

# **DENNIS WATER DISTRICT**

## *Board of Water Commissioners*

Minutes of Meeting held

June 30, 2022

A meeting, having been duly posted, was held this date at the Stone Hearing Room, Dennis Town Hall, 685 Route 134, South Dennis and called to order by Paul F. Prue, Chairman at approximately 10:00 AM. Water Commissioners Peter L. McDowell and Robert M. Perry were present. Also present were David Larkowski, Superintendent and Sheryl A McMahon, Treasurer.

The Pledge of Allegiance was recited.

### **Public Information - None**

### **Updates Regarding Water Use Restrictions**

Following a request made by Mr. McDowell for clarification regarding the Odd/Even watering restrictions, Mr. Larkowski provided an explanation stating that properties with an odd-numbered street address were allowed to water on odd dates of the month and that even-numbered street addresses were to water on even dates of the month. A graph depicting the status of the USGS monitoring well in Brewster had been distributed to the Board. The current water level was less than 25% of the average levels for all the time recorded. He said that our own well data reflects the same status as the Brewster well and we are very low for this time of the year, but we are about the same as last year at this time. Last year, before the beginning of the season, the aquifer was full. He stated that levels are taken at least once a month. Some wells are a little worse. He advised that Well 15 was just cleaned and is back to its capacity of 700 gallons per minute (gpm). However, he is only pumping it at 550 gpm, essentially at the same rate it was being pumped last year. Wells 6, 5 and 14 are low producers. Wells 15 and 9 are "ok". It was noted that the Boston area is cooler in June than it was last year and our current rainfall is just under average. He further noted that rainfall at this time of the year primarily satisfies plants.

Mr. Larkowski distributed the recently printed citation books. There are three copies of each citation which can be issued as warnings and subsequent fines for violations. He advised that the District had always had the authority to issue these non-criminal citations, but at the Annual District Meeting the bylaw was approved that raised the fines. He noted that we now have a process in place as well. He intends to place a Reverse 9-1-1 call after July 4<sup>th</sup> about the odd/even watering followed by issuing warnings. Mr. McDowell remarked that the District's website should provide an explanation as to how the odd/even restriction works and he asked how Mr. Larkowski would be observing violations considering that most watering goes on during non-working hours for the District. He also asked who would be working this. The Superintendent explained that the information is on our website and in the information that is being handed out. He would be training personnel in the process and that it may entail overtime hours. He also explained that for customers who have irrigation controllers that cannot be programmed for odd/even scheduling, that they can use the following schedule: Odd-numbered properties water Monday-Wednesday-Friday and Even-number properties water on Tuesday-Thursday-Saturday. Ms. McMahon advised that she would modify the District's website information to reflect the recommended scheduling for controllers that cannot be programmed for odd/even days.

There was discussion on the differences of recorded precipitation in Dennis and on Cape Cod. Mr. McDowell noted that Dennis' precipitation is not necessarily the same as what is reported in the Cape Cod Times. Chair Prue was of the understanding that the precipitation reported in the Times is taken from the airport in Hyannis. Mr. Larkowski noted that most of the rainfall at this time of the year is taken up by plants and does not impact the water table.

### **Discussion with Superintendent and Treasurer on future water rates and tiered structure.**

Mr. Larkowski introduced the topic as a first step in discussing the District's tiered rates and other fee structures like labor rates, seasonal turn on/off, etc. He said the budgets are prepared six months before it begins and there

are events that can catch up to us fairly quickly. He stated that we have been managing the District very conservatively financially. He believed that they had done the due diligence to save money where they could. Costs have been sky-rocketing as well as supply chain issues in obtaining materials and parts (pumps). He said that as an example fire hydrants are 9-months out for delivery. He also noted that we are in some-what of a crisis with our water levels where they are currently and having to ask customers to cut-back which means we may not make as much money. He also noted that there are a lot of tear-downs where they are building bigger homes and putting in more irrigation and it is the type of usage that is changing. He believed water restrictions will be more common in the future. While we talk about costs going up and revenue going down he noted that there are a number of towns that use a tiered water rates that focus on water usage for irrigation. He said it is so apparent when watching the tank levels early in the morning when irrigation systems come on. He said higher tiered rate structure will help curb their appetite for lawn irrigation.

He also noted that the Labor Rate has been in effect for about 12 – 15 years. He said changing the Labor Rate will change a slew of other rates. Mr. McDowell asked about specific data and seeking graphs comparing the changes in the consumption of water. He suggested that perhaps the lower rates might remain the same and then the middle and highest rates could be changed significantly. Ms. McMahon stated that in respect to the water rates, the lower tier generates the bulk of the revenue from water usage. She said that if the revenue comes in as expected and that the budget is on target, then essentially it nets to zero and that is what a balanced budget is. She said that the margin is getting closer and closer and that the budgets do not have built in future infrastructure costs. It was her recommendation that the Board should look at building into the rate structure more capital funding for infrastructure. She noted the reason for the recent increase in water rates was because the revenue was not sufficient to meet the operating budget. She recommended that the Board look at the future capital costs in terms of re-investment back into the system and noted its age. Mr. Perry noted that this reflected back on the Finance Committee's past discussion on evaluating the long range projection and that it did not necessarily account for increasing future costs. He suggested a realistic projection on where the costs would be and noted that despite increased usage doesn't that push up against the state's limit. He believed it would be a good exercise to lay out the infrastructure costs to see where the rates would be. Ms. McMahon asked the Board to think about what a professional rate setting study.

She said for years the conservative budget and conservative revenues enabled the District to have enough "Free Cash" to reinvest back into equipment, operations and maintenance. Her concern was that the escalation in costs will make that margin disappear and the District will be hard-pressed to fund those things. Chair Prue asked what she thought a water rate study would cost. In response, she estimated between \$14,000 and \$20,000. Mr. Perry said he respected Mr. McDowell's concern about people's ability to pay but, felt that if that is done carefully and justified to the rate payers it what else can we do or do we begin by continuing what has been done. He said he would reserve his comments until they have more information. Mr. McDowell said he would be very interested in relating the specific data in graphs or other ways, however, he said if we know what our costs are and considering the capital costs of the what-ifs and the maybes, if he wasn't satisfied he would vote note as he feels a responsibility here to keep the cost of water as low as possible. Mr. Perry said that more frequent rate adjustments might prevent sticker shock. He said a future forecasted budget to see if a balance can be achieved in water rates through a tiered system. Ms. McMahon said that the vast majority of customers are not aware of what the billable rates are for the District until they need a service. She said that having a study could provide a model where future budgets could be used in the model to determine where those rates could be. Mr. McDowell wanted to see the raw data relevant to the usage and compare it to the wages, etc.

### **Superintendent's Report**

Mr. Larkowski stated that seven wells were cleaned this year and they are all back on-line with the exception of the Main Station. He explained that there are five small wells at the Main Station that pump as a combined source (150 gpm per well). One of the wells has a hole in the screen and it is out of service. He is deciding whether to drill a new well or put in a smaller screen. The Main Station is pumping at 550 gpm instead of about 700 gpm.

He said that we are still waiting to hear from the Town about a grant of ARPA funds for well cleaning.

## **Treasurer's Report**

Ms. McMahon said that she had issued the Request For Proposals for Auditing Services. The service proposals are to be delivered to her directly and the price proposals are to be sealed and addressed to the Board. The proposals are due July 12 and she anticipated that the Board would be reviewing and awarding the contract at their next meeting scheduled for July 28. She said the contract would be for three years commencing with 2021 to start in August and with 2022 back-to-back.

She said that the last of the reading routes are completed within the next several weeks and from right now she anticipated that the August billing will go out as it usually does. She did note that GlobeDirect, the company that did the printing and mailing of the bills is closing its business at the end of the year and this would be the last water billing with them. She said she was close to finishing the draft of the request for proposal for the new water billing programming which she said would include bill presentment.

### **Minutes of April 14, 2022 and May 26, 2022**

On a motion made by Peter L. McDowell and duly seconded, the Board **VOTED 2-0-1 (RMP): to accept the minutes of April 14, 2022, as presented.**

On a motion made by Robert L. Perry and duly seconded, the Board **UNANIMOUSLY VOTED: to accept the minutes of May 26, 2022, as presented.**

### **Executive Session:**

**On a motion made by Peter L. McDowell and seconded by Robert M. Perry the Board UNANIMOUSLY VOTED: to adjourn to an Executive Session in accordance with Mass. General Law Ch. 30A, Sec. 21(a) Reason #1: to discuss the reputation, character, physical condition or mental health rather than the professional competence of an individual. The Chair having taken a roll call vote which was found to be as follows:**

**Robert M. Perry "aye"**

**Paul F. Prue "aye"**

**Peter L. McDowell "aye"**

Respectfully submitted,

Sheryl A McMahon, Clerk