payment plan Commissioner Levesque motions to approve the 8-month payment plan. Seconded by Chairman Bergin. All in favor. Approved.

Commissioner Levesque asked if the board would be notified if any of these customers default would we notify the board. Per Cheryl Balkus we would not as it is not required.

- D. Draft Warrant Articles – Per the Superintendent there are the basic boiler plate articles 1-7.

Article 8: Vehicle Purchase – This has been previously discussed to pay outright of the free cash expenditure. With the uncertainty of the motor vehicle industry, the wording is to read “amount not to exceed”. From state bid contractors a couple of options to discuss pricing for 2022 models, the 2023’s are higher prices. From the state pricing they are adding on 7% – 8% to the newer year. The amount not to exceed of \$70,000 that is on the high end. Price at this time is an F- Series 250 or 350 and if a leftover could pick up earlier and not wait 18-20 plus months. Best case scenario we get a left over and spend \$55,000 – \$65,000 on a vehicle.

Article 9: Heating System Upgrade - The current heating system is extremely outdated and awaiting a final price of the upgrade. We do need to do the heating upgrade and we are responsible to protect our water supply and the district. Mass Save proposed a split heating system with a ductless split in pump station, the office to be a heat pump system and the garage an infrared system fired by propane. The heat pump system is approximately \$25,000 and \$11,000 will be paid by Mass Save. The district would be responsible for \$14,000. Once we get the infrared information, we will have a total amount to put in for the project as a proposed motion, per Mass Save there should also be an incentive savings for this. He did investigate the propane boiler and quoted back in January it was \$30,000 and now expects it would be even higher. Mass Save will be a benefit to us. Once all costs received, he’ll know what the districts portion will be.

Commissioner Levesque asked if this would be shared costs with sewer. Per the Superintendent the buildings are by water, and some are water and sewer and could be tricky to a fair assumption of a break down the costs. Once the well is online, we would need to look at the cost sharing of the utility expense. In the budget it reflects \$12,617.00 for heat which is oil and maintenance of the boiler. With the upgrade most would transfer to electricity, and we reached out regarding energy credits from 38 Degrees. If the project gets approved will need to look at the cost sharing expense and reviewing the service agreement. Again, we do need to do the heating upgrade and we are responsible to protect our water supply and the district.

Article 10: Sargent St water line extension - There is a need of a 400-foot section that does not have a water main to install a 12-inch main to improve the flow and have two supplies to better service the district. If we continue to keep putting things on hold whomever owns the district, this still needs to get installed. The longer put out the more expensive and when this was on the table three years ago it was \$140,000.00 and with price increases now seeing at least a 35% increase. Delaying this project has cost the district \$70,000 more.

Articles 8-10 would be potentially a free cash expenditure, it is money that the district has, we do not have to raise rates and does not cost the rate payers anymore.

Per Chairman Bergin Article 10 is suggesting the payment for the engineering services of the water line. Per the Superintendent this is a draft, and all depends on what the three boards members feel is comfortable with the free cash limits. Once final price of the project it easier to say all three will bring free cash to this or we only do engineer portion this year and then put it out to next year with free cash and get a grant. A substantial savings this year and the construction will be more next year so we will be a shovel ready project and why looking at engineer only if we don't want to bring free cash down to lower limit than we are comfortable with. There are two options with article 10 and once he has the number will know which way to go.

Commissioner Lemieux asked why aren't we exploring solar and geothermal? Basically, you dig a trench, run fluid through it and running a pump that is very efficient for heating and cooling. Per the Superintendent we did research this and upon initial review per the consultant they just don't dig trenches, there are the placing of wells and pipes. Said it will be decades before seeing a return investment and it is not efficient for our buildings. The most efficient way is the proposed infrared electric heat pump mini split systems. Solar, we get credits from the farm and offset our electrical costs. To put more solar on the property is a matter of finding the right company. More challenging than the typical Sunrun, Trinity Solar. Per Commissioner Lemieux he has been studying geothermal for a long time and the larger the space using these in large buildings. The runs can be run under water and perhaps use the water that is there now that can't be used and appreciates the efforts.

Subscriber Buteau, commented to Article 8 – 2 trucks owned by water district and 1 by sewer. His own comment is that the sewer should pay 1/3 of it why should water pay for the cost of the whole truck and see that the sewer district have an article on their warrant that they will share the costs.

Encouraged about the hydraulic study of being shovel ready of the Sargent St project.

## **VI. Operations**

### **A. Superintendent's Report –**

The well project demo of the old piping has been completed and the piping is in from the Worcester line. Coordinating a test to fire pumps and dismantle the booster station.

Email from a vendor reason of the delay of materials. – expecting June.

ASR (Annual Statistical Report) completed and submitted to DEP

Finalizing annual report to have a final budget, warrant articles and the annual report to present to the customers

Blue dotting for terminations completed. There were 90 customers and down to about 50.

With the Lead & Copper changes EPA to take it a step further by having water utilities to inspect service lines. Looking at potential grant money. We have 1,239 service connections to look at to determine what the materials are. We have the operators going through in house data and updating the data base to be prepared.

New batteries for West St are due to be in this month to change out.

Services within the budget - The fire extinguishers have not been inspected since 1997. Colby Fire changed out all and now in compliance and on an annual rotating schedule.

Starting to work with RCAP again to work on Asset Management & Capital Improvement plan. Preliminary meeting was today to be done for both water and sewer districts. We will have what we told what we did not. They are not cheap and costs approximately \$50,000 and this will be done under a grant by them.

**Rates** – We are seeing a \$67,000.00 reduction of the budget, see what added revenue being brought in and *potentially* see each tier be reduced by a penny. Not substantial, but a loan to come off next year, less purchase of water from the city next year and maybe more down the road.

\$527,523.00 free cash approved. Told to keep \$300,000-\$350,000 and gives only enough to spend \$150,000 for the year.

**VII. Communications** – Nothing to report

**VIII. PERSONNEL** – Nothing to report

**IX. DATE OF NEXT MEETING**

**A. Approval of Next Meeting** - Commissioner Levesque motioned to hold the next Meeting Hybrid Tuesday, April 19, 2022, at 148 Henshaw St Leicester, MA @ 7:00 PM. Seconded by Chairman Bergin. All in favor. Approved.

**X. ADJOURNMENT**- Commissioner Levesque motioned to adjourn the meeting. Seconded by Chairman Bergin. All in Favor. Approved. Meeting adjourned at 8:45 P.M.

*"This institution is an equal opportunity provider, and employer."*