

**DENNIS WATER DISTRICT**  
*Board of Water Commissioners*  
Minutes of Meeting held  
January 29, 2015

A meeting, having been duly posted, was held this date at the Dennis Police Department, 90 Bob Crowell Road, South Dennis and called to order by Paul F. Prue, Chairman at 6:00 PM. Water Commissioners Charles F. Crowell and Peter L. McDowell were present. Also in attendance was David Larkowski, Superintendent and Sheryl A McMahon, Treasurer.

***Public Comment***

Mr. McDowell attended the MMA Conference in Boston last week. He was impressed with the presentation by Governor Baker.

***Customer Issues:***

Ms. McMahon advised that the signed application for the Leak Abatement being requested by Edward Coppinger of 23 Windward Rd, East Dennis had not been returned as of the meeting date. No action was taken on this matter.

***Reserve Fund Request - \$1,000 to cover property damage claim from lightning storm of August 2014.***

Ms. McMahon advised that an electrical storm in August 2014 (FY 2015) caused \$5,976.90 in damages to electrical and mechanical equipment in Station 12, 23, 1, 2 & 3. The property claim with MIIA reimbursed the District leaving a balance of \$1,000 representing the deductible. The cost is for materials only, all work is done with District personnel. On a motion made by Peter L. McDowell, and duly seconded, the Board ***UNANIMOUSLY VOTED: to transfer \$1,000 from the Reserve Fund to cover the cost of the deductible.***

***Drought Conditions - Consider changing Advisory Status to Normal***

Mr. Larkowski advised that the drought conditions are monitored all year round. The USGS well in Brewster is monitored closely. Our drought management plan is based on the levels in that particular well. Effect last July the District moved from Normal to a voluntary odd-even day outdoor watering which is known as "Advisory". The fall precipitation was good and the levels have returned to normal and he recommended that the Board move the status from "Advisory" to "Normal". There are five stages. On a motion made by Peter L. McDowell, and duly seconded, the Board ***UNANIMOUSLY VOTED: to return the drought management status from Advisory to Normal.***

***Request for equipment upgrade at Hokum Rock Tank by Verizon***

The Superintendent advised the Board that Verizon Wireless has equipment on the Hokum Rock Tank that has been in place for approximately eleven years. The carriers are constantly upgrading their equipment in order to be able to stream more data. They are requesting a

modification to increase the number of antennas. The original contract called for nine. Verizon is offering to increase the yearly lease payment by \$3,000 for the three additional antennas. On a motion made by Charles F. Crowell, and duly seconded, the Board ***UNANIMOUSLY VOTED: to authorize the Superintendent to modify the current contract with Verizon Wireless to add additional antennas to the contract and to increase the annual lease payment by \$3,000 and subject to the annual escalation factor.***

### ***Superintendent's Report***

Mr. Larkowski advised that the staff has begun to scan the asbuilts for document preservation and development of the basis of the District Graphic Information System (GIS). There are roughly 2,000 documents being scanned and it is nearly three-quarters complete. He anticipates having the consultant come sometime in February to attach the drawing files to the GIS mapping system. Then employees will be able to click on the map and retrieve and print the asbuilt data. Eventually, the entire mapping system will be on laptops or workbooks and available to employee out in the field.

In terms of the Transmission Main Project he reported that he is making progress with negotiations with the Childs family for an easement to connect the third and final phase of the project. This phase will connect a 12" transmission main from Great Western Road to Center Street.

Well cleaning has continued over the past several months. Well #20 is a newer well and is 150 feet deep. It should be completed shortly. Well #5 is scheduled next. Raw water from Wells 5 and 22 are being redirected to the treatment plants. A new pump is needed for Well#5 in order to pump the water to the south treatment plant. The pump upgrade will be expensed to the project for removing iron and manganese from Wells 5 and 22. The process for cleaning the wells lately has been the freezing method. If the results are not sufficient an acid application will be added to the process.

Water meter reading is complete and bills are anticipated to be mailed on Friday, February 13. Ms. McMahon reported that according to preliminary commitments the water billing was estimated to be between \$55,000 and \$60,000 greater than the same cycle a year ago. It was her observation that customers that used water for irrigation systems used more water than a year ago whereas customers that don't irrigate maintained normal usage.

### ***Clerk/Treasurer's Report***

- ***Policies & Procedures – Draft Payroll and Accounts Payable*** - Ms. McMahon advised that they are still a work in progress and hoped to have them in draft version soon.
- ***FY 2015 Tax Rate Set*** – The Board was advised that the Mass. Department of Revenue has set the property tax rate for the District at zero. She is awaiting the certification of the "Free Cash."
- She said this is a busy time of the year in the office. Meter reading has just wrapped up as well as the processing of more than 200 Demands for non-payment. This is in addition to approximately \$12,000 of water liens that were committed to the Assessors

for collection on the real estate tax bill. She noted that there any number of reasons why water bills are not paid. The office is also starting to receive calls for the installation of seasonal meters. There are anywhere from 1,700 to 2,000 seasonal meters.

## ***OPERATING & MAINTENANCE***

The Superintendent and Treasurer reviewed the draft Operating & Maintenance budget for FY 2016 and a Power Point presentation was available for view on the projector screen (attached). The Treasurer noted that the O & M budget is voted as a total budget at the Annual District Meeting. The line items are used to categorize expenditures and actual amounts are recorded. This method helps track expenditure trends for future budgets.

Some of the discussion highlights were:

- Gasoline – level funded despite the low cost currently this budget is trying to estimate costs through June 30, 2016.
- Miscellaneous Equipment – Increase of \$3,500 is proposed as it has been exceeding budgeted amounts regularly.
- Electricity –The contract to purchase at .063 cents per kWh ended in October. Currently, the District is purchasing power at 10.4 cents per kWh. The District has not yet received a payment for the net metering credits for the solar field. The budget has to reflect the total electricity that will be paid and the net metering credits will be received as estimated revenue. To date income has not been estimated. There was a discussion about how the net metering credit payments will work. Before the District receives any money the agreed price for purchasing the net metering credits. There will be no cash payments to the developer for the net metering credit.
- Sick Leave Buy-Back – This is a program in which employees are paid for their unused sick leave at the end of the fiscal year that are accumulated in excess of their 30-day or 60 day sick leave bank.
- Printing and Advertising – The response to a request for quotes for printing and mailing services was received several weeks ago. The lowest price was for just under \$7,000 with the highest over \$10,000. This will yield a net reduction in this line item of \$2,000.
- Meters & Parts – A \$10,000 increase is being proposed to accelerate the replacement of the ABB meters in the system with Neptune.
- Water Quality Expense – an \$18,000 decrease is proposed as the sampling requirements for the ensuing year are substantially less. The testing for unregulated contaminants are done every five years accounted for the significant increase in FY 2015.
- Payroll – Usually the Board meets in Executive Session to discuss wages. The payroll has generally been based on a Cost of Living Adjustment that is based on the approved COLA for Social Security. This year it is 1.7%. The per-hour rate is based on the average rate for hourly employees times the COLA. Therefore, the proposal is a base increase of \$0.48. It was noted that there is an additional paid day in FY 2016. The types of other compensated time such were reviewed. It was noted there are several individuals who have received licenses and should be compensated. The bonus proposal this year is primarily for one employee who serves as the District's electrician but, he does so much more such as SCADA, etc.
- Group Insurance Benefits – at this time is being level funded. Last year's increase was just under 2% for active plans and the Medex plans had no increase.

## ***GENERAL APPROPRIATIONS***

- Principal on Loans – This item will be level funded for the next five years.
- Interest on Loans – Annual decreases of approximately \$15,000 are anticipated.
- Insurance Expense – The District belongs to the Massachusetts Interlocal Insurance Association which is a self-insured pool of municipalities for workers' compensation and property liability. Due to significant credits and dividends issued annually it is anticipated that this account can be level funded.

## ***CAPITAL EXPENDITURES***

- Cleaning & Pump Repairs – an appropriation of \$80,000 for this annual on-going work.
- Water Management Act Permit Renewal – a \$10,000 appropriation is requested for consulting services to assist the Superintendent with the permit process.
- New Trucks – replace a standard van now in use with an upgraded utility type of vehicle at an estimated cost of \$40,000 and 3/4 –ton pickup truck with plow and tailgate lift for approximately \$40,000
- Construction Equipment – trade in a mini-excavator for new, trade in one of the backhoe-loaders from a skid steer and purchase a new air compressor.
- Miscellaneous Equipment – additional portable handheld radios, mile, rock drills and a new multifunction printer for office.
- Tank Maintenance – the West Dennis elevated tank will need additional \$300,000 to be added to current balance.
- Transmission Main Extension – A proposed \$10,000 in additional funding primarily for securing the easement.

## ***REVENUE***

- Tank Rental – \$35,000 decrease due to the loss of a carrier.
- Solar Farm Revenue – The estimated annual income is approximately \$125,000. For FY 2016 the estimate is conservative at \$70,000.
- The difference between total estimated revenue and what was actually collected was just .3%.

## ***BUDGET SUMMARY***

- The summary shows the proposed budget and two prior years.
- The uncertified “Free Cash” balance is \$991,290 of which \$523,297 is required to fund the current budget as proposed.

Ms. McMahon noted that Kathy Riley of Segal Company will be conducting a presentation on OPEB for the Board of Selectmen, Town Finance Committee on Tuesday, February 24. The Water Commissioners and District Finance Committee are invited to attend.

The Long Range Projection was presented. No increase is anticipated in the water rates for the foreseeable future. The last time the rates were increased was due to the assumption of the debt service of \$8 million for the two treatment plants.

***Minutes: November 23, 2014*** – The review and acceptance of the minutes was deferred.

***Executive Session*** – At approximately 8:02 PM, in accordance with Ch. 30A, Sec. 21(a)(1), Chairman Prue declared that an open meeting may have a detrimental effect on the negotiating position of the public body which is to consider the purchase, exchange, lease or value of real property if the to consider the acquisition of an easement for the installation of transmission water main. A motion was made by Peter L. McDowell to adjourn the open session in accordance with Chapter 30A, Section 21(2) to conduct strategy sessions in preparation for negotiations with a property owner for the acquisition of an easement for the installation of water main and not to return to open session. Charles F. Crowell seconded. The Chair then called for the roll call vote which was as follows:

Charles F. Crowell – “aye”

Peter L. McDowell – “aye”

Paul F. Prue – “aye”

Respectfully submitted,

Sheryl A McMahon, Clerk