

DENNIS WATER DISTRICT

Board of Water Commissioners

Minutes of Meeting held

March 12, 2015

A meeting, having been duly posted, was held this date at the Dennis Water District, 80 Old Bass River Road, South Dennis and called to order by Paul F. Prue, Chairman at 10:00 AM. Water Commissioners Charles F. Crowell and Peter L. McDowell were present. Also in attendance was David Larkowski, Superintendent and Sheryl A McMahon, Treasurer.

Mr. Larkowski began the discussion by stating that at the last meeting the Board had voted \$300,000 from "Free Cash" to be added with the approximate available balance of \$395,000 to be used for the repairs and painting of the West Dennis Tank. He stated he estimated the total cost of the project at \$1.1 million. He is not able to do the Hokum Rock Tank at this time. He and Ms. McMahon are recommending that the District vote to authorize a borrowing of \$400,000 at the Annual Meeting. This would allow the project to get started now. With the authorization to borrow, the project would be fully funded and it would allow the Treasurer to certify that the appropriations made are sufficient to fund the contract. The engineering, bid specifications and other documents would allow the project to be bid in the fall. This would enable the contracts to be issued and the work would commence as soon as the weather breaks in March of 2016. If the District were to wait to appropriate the additional funds at the 2016 annual meeting, it would still not likely be able to begin work until the spring of 2017.

Ms. McMahon stated that it would be unlikely that any borrowing would be necessary as the actual total costs of the project will be known prior to the 2016 annual meeting at which time the borrowing could be rescinded and any monies necessary could be transferred from available funds. In the worst case scenario, if it were necessary to borrow until the annual meeting, she would be able to inter-fund borrow from the Stabilization Fund as there is currently in excess of \$1.1 million.

There was considerable discussion about the difference between having a borrowing authorization and doing an inter-fund borrowing, if needed, as opposed to transferring by vote at the annual the \$200,000 from the Stabilization Fund. Ms. McMahon explained that a vote to transfer \$200,000 from Stabilization Fund for the tank project would require the immediate transfer of cash from the Stabilization Fund as the cash account should equal the ledger account. In the case of the borrowing authorization, no monies would be transferred unless and until it was necessary to pay for work on the project. She further noted that both votes require a 2/3 vote of the District.

Mr. McDowell suggested that the Board recommend to increase the \$300,000 transfer from "Free Cash" to \$500,000 and to request a borrowing authorization of \$200,000. This would leave a balance of \$375,585 in "Free Cash". Although it was Ms. McMahon's recommendation to have the "Free Cash" balance not go below \$400,000, it was "close enough". On a motion made by Peter L. McDowell, and duly seconded, the ***Board UNANIMOUSLY VOTED: to recommend to the District Meeting an appropriation for the repairs and painting of the West Dennis Tank (Maintenance and Power Washing Tanks) of \$500,000 to be transferred from "Free Cash" and a borrowing authorization of \$200,000.***

On a motion made by Peter L. McDowell, and duly seconded, ***the Board UNANIMOUSLY VOTED: to adjourn the meeting at approximately 10:35 PM.***

Respectfully submitted,

Sheryl A McMahon, Clerk