

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

**VIRTUAL MEETING MINUTES**

**March 26, 2020**

**7:00 P.M.**

- I. CALL TO ORDER Chairman Manseau called the meeting to order at 7:07 PM with the following present:

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

II. APPROVAL OF MINUTES

- A. **March 12, 2020** – Commissioner Lemieux motioned to approve the minutes of March 12, 2020. Seconded by Commissioner DellaCava. All in favor. Approved.

III. FINANCE

- A. **Sewer Rates** – Per Superintendent Morris after prior meeting it was necessary to have all the Commissioners together to discuss the sewer rates. There are four alternative rates for the Sewer District of what the estimated total revenue would be per each rate structure. The Sewer District Budget for next year is \$907,000 that does not include betterment money. Alternative 3 covers the overall without. Alternative 4 accounts for the operations and the betterment payment with the interest. The original rate study done by Pioneer that was approved last year was Alternative 1 and the projected income was only \$700,000. It will not even come close to meeting the needs for the coming year and came up with the other options. Alternative 3 covers the costs of all operations and more manageable. Alternative 4 factors in the betterment. Per Commissioner Lemieux it's important to understand that the betterment money cannot be used towards operational expenses. Per law the money that is received for betterments must be kept separate. Per Superintendent Morris the money that is received is to be used towards the loan payments. Per Superintendent Morris if we do not receive money for the betterments Alternative 3 would cover all operational & debt costs. With the prior Pioneers study it would be needed to take \$100,000 out of the CD which we are not going to do that money is there to stay to pay loans as needed and if we went with this there would be a 200,000 shortfall with Pioneers rate structure. Superintendent Morris suggests that Alternative 4 would be best since we still have some money coming in from the betterment money. It does not cover the whole operational costs and would need to look at rates again next year to re-evaluate. Per Commissioner DellaCava what if we stay with Pioneers prior rate. Per Chairman Manseau then we can't pay the bills. Per Treasurer Wood we would need to borrow from the CD account and then we have less than \$100,000 in the account. In RCAP opinion there should be at least 1 year of loan payments in there in case of emergency. Per Chairman Manseau from last meeting we would go with Alternative 4 and not Alternative 3. Per Treasurer Wood suggests that not to go with Alternative 3 at this time as it would be too much on the Subscribers. Per Chairman Manseau agreed it would be too much for the Subscribers. Perhaps we can make up the difference in the budget that is not spent. Per Superintendent Morris **there needs to be an increase every year until the loans are paid off**. Chairman Manseau understands that the rates need to be

reviewed yearly because the City of Worcester and the Upper Blackstone rates increase, every year. Per Treasurer Wood the Board would need to rescind the motion of the sewer rates that was made March 14, 2019 and make a new motion with the new rate. Commissioner DellaCava motions to rescind the motion from March 14, 2019. Seconded by Commissioner Lemieux. All in favor. Approved.

Per Chairman Manseau the new rate would go into effect with the July 1, 2020 bills. Per Superintendent Morris that would be the plan unless the government steps in to say that utilities cannot raise or freeze rates due the Corona Virus pandemic. If this happens, we will have to continue to run with the rates we have and try to get relief. Commissioner DellaCava perhaps we should hold off because of the virus. Per Superintendent Morris we should continue to go through with this it is crucial and move forward. We must do it because the financials are what they are. Per Treasurer Wood the increase is going to be between 45% – 70% based on usage. Per Chairman Manseau it's going to hurt there is nothing else we can do, or **the State will step in and adjust the rates to what they should be**. Chairman Manseau we go with Alternative 4 effective July 1, 2020 or the soonest date thereafter if we cannot do July 1.

Commissioner Lemieux motions to approve the rate increase shown as Alternative 4 as presented at the virtual 3/26/2020 Sewer District meeting effective July 1, 2020. Seconded by Commissioner DellaCava. All in favor. Approved.

Per Superintendent Morris he created a letter for the Board to review that would be sent to the Subscribers in the May, June, & July bills. He requested that the Board send him any suggestions or comments within the next 30 days prior to the notice going out in the May bills.

IV. ADMINISTRATION –Nothing to report

V. OPERATIONS – Nothing to Report

VI. COMMUNICATIONS – Nothing to Report

VII. PERSONNEL - Nothing to Report

VIII. DATE OF NEXT MEETING

**A. Approval of Next Meeting Date** - Commissioner Lemieux motioned to approve the next meeting April 9, 2020 at 7:00 P.M either at 148 Henshaw St or as a Virtual Meeting. This is to be determined. Seconded by Chairman Manseau. All in favor. Approved.

IX. ADJOURNMENT – Commissioner DellaCava motioned to adjourn the meeting. Seconded by Commissioner Lemieux. All in favor. Approved. Meeting adjourned at 7:43 PM.