

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

**HYBRID MEETING MINUTES
December 14, 2021
10:00 A.M.**

- I. CALL TO ORDER Chairman Manseau called the meeting to order at 10:04 a.m. with the following present:

Donald Manseau, Chairman	2 subscribers 1-nonsubscriber
Robert H. Lemieux, Sr. Commissioner - Virtual	
Michael DellaCava, Commissioner	
Benjamin J. Morris, Superintendent	
Jennifer Wood, Treasurer	
Cheryl Balkus, Recording Secretary	

II. APPROVAL OF MINUTES

- A. **September 9, 2021** Commissioner DellaCava motioned to approve the meeting minutes of September 9, 2021. Seconded by Chairman Manseau. All in favor. Approved.

III. FINANCE

- A. Approve Warrant of October 7, 2021 - Commissioner Lemieux motioned to approve the warrant of October 7, 2021. Seconded by Commissioner DellaCava. All in favor. Approved.

- B. Approve Warrant of October 14, 2021 - Commissioner DellaCava motioned to approve the warrant of October 14, 2021. Seconded by Commissioner Lemieux. All in favor. Approved.

- C. Approve Warrant of October 28, 2021 - Commissioner Lemieux motioned to approve the warrant of October 28, 2021. Seconded by Commissioner DellaCava. All in favor. Approved.

- D. Approve Warrant of November 4, 2021 - Commissioner Lemieux motioned to approve the warrant of November 4, 2021. Seconded by Commissioner DellaCava. All in favor. Approved.

- E. Approve Warrant of November 11, 2021 - Commissioner Lemieux motioned to approve the warrant of November 11, 2021. Seconded by Commissioner DellaCava. All in favor. Approved.

- F. Approve Warrant of November 25, 2021 - Commissioner Lemieux motioned to approve the warrant of November 25, 2021. Seconded by Commissioner DellaCava. All in favor. Approved.

- G. Approve Warrant of December 9, 2021 - Commissioner Lemieux motioned to approve the warrant of December 9, 2021. Seconded by Commissioner DellaCava. All in favor. Approved.

- H. USDA Refinance – Per Superintendent Morris we were successful with USDA to refinance the three loans, extend ten years and reduce the interest rate. This allows us to put in place a rate reduction to the sewer customers. Congressman McGovern’s office needed to show relief to the customers and all paperwork needs to be signed Today, get it to Boston tomorrow and have in hand and filed no later than Friday December 17, 2021. If it is not done, we will potentially lose the interest rate. We are meeting today to require vote to approve, signatures and send out all paperwork. Approval of each document required today.

Vote to be Adopted by the Commissioners

Commissioner DellaCava motions to approve the Vote to be adopted by the Commissioners. Seconded by Commissioner Lemieux. All in Favor. Approved. Bond counsel was used to review all the documents and Unibank the financial advisors also reviewed. All inclusive, in annual installments of principal and interest combined, payable on the 17th of December of each of the years 2022 to 2041.

Loan No. 92-01 \$732,300 1.25% amount to pay \$45,689.00

Loan No. 92-03 \$979,990 1.25% amount to pay \$58,271.00

Loan No. 92-05 \$669,686 1.25% amount to pay \$38,059.00

Signature & Litigation Certificate

Commissioner Lemieux motions to approve the Signature & Litigation Certificate. Seconded by Commissioner DellaCava. All In Favor. Approved.

Refunding Bond No. 1

Commissioner DellaCava motioned to approve Refunding Bond No.1. Seconded by Commissioner Lemieux. All In Favor. Approved.

Refunding Bond No.2

Commissioner DellaCava motioned to approve Refunding Bond No. 2. All in Favor. Approved.

Refunding Bond No. 3

Commissioner DellaCava motioned to approve Refunding Bond No. 3. All in Favor. Approved.

Work out Agreement

As part of the process the district will need to execute a Agency Workout Agreement that will be sent out Wednesday December 15, 2021 that will be required to be signed by the Commissioners. We will need the Commissioners to motion and vote. Commissioner DellaCava motions to approve for the Commissioners to come back and sign the Agency Workout Agreement when it is received. Seconded by Commissioner Lemieux. All in favor. Approved.

The Board of Sewer Commissioners has voted and covenanted with the registered owner from time to time of this bond that the District shall maintain rates and charges for the use of the District’s sewer systems in an amount which, together with the other available funds, shall be sufficient to pay all costs of operating the system and the entire principal of and interest on this bond and all other indebtedness of the District incurred for municipal sewer purposes as they become due.

- I. Sewer Rate Relief – Per Treasurer Wood we generally will receive some funds from this and requires approval to submit. Commissioner DellaCava motions to submit. Seconded by Commissioner Lemieux. All in favor. Approved.

J. Sewer Rates – Per Superintendent Morris and Treasurer Wood reviewed rates and did a rate evaluation having three different scenarios

Type of House	Monthly Average Usage	Current Rates	Alternative 1	DECREASE per month	% DECREASE	Estimated Income
Single Family	463	\$150.50	\$120.40	-\$30.10	-20%	\$696,146
High Usage Family	800	\$247.55	\$198.04	-\$49.51	-20%	
Restaurant	3873	\$1,527.80	\$1,222.35	-\$305.45	-20%	

Monthly Average Usage	Current Rates	Alternative 2	DECREASE per month	% DECREASE	Estimated Income
463	\$150.50	\$120.18	-\$30.32	-20%	\$690,130
800	\$247.55	\$193.93	-\$53.62	-22%	
3873	\$1,527.80	\$1,166.82	-\$360.98	-24%	

Monthly Average usage	Current Rates	Alternative 3	DECREASE per month	% DECREASE	Estimated Income
463	\$150.50	\$117.41	-\$33.09	-22%	\$678,646
800	\$247.55	\$193.12	-\$54.43	-22%	
3873	\$1,527.80	\$1,191.59	-\$336.21	-22%	

Tiers	Current Rate	20% Alternative 1	\$40 Base 24% all tiers Alternative 2	22% Alternative 3
Base Rate	\$45.00	\$36.00	\$40.00	\$35.10
0-350 CF	\$0.2120	\$0.1696	\$0.1611	\$0.1654
351-700 CF	\$0.2770	\$0.2216	\$0.2105	\$0.2161
701-1050 CF	\$0.3140	\$0.2512	\$0.2386	\$0.2449
excess of 1051 CF	\$0.4257	\$0.3406	\$0.3235	\$0.3320
well per bedroom	\$70.00	\$68.00	\$64.00	\$66.00

Annual Expenses (Varies year to year)	
FY22 Proposed Operating Budget	\$522,931.17
Debt Service	\$142,019.00
Total	\$664,950.17

Accounts Receivables is never zero must account for some outstanding as not everyone pays bills on time.

Alternative 1: cuts base rate 20% across the board including the per bedroom rate brings us \$31,196 over the operating revenue.

Alternative 2: cuts base rate 20% and the usage could be between 22- 24% brings us \$25,180 over the operating revenue.

Alternative 3: 22% decrease across the board brings us \$13,676 over the operating revenue for the remainder of the fiscal year and potential for next year.

Per the Superintendent and Treasurer Wood with the potential of increases next year Option 2 puts the district in a most comfortable situation. Having a \$25,000.00 buffer gives flexibility to absorb increase for next year and keep rates to at least FY24. This will allow more time to work on reducing flows of the system. If approved today, we can get notice in January bill. The back of the bill rates will not be reflected but the bill rates will be corrected within the calculation. By February new bills will be printed to reflect the new rate.

Per Chairman Manseau feels that Scenario 1 would be best with the 20% savings. Per Treasurer Wood most revenue derived from base rate. The reason for Scenario 2 is the safest bet. As the rate structure itself is based off the current fiscal year.

Per Subscriber Lennon Scenario 1 with the 20% is a larger cushion and fairness to the low users as opposed the higher users who should be charged more.

Per Commissioner Lemieux motions to Scenario 3 to accept the 22% proposal. Commissioner DellaCava and Chairman Manseau opposed.

Per Superintendent Morris he does not want to have to come back to the Board and say that there is going to need to be an increase because the price of Upper Blackstone increase or if we have a very wet season increase in the flows. If they go up the Upper Blackstone will go up. He is not comfortable with Scenario 3 of 22%. We wanted to take into consideration of prices that are going to be for the district in the next year and it is up to the Commissioners to decide.

Per Commissioner DellaCava motions to accept Scenario 1 with the 20%. Seconded by Chairman Manseau. 2 in favor and 1 opposed.

IV. ADMINISTRATION – Nothing to report

V. Communications – Per Chairman Manseau the Upper Blackstone is beginning to work on their budget and he should have a preliminary this week.

VI. Operations – Per Superintendent Morris some sump pump inspections have been done and to date of 100 properties found 1 that we can confirm connected. We are having access issues of subscribers not allowing us in to inspect. A sheet will be created and review next options.

Sewer Flows are all over the place with change of weather patterns. Keeping meter pit clean biweekly to ensure no build up to effect flows.

He is meeting with a developer Skyview Estates regarding 651 Main St. The land is located on the back of Colonial Dr. We service the sewer and there is potential building of subdivision or condominiums of 75 single family units. The developer has been advised that they are going to have to pay our engineer to ensure it won't affect us and should not because it's a gravity-based system. This will increase connections fees and our subscriber base that we have not seen in a very long time, and it is what we need.

Town Wide Study - An email has been sent to the Town Administrator of one more meeting to be held for Weston & Sampson to present their final report. Meeting should be held sometime in January.

VII. DATE OF NEXT MEETING

A. **Approval of Next Meeting Date** – Commissioner DellaCava motioned to hold the next Virtual Sewer Meeting January 13, 2022 at 7:00 P.M. Seconded by Commissioner Lemieux. All in favor. Approved.

VIII. ADJOURNMENT – Commissioner DellaCava motioned to adjourn the meeting. Seconded by Commissioner Lemieux. All in favor. Approved. Meeting adjourned at 11:03 A.M.