

BOARD OF COMMISSIONERS' MEETING

MEETING MINUTES

March 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	2 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 Steve Pawlowskis 595 Henshaw St. Asked the Board if the water restriction is state or town law. Per Chairman Bergin it is a bit of both. Per Superintendent Morris we hold a water management act permit it's a stipulation within the permit that we have with the state. It is for Henshaw Pond and the well. As long as we have the permit and the sources are there, the restriction stays in place. It's currently inactive, however the District keeps it, so we do not lose it. The water restriction is put in place May 1 till October 30th. Mr. Pawlowskis asked when the next Working Group Meeting is to be held. Per Chairman Bergin the next meeting is March 18, 2020, we do not know what the agenda will be, there have been no meetings since November and there was never a scheduled meeting in January or February. Per Mr. Pawlowskis they should reprint and use the WPI study and use the remainder of the money amongst the Districts. Per Chairman Bergin the WPI study was a high-level approach. This next step level is to see what service(s) would be combined and what specifics would there be. To bring the Districts together there are already certain rules that need to be met with certain amount of people to do the jobs. We all want more specifics such as on how it will save money and where it's going to be saved. Per Mr. Pawlowskis bringing all of them together can share resources instead of being individualized, does not think eliminating positions would be the focus to lower savings. Commissioner Levesque asked if Moose Hill was part of the working group. Per Chairman Bergin he was not aware, Harry Brooks is there but unaware what capacity he is in with the Working Group. Per Commissioner Levesque motions to suspend the rest of this evenings District Member Forum at 7:09pm. Seconded by Chairman Bergin. All in Favor. Approved.

III. APPROVE MINUTES

- A. **February 18, 2020** – Commissioner Levesque motioned to approve the minutes of February 18, 2020. Seconded by Chairman Bergin. All in Favor. Approved.

IV. FINANCE

- A. Approve February 24, 2020 Warrants** – Commissioner Lemieux motions to approve the February 24, 2020 warrants. Seconded by Chairman Bergin. All in Favor. Approved.
- B. Approve March 2, 2020** - Commissioner Lemieux motions to approve the March 2, 2020 warrants. Seconded by Chairman Bergin. All in Favor. Approved. The warrants consist of electricity, motor vehicles, subcontractors, payroll, telephone, field supplies, meters, office expense, small tools/pipes, postage, heat, lab work, technology, chemicals & insurances with a total amount of \$38,570.50.
- C. Draft Budget Update** – Per Superintendent Morris we are still waiting to get information back for pricing of the audit. An ad has been placed in the paper for 2 days and online for 30 days. We should have more information at the beginning of April.
The new EPA mandate for Risk & Resilience amount changed to \$23,700 from \$25,000.
We are still waiting for a price update for insurance. The information from insurance should be received by end of month or the beginning of April. Once these items are finalized, we should be able to present what the FY21 Budget will be. Commissioner Levesque asked about the ad regarding the audit that if we get 3 or 4 takers who will decide who would be hired. Per Superintendent Morris and Treasurer Wood the information will be given to the Board to discuss and decide.
- D. Bank Transfer** – Commissioner Lemieux motions to transfer sewer funds deposit to water to sewer checking account in the amount of \$39,913.02. Seconded by Chairman Bergin. All in favor. Approved.
Per Chairman Bergin this is money collected by the Water District for the Sewer District.

V. ADMINISTRATION

- A. Employee Contract** - Superintendent Morris made the corrections of the contract with the typo and the agreed change of the days. It was sent to Attorney Bachrach to review, he did not see any issues with it. Commissioner Levesque motions to approve Superintendents contract. Seconded by Chairman Bergin. All in Favor. Approved.
- B. Rate Study** – Per Superintendent Morris we reached out to Pioneer who has done the Districts rate studies. Doug at Pioneer has agreed to do the study at \$5,000.00. This price does not include him coming to a meeting. Per Superintendent Morris since the budget is level, he does not feel that it be best to do another rate study currently. Per Chairman Bergin the budget is level. However, if we are potentially looking at getting the Grindstone & Clearwell online we do not want to drain all of the free cash and if we are to borrow money for the Clearwell and the Grindstone to get online we need to know what the associated costs would be. With the Clearwell we could tap into the free cash which preps the Grindstone and the Clearwell will take care of some of the pressure issues. Replacement of the piping would cost millions of dollars. The next step would be putting the Grindstone online in 2022 then have another discussion. Per Superintendent Morris in discussion with Treasure Wood we have the possibility of putting the Clearwell on the Annual Warrant and paying with free cash. If voted thru we could have a Special District Meeting in the Fall regarding the Grindstone because we will or should have what we will have for

new free cash. We may lose our opportunity to fund it if it is mentioned that rates could be increased. Commissioner Lemieux wanted to know why we anticipate borrowing. Per Superintendent Morris we don't want the free cash to go below \$100,000 and therefore we would need to borrow the money. If we did all it would bring us under the \$100,000. Per Chairman Bergin \$100,000 is not a lot of money and can go very fast. It has been recommended that the District have \$500,000.00 free cash. Per Superintendent Morris the Grindstone will save the District money but the Clearwell needs to go on 1st. and needs the Board for direction because it will need to be addressed for the warrants at the Annual Meeting. The Clearwell is a 140,000 storage tank that needs to be cleaned and lines because it has been inactive for 5 years. Per Commissioner Lemieux instead of taking out a loan asks about establishing a line of credit and that way can satisfy all the needs. If we have the line of credit it's there to use. If we do not use it's there and there is no interest. There might be some small administrative fees instead. Per Chairman Bergin if we have a line of credit, an emergency occurs, where in the budget will we have this? If we get a line of credit it costs money. If we have a pipe break that requires repair and need to tap \$250,000 plus interest it needs to start being paid back. Where is it going to be pulled from in the budget to pay it back? Per Chairman Bergin if we borrow and the well is online, we will see what the savings are and will help the budget and towards borrowing. Per Superintendent Morris he will investigate into the line of credit. He explains to do a loan via a state revolving fund (SRF), their requirement is to pay interest and if it's a USDA loan it can be paid off in full without penalty. Commissioner Lemieux asked that we further investigate with the USDA and the bank. Per Superintendent Morris we want to avoid raising rates and research the scenarios with the USDA and the bank we do business with. Rate study will be on hold while this is being researched.

VI. Operations

A. Superintendent's Report – The usage for the past month is less than what we have seen. For February approximately 190,000 gallons per day, usage has declined and experiencing normal trends.

The GIS Grant we received from RCAP began on Monday 3/3/2020. The operators have been working with them and hope to have most done by end of week with the remainder to be done over the next few weeks. This would cost approximately \$30,000.00 and it had cost the District nothing because of the grant. It is March, unfortunately terminations are to begin the 16th of March. To date we have sent out 68 notices for accounts 90 days past due. With these 68 accounts There is \$18,000 outstanding. Compared to last year we had over \$33,000 past due last year and to see the decrease is great. Some customers are calling to set up payment arrangements. We will begin, weather permitting and will be blue dot. Since the last meeting we had a water main break on Main & Auburn St. the leak was detected via the computer trend. We investigated by visual and sound. A company was brought in and said it was found on a valve after digging there was no leak at the valve. Instead of causing more of a mess a new device named a Data Logger was installed that picked up the leak a few feet down and did not find it on the next valve we thought it was on. The area was filled in again and had the leak detection company come back during the day and did detection further out to pinpoint it and found the area of concern and data logged it in 2 two spots. The

company came out at 3 AM and pinpointed the leak on the yellow line of Main St & Auburn St. With this information Superintendent Morris then had to determine what the next plan was going to be since the road could not be shut down, digging cannot be done during the day and it's been identified that we're are losing water. The temporary repair that was done is that an isolation valve was cut in on Auburn St. to continue to provide water to the area neighborhoods. The depth of the main changes drastically beginning at 6ft deep and went to 11ft down.

There are 3 options to avoid opening Route 9.

We can dig on both sides, break up the old pipe and pull a poly pipe. The cost is approximately \$85,000.00 before excavation or purchasing fittings. The overall cost would be \$100,000.00 and believes that this option is out.

The next option is digging a hole and fix the leak with chances of collapsing. It would need to be done at night, paying OT (overtime), renting side boards, when we dig could find the repair longer in the pipe and not a small hole. Appears it was the original pipe that was put in in the late 1800's or 1900's. The estimated cost is \$15,000 – 20,000.00.

The third option would be to excavate a trench, do the work during the day to avoid OT, no sign boards, install a new 8" main and install a 6 " and update that would help if Auburn St were needing to be fixed. The work will take approximately 10 days, utilizing our own contractors, everything purchased thru us not paying a markup and the estimated cost of \$45k – 65k.

Superintendent Morris spoke with the DOT. They said do what we need to do to and ensure the permitting process is being followed. After reviewing the budget with the Treasurer Wood, the repair could be done by moving items around from the different line items if the budget. In his opinion the 1st scenario and the 3rd scenario work the best and asks the board to advise. He said that option 3 would be more permanent. Option 2 would put the piping questionable and as a temporary fix. Whichever way is selected repairs would not begin till May. He has the exact costs for piping, gravels & asphalt. Excavation price would need to be fine-tuned. Per Commissioner Levesque he does not like Scenario 2, he does not want us to be back the next time doing it all over again spending the same amount of money and likes option 3. Commissioner Lemieux asked with the 45k-60k does this include manpower. Per Superintendent Morris it does not include our manpower. 1 Operator would be dedicated and the other would be available to take care of the daily needs. He could factor it in because they are already on the clock. Per Chairman Bergin with prior history, replacing pipes in the areas shortly thereafter something else breaks. Option 2 would put the District in this same scenario. Per Chairman Bergin scenario 3 is best bet. Commissioner Lemieux also agrees with scenario 3. Superintendent Morris will work on getting more detailed prices from the Districts subs.

Per Treasurer Wood when speaking with Department of Revenue (DOR) if we were informed that free cash can only be used for a specific purpose. A reserve account is not a specific purpose. The work around is to add the reserve account back to the budget and offset the entire budget by the reserve account amount. Lastly the enabling acts there was a discrepancy with the two for required number of signatures and will present a draft article for the next meeting to have it written for the Annual Meeting to have consistency. Per Chairman Bergin speaks again about the importance of why free cash should be at \$500k. Commissioner Lemieux understands and expresses the importance of communication to the

Subscribers. Per Superintendent Morris Grant Researcher Christopher Reilley sent him and Commissioner Lemieux 5 potentials for grants. A couple of them had a small window of time to get. One could have the potential & asked if he could get more detail before digging into it deeper if it is in fact water related. Superintendent has been delayed due to dealing with the water main break. 1 of the grants was about disadvantage communities. The district failed with the last attempt with Central Mass due to no responses from the subscribers. Per Chairman Bergin as per contracted is requesting a monthly summary from Grant Researcher C Reilley.

VII. COMMUNICATIONS – Nothing to report

VIII. PERSONNEL – Nothing to report

IX. DATE OF NEXT MEETING

A. Approval of Next Meeting – Commissioner Levesque motions to hold the next meeting Tuesday, March 17, 2020 @ 7:00 PM. at the Leicester Town Hall
Seconded by Chairman Bergin. All in favor. Approved.

A. EXECUTIVE SESSION - To review & approve Executive Session Minutes of February 18, 2020
Commissioner Levesque motions to approve the Executive Session Meeting Minutes of February 18, 2020. There will be no new business after executive session and no reason to reconvene into regular session. Seconded by Chairman Bergin. All in Favor. Approved. To go into executive session at 8:23

ADJOURNMENT- Commissioner Lemieux motions to adjourn the meeting. Seconded by Commissioner Levesque. All in Favor. Approved. Meeting adjourned at 8:31 pm.

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