

BOARD OF COMMISSIONERS' MEETING

MEETING MINUTES

February 4, 2020

7:00 P.M.

CHERRY VALLEY & ROCHDALE WATER DISTRICT

I. CALL TO ORDER –

The meeting was called to order by Chairman Bergin @ 7:00 P.M.

The following were in attendance:

Kevin Bergin, Chairman	5 - Subscribers
Arthur E.J. Levesque, Commissioner	
Robert H. Lemieux, Sr., Commissioner	
Benjamin Morris, Superintendent	
Jennifer Wood, Treasurer	
Cheryl Balkus, Clerk	

- II. **District Member Forum** – Subscriber Christopher Reilley 97 McCarthy Ave. wanted to float an idea regarding water barrels and perhaps talk about a small rebate for the barrels. Per Chairman Bergin at a previous meeting Subscriber Ms. Ortiz had brought this up. The recycling center sells the barrels at a reduced rate. By using the barrels, you will be using less water because it would be used for watering plants, washing cars etc... and the credit would be a lower water bill because you are not using the District water. As for offering an additional credit, we would need to increase the overall budget and find it in the budget. Subscriber Christopher Reilley thought is perhaps purchasing a rain barrel one can get a \$10.00 credit and just a suggestion. Per Chairman Bergin we can look into of different options. Per Superintendent Morris with 1,240 taps @ \$10.00 would equal \$12,000.00 and this would need to come out of the budget. Per Commissioner Lemieux recommended from a previous meeting and would like this to be 1st thing accomplished that the Grant Researcher could investigate this along with other items such as water fixtures or appliances to help conserve. Subscriber Gregory Buteau 2 Merrick St. the idea is great but agrees with the Chairman that there will be less water being used and this is the Subscriber's savings. Per Chairman Bergin changing a toilet that is more efficient will also lower usage. The ultralow flow toilets will use about 1 gallon of water, they are \$89.00 at Home Depot. Older toilets use much more water than the new. Subscriber Tim Hickey 184 Auburn St. said he was involved with a program with the Veterans and asked if there could be any consideration possibly if we could set up a volunteer program to have someone go in the home to assist elderly homeowners with leaking toilets or leaking faucets. Per Commissioner Lemieux this is something the Grant Researcher can investigate or perhaps we should reach out to a Vocational School. Commissioner Lemieux offers to make some phone calls to see if it is possible. Per Chairman Bergin there is talk around town regarding lower property values because of the rates. He and Commissioner Lemieux are real estate agents. There were 21 recent home sales in the Valley that were a combination of multifamily and single families. Of the 16 single families 3 were sold below their

assessed value. Two were HUD owned and auctioned off and one that needed rehab that was not taken over by HUD. Everything else was sold marketed higher than the assessed value. One of the single families sold almost twice than the assessed value. There were 5 multi families, 1 was HUD owner and sold less than tax value.

This is just data that was pulled to see that was out there and to pass it on.

It was reported from some subscribers that were going to have a Working Group Meeting in January, there was not a meeting in January, and we have yet to get a meeting date in February. We will be told when the next Working Group Meeting will be held. Next step is to identify how the money is used to do the study. Subscriber Hickey asked who schedules the meetings. Per Chairman Bergin the town orchestrates the meetings and awaiting from the Town Administrator office to reply of when the elected officials can meet. Subscriber Hickey asked how we can push this along. Per Commissioner Lemieux suggests to the Subscribers that you can call your elected officials Representative Leboeuf, Senator Moore or Congressman McGovern to see about pushing the meeting along. Chairman Bergin asked if there are any further comments or questions during the Forum. Commissioner Lemieux motions to suspend this evenings District Member Forum. Seconded by Commissioner Levesque. All in favor. Approved.

III. APPROVE MINUTES

A. January 21, 2020 – Commissioner Lemieux motioned to approve the minutes of January 21, 2020. Seconded by Chairman Bergin. All in Favor. Approved.

IV. FINANCE

A. Approve January 27, 2020 Warrants – Commissioner Levesque motions to approve the January 27, 2020 warrants. Seconded by Chairman Bergin. All in Favor. Approved.

B. Approve February 3, 2020 - Commissioner Lemieux motions to approve the February 3, 2020 warrants. Seconded by Commissioner Levesque. All in Favor. Approved. Per Chairman Bergin the warrant items consist of Field Supplies, Health Insurance, Heat, Telephone, Payroll, Postage, Office Expenses, Meters, Worcester Regional Retirement Technology.

C. January Bank Transfer - Commissioner Levesque motions to transfer sewer funds deposited to water funds to the sewer checking account in the amount of \$42,107.30. Chairman Bergin explains that the Water District collects the funds for the Sewer District and then the money and transferred to the Sewer Districts Account. Seconded by Chairman Bergin. All in favor Approved.

D. Draft Budget – Per Superintendent Morris there are six or seven meetings before the Annual Meeting, and we need to begin looking at the Budget. Big changes are that we are budgeting \$65,000.00 less than the previous year from the City of Worcester. We took \$125,000.00 out in the last two years. We took an average of all bills since we went live, took the highest amount with the worst case scenario times 12, the average of the last 12 months, then took an average of those two numbers to include a 5% buffer. This is in case if we had to be tied into the Massachusetts Water Resources Authority (MWRA) Aqua duct that is used in case of an emergency. Previously when the District was in a drought situation, we received water from the MWRA, there is a charge for this or if the District has a leak in the system that requires repair. There is \$1,200 added for the Grant Researcher. The next big change is the required DEP/EPA

mandates to conduct a Risk and Resilience Assessment that is \$25,000. This became a law in part of 2018, we have until June 2021 to complete the study and then it will need to be done every 5 years. The following year of when the Risk and Resilience is done is the Emergency Preparedness – it's based on the Districts population and we qualify to do it in the next year. They look at every possible thing that can compromise the system such as natural disasters, financials and where there is any deficiency to be addressed. Commissioner Lemieux asked if it would be best to wait to do the GIS first. Per Superintendent Morris we pretty much know where our devices are in the system. We are awaiting to get the grant for the GIS and with the time constraints it would be best not to put this on the back burner since we have a timeline to get it done. Tata & Howard would be involved with doing this since they have our information of the District and perhaps, we can get the price down.

Commissioner Lemieux asks if this is something that a bid could be put out on without compromising Tata & Howard. Per Commissioner Levesque it would be like reinventing the wheel when we already have them, and they know the system. Per Superintendent Morris it will be a learning and challenging project. Hydraulic Studies look at capacities and flows that is different it will tie into the Risk and Resilience and will see if this will help reduce the costs. Commissioner Levesque asked the Superintendent if he was aware if the other Districts in town are required to do this. Per Superintendent Morris he was not aware. They have less customers and may not fall into it this year but may have to the next year and believes they may have more time than our District does. Eventually every system will have to have it done. The Electricity line item is decreased \$7,000, savings is because of solar fields, insurance to increase by \$17,000.00 an employee will be coming onto the plan. This line item also includes workman's comp, liability, motor vehicles, and Bonds for the staff to be able to collect money, there is a small increase in motor vehicles. One of the Districts vehicles is beginning to require more repairs due to its age. This line also includes fuel costs. Payroll increased \$5,800 due to overtime. It's budgeted but does not mean that we are going to use it. There is small decrease in postage, there is a \$7,000 increase from Worcester Regional Retirement. The increase is beyond the Districts control. Slight increase in Technology had an increase due to price increases. The telephone line item decreased because we are now using a different vendor that is less expensive. Clear Com is who we use now for all our phone & computer technology. There is a total of \$17,000.00 reduction in the budget that was moved as a Capital Item and suggests to the Board that it increase to have a better back up. Recommendation was also made by Pioneer who did the prior rate study to have money set aside to do some projects and not affect the rates.

At the Special District Meeting held in November the Reserve Account had been approved for \$50,000.00. Per conversation with the DOR this can no longer be done as it needs to be allocated for a project. Since this is the case, we would need to move the \$50,000.00 into the budget because it is specific. Chairman Bergin adds that if the money is not spent it goes back into free cash. Per Treasurer Wood to the Board if they want to get a new auditor or keep with who we have. Commissioner Lemieux asks if we should be putting out a Request for Proposal (RFP) for this. Per Superintendent Morris said we could and that this would be up to the Board. Per Treasurer Wood when we previously

investigated this, we found that the price was same as what we pay for the current auditors or they are more. We did receive from one of them that was a less amount and that they were not as thorough. Per Superintendent Morris some subcontractors require 1099's to be done and our current auditors handle this for us. We would need to see if the other auditors would do this. Commissioner Lemieux suggests that we put out an RFP to see what does comes in and perhaps save the District money for this. He said that they do a fine job but if we put an RFP out & maybe save the district some money. Treasurer Wood & Superintendent Morris we have done this in the past and experience has been that there are different people sent each time. The current company has all our records/financials but if the board wants to put it out there we can. Per Commissioner Lemieux since they have all our information maybe they can do it as a lesser price. Per Chairman Bergin it's not that we are just looking to save money you need to outline a scope of what is expected and needs to come back in writing. Chairman Bergin asks where this is advertised and what costs would be associated to do this such as having it advertised. Per Superintendent Morris will investigate some different avenues to keep the costs down.

Subscriber Gregory Buteau, regarding the draft budget increase of health care. Treasurer Wood explains that this is for an employee who is adding a family plan, the amount is not a definite amount as she is awaiting to get pricing information back from the insurance company. Commissioner Lemieux asks do we work with the other Districts in the town to get a group or bundled discount on auditors or health care. He is looking for a volume discount and to think differently than we used to. Per Superintendent Morris & Treasurer Wood the Water & Sewer Districts are separate entities that does not allow for a reduced rate on auditing, will see what's involved for bundling health care with the other Districts. Commissioner Lemieux asked about the City of Worcester Line item and if there's any information regarding the negotiations with the streets around the reservoirs and the savings of the inner-city rate and the outer city rate. Per Superintendent Morris we have reached out to them and still waiting for an answer back. He hopes that he has more information from them before the Annual Meeting.

V. ADMINISTRATION

- A. Retainer Agreement** – Per Superintendent Morris we agreed to obtain Mr. Reilley's services a contract is in to be signed. Commissioner Levesque motioned. Seconded by Commissioner Lemieux. All in favor approved. Per Treasurer Wood to Mr. Reilley he will need to provide an invoice each time to receive payment.
- B. Rate Study** – Per Superintendent Morris in order to do a rate study we have to have a budget. This past year the rates have been the same and with a level budget does not see a need currently to have another rate study. Based on flows average consumption did not change and does not see this happening for this next fiscal year. Per Treasurer Wood a full study would be \$7,500 or to look at the schedule of fees and no meeting would be \$2,000.00. Per Chairman Bergin some Subscribers have had requests, and we should probably look at the other rates that the District charges. We also need to figure out what we will be doing with getting the Clearwell and Grindstone well online. Are we looking at getting the Clearwell on line 1st and then the Grindstone on the following year? We need the

Clear Well 1st to get the Grindstone going and Chairman Bergin does not want to completely dismiss the rate consultant. Per Superintendent Morris putting the Clearwell online eliminates a \$2 million water main upgrade from Main Street to Henshaw Street. A \$355,000 cost will save \$2 million and without a doubt getting the Clear Well needs to be done and will have it as an Article. The savings is a year's worth of operation. The other is getting the Grindstone Well online because it is going to be a savings to the Subscribers by not purchasing as much water from the City of Worcester. It would be nice to do this out of free cash. He met with Tata & Howard to go over the associated costs and if there would be savings for us to do some of the work. Such as knock down of an old garage, excavation that will be a big savings for us. The Clear Well needs to have a liner put in it because it's a tank from 1944 and need to make sure that this tank is ready to go. We cannot do this part of it but there are other items that we can do to save we will do it with a potential savings of \$50,000. The Grindstone Well is all engineering, this is not something we ourselves can do. Chemical injection ports need to be put in and re piped. Do we wait for the approval to begin work or do we start before with the hopes that it will be approved at the Annual Meeting? Subscriber Greg Buteau, at the Annual Meeting last year the rate payers and commissioners learned and wanted to see a reduction in rates. For the Clearwell and the Grindstone there was no one at the meeting to explain and answer questions. Glad to hear that there are some numbers involved now regarding each the Clearwell and the Grindstone and maybe have as separate Warrant Articles. Per Superintendent Morris the savings will be there with the Grindstone and it will take a year to see those savings and agrees that it will be nice to see of the price can be lowered. Per Commissioner Lemieux it is \$7,500 to do an entire rate study that involves the rates and outside rates and \$2,000 to do a study of the outside rates. So, if he did not look at the outside rates would his price be \$5,500. Per Treasurer Wood she will contact Doug and get clarification. Commissioner Lemieux asked if perhaps that this something we could do on our own instead and not pay Doug to do this. Subscriber Hickey confused why do we have to do a rate study? Didn't we just restate the rates. We have a level budget if the rate study stays the same there is no increase to anybody. Spending \$7,000 to do a rate study when we have the same conditions going on why would we do a new rate study. Per Chairman Bergin we do not have enough money to do both the Clear well and the Grindstone. If there is borrowing that we must do to take out a loan to do the Clear well and Grindstone. We would have to see what those costs are. Per Subscriber Hickey at least this year we are staying status co if we put the well back online, we will have to increase the rates for some time. Subscriber Hickey says that the with the budget staying where it is at that it would not make sense to spend the money to have a rate study done. To save the District money is to put the well back online so that we do not have to purchase as much water from the City of Worcester. Subscriber Reilley commented about the connection fees, he would like the entice of growth and see about having the connection fees lowered to bring in more Subscribers. Subscriber Buteau does not feel a rate study should be done now. The need is to refine the budget, get the bottom price of the Clearwell & Grindstone, have two separate articles for these and perhaps have a consultation with Doug to make a recommendation since the budget is not going to decrease that much.

VI. Operations

A. Superintendent's Report – Per Superintendent Morris system wide everything running smooth running average 200,000 gallons per day, no major issues, devoting time on preventative maintenance on equipment before spring. Some meters have arrived that were backordered, and the balance is being shipped today. We have an additional 20 more to meet the 100 quota and asks the board if we could purchase some extra to get more meters in. The Central Mass Regional Planning meeting was Monday, they did not get enough information from the residents to meet the grant.

VII. COMMUNICATIONS – Nothing to report

VIII. PERSONNEL – Nothing to report

IX. DATE OF NEXT MEETING

A. Approval of Next Meeting – The next meeting is to be held Tuesday, February 18, 2020 @ 7:00 at the Leicester Town Hall. Commissioner Lemieux motioned to hold the next meeting Tuesday, March 3, 2020 @ 7:00 PM at the Leicester Town Hall. Seconded by Chairman Bergin. All in favor. Approved.

X. ADJOURNMENT- Commissioner Lemieux motioned to adjourn the meeting. Seconded by Commissioner Levesque. All in Favor. Approved. Meeting adjourned at 9:12 P.M.

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