

**CHERRY VALLEY SEWER DISTRICT
BOARD OF SEWER COMMISSIONERS' MEETING**

VIRTUAL MEETING MINUTES

July 9, 2020

7:00 P.M.

- I. CALL TO ORDER Chairman Manseau called the meeting to order at 7:00 P.M. with the following present:

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|-------------------------------------|-------------------|
| Donald Manseau, Chairman | 1 - Subscriber |
| Robert H. Lemieux, Sr. Commissioner | 1- Non-Subscriber |
| Michael DellaCava, Commissioner | |
| Benjamin J. Morris, Superintendent | |
| Jennifer Wood, Treasurer | |
| Cheryl Balkus, Recording Secretary | |

II. APPROVAL OF MINUTES

- A. **May 13, 2020** – Commissioner DellaCava motioned to approve the minutes of May 13, 2020. Seconded by Chairman Manseau. All in favor. Approved.

III. FINANCE

- A. Approve the Warrant of May 21, 2020** – Commissioner DellaCava motioned to approve the warrant of May 21, 2020. Seconded by Commissioner Lemieux. All in favor. Approved.
- B. Approve the Warrant of June 4, 2020** - Commissioner DellaCava motioned to approve the warrant of June 4. Seconded by Chairman Manseau. All in favor. Approved.
- C. Approve the Warrant of June 11, 2020** - Commissioner DellaCava motioned to approve the warrant of June 11, 2020. Seconded by Chairman Manseau. All in favor. Approved.
- D. Approve the Warrant of June 25, 2020** - Commissioner DellaCava motioned to approve the warrant of June 25, 2020. Seconded by Chairman Manseau. All in favor. Approved.
- E. Approve the Warrant of June 30, 2020** - Commissioner DellaCava motioned to approve the warrant of June 30, 2020. Seconded by Chairman Manseau. All in favor. Approved.
- F. Approve the Warrant of July 2, 2020** - Commissioner DellaCava motioned to approve the warrant of July 2, 2020. Seconded by Chairman Manseau. All in favor. Approved.
- G. FY20 Budget Transfer** – Per Treasurer Wood \$625.00 from Accounting fees to Insurance. One cent from Accounting fees to Health insurance. \$2,543.81 from Legal fees to Repairs and Maintenance.
- H. Treasurer Report** – * As of June 2020: Revenue \$40,944.22, Expenses \$58,565.53, Month Gain (loss) (\$17,621.31), Fiscal YTD Gain (loss) \$32,556.91.

Betterment Payments Received: Principal \$595.57 Interest \$499.01 Total \$1,094.58
YTD Principal: \$76,774.76 YTD Interest: \$28,423.89 Total: \$105,794.22

Betterments Loan Payments: \$310,028.00

Does not include depreciation and is unaudited numbers (\$172,272.44)

Commissioner DellaCava motioned to approve. Seconded by Chairman Manseau. All in Favor. Approved.

*The report is posted to www.cvrwd.com > CVSD > Reports

IV. ADMINISTRATION

A. Reorganization of the Board – Commissioner Dellacava motions to keep the Board as it is. Seconded by Chairman Manseau. All in Favor. Approved.

V. OPERATIONS –

A. Superintendent Report – Per Superintendent Morris we are back in favorable weather to work on I/I (Inflow Infiltration) issues. We are working on a couple of manholes and coordination with Highway regarding drainage issues to stop the water from coming into our manholes.

RCAP scheduled to be in next week to finish the GIS mapping of the sewer system.

Fiscal sewer flows came in. April and May rather high as expected due to a wet period. We did approximately \$55,000 of sewer in last fiscal year. We came in under \$100,000 under budget from the previous fiscal year. We hope to continue to try to reduce this line item, to lower it more and get caught back up into the black.

There were issues with sewer pump station. Not a lot of work done on these since they were installed in 2003. May need rebuild release valves to avoid after hour calls.

Helgerson being brought in to suck out wet wells of debris. Sewer jetting to be done August – September to look to see if they can get their larger machine in on Auburn St to work on as these in the area are about 35 feet deep.

Commissioner Dellacava asked if we are terminating services. Per Superintendent Morris we are not due to Governor Bakers COVID emergency order. We have reached out to get an update If the date has changed from June 30th. We are working on a month to month basis.

VI. COMMUNICATIONS

A. 7-6-2020 Customer Request: Cusolito – Mr Cusolito wrote a letter to follow up on previous meetings regarding the financial status of the Sewer District. His recommendations are to pursue or look at filing bankruptcy to protect the interest of the District. We are from one unforeseen incident away from paying the bills and worst-case scenario is to have someone else step in and take over. The bank would force the creditors to come to the table and discuss the loans to work out a plan. It is a Subscriber owned entity, not state owned and it does not pertain to the district. This could be part of a larger range plan. We must fix our finances and show pursued in good faith. Phone calls have been made, but no writing's or evidence have taken place and suggests stopping doing business this way. Per Chairman Manseau per Service Agreements reads we are a duly municipal authorized entity. Per Mr. Cusolito he does not find this information, Senator Moore and United States Representative McGovern refer to the Sewer District as Subscriber Owned. Subscriber Cusolito disagrees with the phraseology of the service agreement.

Chairman Manseau we have records at the of when the creation of the Sewer District by the legislature.

Cusolito suggesting that the Sewer District is not a state entity he has not seen anything in enabling acts that shows this.

Commissioner Lemieux we need to get clarification as to what the Sewer District is. He checked with Secretary of State corporation's data base and we are not listed under it. There are no articles of corporation, a limited liability corporation. Sitting in on meeting with elected officials the state cannot help because we are not a municipal entity and nether can the Town of Leicester. We are in the middle a hybrid organization that no one can tell us what we are, and Mr. Cusolito is correct, and we can file or test the waters to file for some protection to financially reorganize the District. Spend money with attorneys researching trying to tell us weather we are a municipal agency or degree of agency we are or simply file the papers and let the court tell us what we are or if we are ineligible and show us. Commissioner Lemieux believes Mr. Cusolitos information has merit. Per Commissioner DellaCava we are a subscriber privately owned.

Commissioner Lemieux motions that the Superintendent and staff do research to get an estimate to initially file and revisit at a next meeting. Does not want to spend thousands of dollars and not have something to show for it. Seconded by Commissioner DellaCava. All in favor. Approved.

Non-subscriber Buteau suggests that the Board bring in the previous lawyer that met with the Board and the Boards legal counsel.

Per Subscriber Cusolito reads that there are certain metrics of an independent agency and does not feel that a bankruptcy attorney would be needed to determine the metrics. Per Treasurer wood the Sewer District is in a new budget year and there is \$10,000.00 in the line item to use. The previous attorney that the met with us requires payment made when meeting. Commissioner Lemieux agrees to get the prior bankruptcy attorney back with our attorney to find out the fee for filing. Per Subscriber Cusolito the fee for reorganization is under \$2,000.00.

Per Superintendent Morris to clarify with the Board that he is to ask each of the attorneys by email what the costs would be for filing for reorganization and how much to come in to do a presentation and have an answer back before the next meeting.

VII. PERSONNEL - Nothing to Report

VIII. DATE OF NEXT MEETING

A. Approval of Next Meeting Date – Commissioner DellaCava motioned to hold the next virtual meeting August 13, 2020 at 7:00 P.M. Seconded by Chairman Manseau. All in favor. Approved.

IX. ADJOURNMENT – Commissioner Lemieux motioned to adjourn the meeting. Seconded by Commissioner DellaCava. All in favor. Approved. Meeting adjourned at 7:55 P.M.