

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

MEETING MINUTES

March 12, 2020

7:00 P.M.

- I. CALL TO ORDER Chairman Manseau called the meeting to order at 7:01 PM with the following present:

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

II. APPROVAL OF MINUTES

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

III. FINANCE

- A. **Approve Warrants of March 12, 2020** – Commissioner Lemieux motioned to approve the warrants of March 12, 2020. Seconded by Chairman Manseau. All in favor. Approved.
- B. **February Bank Transfer** – Commissioner Lemieux motioned to approve transfer of \$53.52 the water funds deposited to the sewer to the online collections account. Seconded by Chairman Manseau. All in Favor. Approved.
- C. **Draft Budget** – Per Superintendent Morris not a lot of changes still waiting to hear back on the insurance line item. We should have the information by the next meeting. There is a decrease to the City of Worcester from the previous year's usage. Overall reduction of the budget \$20k. What is the allowance an account was created for termination's? Now it is there as an emergency basis – an example if there is additional work because of an I/I issue. The money is there for just in case there an emergency. If it is in the budget it is okay to use if needed. Upper Blackstone was not able to lower their rate to the district. 1st of there ? how long would the break be for & when would it be paid back & how and if they give a discount would mean that a discount would be needed to the other customers that are tied in. Staying with the three year more beneficial. Per the Superintendent no financial benefit to taking the break. Going forward we are looking a lower average that will result in lower bills from the Upper Blackstone. Commissioner Lemieux can a budget be amended during the year? Per Treasurer Wood only at a Special District Meeting. Commissioner Lemieux what is Mission SCADA? Per Superintendent Morris it is they systems monitoring system. Commissioner Lemieux asked why the items are not included in the budget. Per Treasurer Wood it is the agreed format that was used in the past & it can be changed. Chairman Manseau agreed with changing the format. Commissioner Lemieux motioned to approve the Draft Budget FY21 \$907,458.76. Seconded by Chairman Manseau. All in favor. Approved.
- D. **Rates** – Per Superintendent Morris the overall budget of \$907k at a prior meeting looked at RCAP suggestions. We started to run the last approved 2nd rate study and found that it would not meet the operating budget. We then reviewed the 3rd year and would have only brought into the District \$700k plus. Treasurer Wood did her own study to see about the increase in rates to get to covering the operational costs getting the District closer to the budget. Being closer to the budget will still require the next year to

look at the rates again and have another increase. Superintendent Morris asks the Board the recommendations. Commissioner Lemieux asked about USDA refinancing. The refinance would change the term of the loan to 40 years and the current date for the loan pay off is 2032. We have 10 years left and maybe we will begin to show a savings.

The difference of \$100,000 not meeting the budget. Some of it could be made up on collecting the balance of betterments. If they are paid off sooner, we would not be collecting interest, if customers have deferred or not paying it would make the difference further apart. **The result is the rates will need to rereviewed and raised again.**

Worst case scenario is raising the rates to where they should be now to meet the entire operation budget. Recently Treasurer Wood set up two separate accounts 1 is a betterment account any money that the District receives for betterment is put into the betterment account. The other account is a CD account. RCAP recommendation is to not touch the CD account to keep it as an emergency fund if we were not able to pay the loan. RCAP is not recommending Alternative 3 because it could be a large financial burden to the businesses in the District. Per Superintendent Morris if we are to stay with Alternative 2 it would not be as much as a financial burden. There is the possibly there could be future grant money available next year to get someone to come in and look at the rate structure long term. Also, if we go with Alternative 3 there could be a shortfall because Subscribers may not be able to pay. Commissioner Lemieux speaks about the District not being transparent to the Subscribers and we should propose to be open and transparent, fess up to what the expenses are and put it out there as to what the rates need to be. Commissioner Lemieux makes a motion to table the discussion & the vote on rates to the next meeting when all the Commissioners are in attendance. Seconded by Chairman Manseau. All in Favor. Approved.

E. **Draft Annual Warrant Articles** – Commissioner Lemieux motions to approve the Draft Annual Warrant Articles. Seconded by Chairman Manseau. All in Favor. Approved.

IV. ADMINISTRATION –Nothing to report

V. OPERATIONS

A. **Superintendent's Report** – Per Superintendent Morris wrote a **DRAFT** of the Commissioners Report for the Board to review.

February flows dealt with some bricks in the flume and will average out when information sent to the City of Worcester. 2.7 million gallons of flow going into Worcester. To date this quarter approximately \$35,000 in sewer flows 20 days left in the quarter and still savings. Operationally conversations regarding the Corona Virus. To limit staff interactions with customer in home appointments or customer interaction coming into the office for everyone's safety.

VI. COMMUNICATIONS

A. **UBWPAD Update** – Per Chairman Manseau UBWPAD at this time they are not doing much.

B. **Joint Water/Sewer Town Officials/Elected Officials Working Group Update** – Per Superintendent Morris the next meeting scheduled March 18, 2020. Money received to start the project and a draft RFP being done to receive bids of what the best option to combing sewer and water Districts.

VII. PERSONNEL - Nothing to Report

VIII. DATE OF NEXT MEETING

A. Approval of Next Meeting Date - Commissioner Lemieux motioned to approve the next meeting March 26, 2020 at 7:00 P.M at 148 Henshaw St. Seconded by Chairman Manseau. All in favor. Approved.

IX. ADJOURNMENT – Commissioner Lemieux motioned to adjourn the meeting. Seconded by Chairman Manseau. All in favor. Approved. Meeting adjourned at 8:40 PM.

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