

# BOARD OF COMMISSIONERS' MEETING

## VIRTUAL MEETING MINUTES

April 6, 2021

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

3 – Subscribers

Arthur Paquette - LCAC

Arthur E.J. Levesque, Commissioner

Benjamin Morris, Superintendent

Robert H. Lemieux, Sr., Commissioner

Jennifer Wood, Treasurer

Cheryl Balkus, Clerk

- II. **District Member Forum** – Per Chairman Bergin he had read a few items on social media regarding the rates and the staff was asked to provide information. As it relates to the Cherry Valley portion of the District, as of the 4/1 bills the average bill for water in the Valley only was \$76.81 that includes the \$25.00 monthly customer charge. There was an average of 427 per cubic feet. The entire districts average monthly bill was \$81.98. The averages are much lower than what is being reported on social media of 1,200 cubic feet or 1,500 cubic feet per month. Some folks commented that it is a higher bill that people like, but it is the sewer side in the Valley that are higher than the bills they would like to see. Subscribers in the Valley are using a little less water and perhaps they are upgrading with more energy efficient appliances to help in lowering consumption or general conserving and are certainly helping.

Chairman Bergin asks the listening audience if any comments or questions. There were none.

Commissioner Levesque motions to suspend the remaining minutes of the forum.

Seconded by Chairman Bergin. All in favor. Approved.

The District Member Forum ended in 6 minutes and 47 seconds.

- III. **APPROVE MINUTES**

- A. **March 16, 2021 Meeting Minutes** – Commissioner Levesque motioned to approve the minutes of March 16, 2021 Meeting Minutes. Seconded by Chairman Bergin. All in Favor. Approved.

#### IV. FINANCE

**A. Approve March 22, 2021 Warrants** – Commissioner Lemieux motions to approve the March 22, 2021 warrants. Seconded by Commissioner Levesque. All in Favor. Approved.

**B. Approve March 29, 2021 Warrants-** Commissioner Levesque motions to approve the March 29, 2021 warrants. Seconded by Chairman Bergin. All in Favor. Approved.

Subscriber Buteau asked if there was there a bill for the engineers for the Grindstone well. Per Chairman Bergin there was not.

**C. Approve April 5, 2021 Warrants** – Commissioner Lemieux motions to approve the April 5, 2021 warrants. Seconded by Chairman Bergin. All in favor. Approved.

The warrants consist of technology, insurance, payroll, heat, office expense, pipes, retirement, electricity, motor vehicle, repair & maintenance, postage.

The total of the combined warrants is \$42,262.07

**D. March Bank Transfer** – Commissioner Levesque motions to transfer sewer funds deposit to Water to Sewer checking account in the amount of \$73,762.14. Seconded by Chairman Bergin. All in favor. Approved.

This money is collected on behalf of the Sewer Department. It is not the water money.

#### **E. Treasurer Report - March**

Water Revenue Received \$135,127.10 Fiscal Year Total (FYT): \$968,788.78  
SBA Rental & Solar Rental (Cell Tower Rental) \$1,806.13 FYT: \$15,573.05  
Reimbursements: (money received from CVSD) \$298.50  
FYT: \$142,934.36  
Liens: \$0.00 FYT: \$6,529.23  
Miscellaneous: \$0.00 FYT \$1,631.35  
Total: \$137,231.73 FYT Grand Total \$1,135,756.57

#### **Operating Expenditures**

Approved Budget \$1,217,593.91 FY21 Total \$821,623.12  
March \$119,783.20  
Balance as of 3-31-21 before reimbursements \$395,970.79  
Balance after reimbursements: \$538,905.15 *(corrected from 538,95.15)*

#### **Other Payments**

Loan Payments: Appvd Amt \$93,000.00 Pd Amt: \$91,877.60 Bal: \$1,122.40

Grindstone Approved Amt: \$225,000.00 Pd Amt: \$26,209.39 Bal: \$198,790.61  
Clear Well Approved Amt: \$355,000.00 Pd Amt: \$37,065.82 Bal: \$317,934.18

### **Aged Receivables – As of 3/31/2021**

0-90 Days: \$44,096.34 Over 90 days Past Due: \$42,253.90  
Total: \$86,350.24

For additional details of the report go to [www.cvrwd.com](http://www.cvrwd.com) Reports.

## **V. ADMINISTRATION**

### **A. 3-25-21 Customer Request: Buteau**

Per the Superintendent there were questions regarding insurances, and it is a Board decision than the Superintendent and the Treasurer. Workers Comp insurance is being questioned when the Water District has been the sole payer of this.

The workman's comp has been separated but in past few years sewer had workman's comp and did not need it. We received credits and at the end paid it back because the sewer does not have employees on file and technically does not need workman's comp insurance. Since we share the employees the budget information for tonight has an 80/20 split and it factors out to being about \$1,500.00 a year for the sewer to pay and water would pay the difference. To make doable the Water Board needs to approve, it would then be brought up to the Sewer Board. Other insurances are offered by the Water District and did not make sense to have as a split cost.

Per subscriber Buteau it is employee related expense, workman's comp is being paid all by water and since an employee related expense should be shared by the sewer.

Chairman Bergin to clarify, for the health insurance sewer does reimburses the 20%. Workman's comp used to be carried but because sewer does not have employees anymore it used to be credited back to us. If the guys are doing something on the sewer side and were to get hurt suggesting, we should do the 80/20 split. The life and disability insurance only offered on the water side and not the sewer and that this should continue to be a water side. Per the Superintendent confirms. When it was reviewed workman's comp perhaps should be shared. All other insurances should be separate as they are two separate entities. With the life insurance is the only one offered to the employees and insurance offered with the employee hiring with the water district.

Commissioner Levesque to clarify. Is the objective to charge the sewer district more money? Per the Superintendent yes just under \$1,500.00 to the sewer district to cost share for the workman's comp insurance. Per Commissioner Levesque if we vote yes, we are the bad guys then because someone wants to charge the sewer district more.

Commissioner Lemieux there are 1244 water subscribers. To take \$1,500 from the from the water to the sewer budget would save every subscriber \$1.20 a year to the water and to add \$1.20 more to the sewer. As a representative of both boards subscriber Buteau raises a valid point, and they should absorb that percentage, it he would not oppose it and it is small potatoes.

Per Commissioner Levesque since the Cherry Valley Commissioner is also on the sewer board, he should refrain from voting. Per Commissioner Lemieux will recuse himself. Per Chairman Bergin for the record in this instance Commissioner Lemieux does have the full authority as a water commissioner as we are at a water meeting and if he wishes to not vote that is fine, but you also have the authority to do so.

Chairman Bergin asked Subscriber Buteau if this is this a satisfactory explanation. Per subscriber Buteau his main thought is that it was unfair as it is a labor related issue, and it should be split.

Per Chairman Bergin no decision yet and are we going to do an 80/20 split on the workman's comp and other insurances or are we just going to do the workman's comp or are we not going to do any cost sharing on any insurances other than what we already do? If we pass this along, we are going to the bad guys.

Per Commissioner Lemieux a correction on his math, it would be \$3.40 a year of the 437 sewer customers. It will be a social media discussion he is not trying to make light of it, and we are trying to move the money around a little bit. The water subscribers will benefit as opposed to sewer subscribers, but the water subscriber is in the majority and if it saves them, he will support it.

Per the Superintendent the only other insurance that could be cost shared is the life insurance policy. To do an 80/20 split the sewer would be \$213.00. Commissioner Lemieux wanted to know administratively if this were to be done how long would this take? Per Treasurer Wood it would done quarterly, and it would only take about 10 minutes. She does this when doing the service agreement and it would be added on.

Per Treasurer Wood the life insurance policy covers outside of work as well as at work. The sewer district does not offer life insurance as a benefit. They are asking to split the cost 80/20. Sewer would pay 20%. Per Superintendent Morris to combine life and workman's comp is \$1,681 that the sewer district would have to compensate water.

Per Commissioner Lemieux as fairness Subscriber Buteau raises a good point but it is not a huge savings, but he will support it either way. Commissioner Lemieux motions to leave as they are, to not change the billing or cost sharing. Seconded by Commissioner Levesque. All in Favor. Approved.

## **B. Draft FY22 Budget**

Per the Superintendent increase to chemical supply line item for \$2,000. Does not see the well going on-line in July and not planning for a full year's worth. This will be adjusted next year. Chemicals should not be as they were when using Henshaw Pond.

Reduced the leak detection/standpipe line item. Some of the inspections and time frame to space out more and not to have a large expense. A \$6,000 reduction with scheduling.

There are two items he needs from the Board is the proposed combining of accounts. Small tools, repair and maintenance, pipes, and field supplies all into one account all under the repair and maintenance account. Does the Board support this change to the budget moving forward?

Example: We had to purchase a dewatering pump and can classified under any of these categories. Having one account is better than picking which to take and bottom line it is a repair and maintenance cost. He needs the Board to either approve or not approve before the next annual meeting.

Chairman Bergin to clarify that it is streamlining all the line items into one and there would be no change to the overall budget. Confirmed per Treasurer Wood.

Commissioner Lemieux asked what the motivation is for doing this.

Per Treasurer Wood items can come out of any of the accounts and instead of playing a guessing game it falls under one repairs and maintenance. Another example is a purchase is made and there are several items in an invoice. Instead of taking each of the items to determine what category it should go under it essentially falls under one line item. Commissioner Lemieux does not see why we are putting this much effort or save time. Per the Superintendent it was just a thought to streamline and simplify the budget and put it out there that it why this is a draft budget and set it up this way to look at. Per Commissioner Levesque under one line item is much easier.

Subscriber Buteau as a rate payer folks like to see accountability of where their money is being spent and being separate line items shows this. It shows accountability to the public of how you line up your budget and efforts are.

Per Chairman Bergin with the example provided we need small tools for repair and maintenance that involves pipes and field supplies. Breaking it out an invoice from where purchase can be cumbersome. His concern from an auditor's point of view is that they report that they saw this invoice and purchased was as an example a pump. Last time why did it come out of small tools and how come it is in pipes or field supplies and this is adding to a level of confusion, if it is all part of the global repair and maintenance would alleviate the confusion. He agrees those numbers can go up and down but does not feel it would be a step backwards. They all add up at the end of the day. It is a streamline with one account instead of more lines. There were no further thoughts or comments from the listening audience or the Commissioners.

Commissioner Lemieux motions to leave the budget line items as they are and not to condense the three into the one. Seconded by Commissioner Levesque. Per Commissioner Levesque voted nay, Commissioner Lemieux voted yes, Chairman Bergin voted nay. The motion is defeated. It will be pushed all into one line item. Per the Superintendent behind the scenes, we will still have it separated.

Commissioner Levesque motions to combine the accounts. Seconded by Chairman Bergin. Per Commissioner Lemieux - nay. It is passed that the four accounts will be consolidated into the one account.

Superintendent Morris is the last item of the vehicle lease purchase. This is being left as blank and to be kept in as a place holder and to be discussed in the draft warrant articles.

Commissioner Lemieux on that line item is it possible to put a note why it is there and why it is blank? Per the Superintendent this can be done and will relate to the next item on the agenda.

### **C. Draft Annual Warrant Articles**

Per the Superintendent we changed the description of Article 8 The amendment of the Clearwell. The language of the original article was confusing, with conversation with legal we had to change to clarify the description. The money spent on the project and underway and to legally to continue needed the change.

Article #9 Change to the Enabling Act. – This is to bring it back to the rate payers to discuss.

Subscriber Buteau wanted to know if it will have the dollar amount be put in there. Per the Superintendent we do not know it is a big unknown. Per Buteau as it is written there is no cost. There could be a ballpark cost and then people can vote if they want to pursue it. Otherwise, a person will assume there will be no cost and it is not true. Per Chairman Bergin it will be up to the Board to explain it to the rate payers of the different scenarios and what it could cost. There were seven- or nine-line items from the Statehouse that they had questions with, and this has to be addressed and cost the rate payers for legal to research to answer and package it together and resubmit it. Then are they going to come back with more questions that will require legal to do and at what costs will this be. Per prior reference to Commissioner Lemieux stating as to which rabbit hole are we going to go down. It is an unknown, but it is up to the rate payers to vote if we want to spend more money, we have a guesstimate of the initial amount going forward and more to be added and added to us we do not know.

Per Subscriber Buteau it should have that there is the guesstimate or that it could be an unknown amount and suggests that under the description the Board consider including that unknown costs. People need to know that we do not know what it will cost. Also, do we know where the money going to come from, the operating budget?

Commissioner Lemieux agrees with Subscriber Buteau that the wording needs to be more descriptive. That we already spent x amount and got nowhere, it is going to cost a few thousand or more and we do not know what that will be. Suggests asking the subscribers to wish to bear the additional legal expense for legal council to rewrite the proposed enabling act amendment that the rate payers voted for in November 2019. Perhaps the last line read that the Commissioner felt that it is a district member article, and they should decide if the district should pursue to authorize the expense with the unknown amount. The reason is related to the expense that the district has already incurred and the unknown. We already know that it is going to cost thousands with no guarantee and so that the ratepayers understand.

Per Chairman Bergin agrees to add with to incur additional legal expense and final sentence could be pursue final to occur unknown costs. We will have our opportunity when brought to the rate payers and as the Board Members responsibility to explain this as everything cannot be put into the article. It is not our decision it is up to the rate payers to spend the money. If they vote to spend the money, then it is their say.

Per Subscriber Buteau he is only asking for it to be in the description that we do now know the amount, we know what has been spent and we have the unknown costs. Chairman Bergin agrees.

Commissioner Levesque if legislator responded and if they approved means that all other utilities could piggyback on all of this when we did all the work on it. Others should bear the costs if it were to pass.

Per the Superintendent asked what amount we want to put in to put a value on it. Per Chairman Bergin, Attorney Bachrach gave a ballpark, and we should incorporate at least that, but it is not a final amount.

The entire board agrees to tweak the description to Article 9.

#### Article #10 – Lease Purchase Vehicle

Per prior discussion is trading in the F150 to purchase a F550 dump truck. Gives the people to say if we do the lease purchase agreement, Year one of five years is a free cash expense, but the District is agreeing upon the remainder of four years being appropriated through the operating budget. In his research of other towns, many of them do this and where he received the language. It is a common practice and leaving the discission it up to the rate payers. The lease purchase amount is in the budget is left at zero. Year one will be free cash, the next year will transition into the dollar amount of the \$13,104.31. He needs to know if the entire board is on with this proposal for the lease purchase or buying a vehicle at all to put on the floor in May or should it be put aside.

Per Commissioner Lemieux motions to put aside and remove Article 10 from the proposed draft warrants. To not move forward with the lease purchase of the truck this upcoming year. Per Commissioner Leveque seconded it for the sake of argument discussion.

Chairman Bergin asking Mr. Buteau did he think that there is something like this. Per Subscriber Buteau he had no knowledge of that, in the past purchasing of the vehicles by the water department was the full amount not the language of lease purchase.

Commissioner Levesque votes Nay to remove it, Commissioner Lemieux votes yes to remove it and Chairman Bergin votes nay.

The motion has been defeated the article will remain.

Per the Superintendent all articles would need to be approved at the next meeting.

Subscriber Buteau to the Superintendent regarding Article 10 this is the first time seeing this arrangement. If you put next four years in the operating budget and it is disapproved, then you do not have the money for the lease correct. You cannot commit a district or town to a future operating budget.

Per the Superintendent in his research with DOR on this and this question and with another municipality by having the language per chapter 44 section 21c it becomes a binding agreement for us to have to make that payment back and how we come up with it is up to us. Language taken by another community, not out of the ordinary and no reason why we cannot pursue new theories and new purchasing methods to try and update and maintain our equipment moving forward. Subscriber Buteau, to confirm because it says debt this requires a 2/3rds vote. Confirmed per the Superintendent.

**D. Application for License: RJ Messina 88 Huntoon Memorial Highway –** They are the excavating company for this facility, and they are doing the water tie in. This is a formality approval. Commissioner Levesque motions to approve. Seconded by Chairman Bergin. All in favor. Approved.

## **VI. Operations**

### **A. Superintendent's Report –**

We filed for a demolition permit. The wooden garage and the old water intake building has been removed in advance of the well project. The permit should be closed out.

We removed all arsenic media and being prepped to be disposed of.

The removal of an old tap to be done, rerouting a sample line and removal uranium media. We are moving along on our end to be prepared.

The planned inspection is a 95% drawing sent to the DEP with the changes and why for them to review and approve. He has not heard if DEP commented to Tata & Howard. A few items on the plan to be added such as notation issues.



In the April 1 water bills a notice was sent regarding hydrant flushing to begin at the end of month with Cherry Valley and work across the District.

Last month we purchased 4.7 million gallons from the city the average is 150,000 gallons per day.

Prowler is doing system wide leak detection. They are in the Chery Valley area and on Main St. We will be getting a map and leak audit of the system.

We received a copy of the revised draft report of the town wide report that will begin with the Board to review.

Chairman Bergin wanted to know if the City of Worcester the Stage 1 or 2 water ban has been lifted? Per the Superintendent he has asked and has not received information back from them yet. Per Chairman Bergin he read in the paper the reservoir level is at 94.6% capacity so why are we in a water ban. The Superintendent will attempt to follow up again.

The unidirectional flushing in the Spring should alleviate if there are water quality issues for the summer.

Subscriber Buteau wanted to know the date plans and specs were submitted to DEP. The Superintendent will work on this tomorrow.

Buteau - If there was a virtual meeting with the DEP. Per the Superintendent is unaware.

Buteau - To confirm we received the revised draft from Weston & Sampson Report. Per the Superintendent it will be circulated to the Board members to be reviewed.

**VII. Communications – Nothing to report**

**VIII. PERSONNEL – Nothing to Report**

**IX. DATE OF NEXT MEETING**

**A. Approval of Next Meeting** - Commissioner Lemieux motioned to hold the next Virtual Meeting Tuesday, April 20, 2021 @ 7:00 PM. Seconded by Chairman Bergin. All in favor. Approved.

**X. ADJOURNMENT-** Commissioner Levesque motioned to adjourn the meeting. Seconded by Commissioner Lemieux. All in Favor. Approved. Meeting adjourned at 8:44 P.M.