

DENNIS WATER DISTRICT

Board of Water Commissioners

Minutes of Meeting held

January 20, 2016

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 9:00 AM. Water Commissioner Peter L. McDowell were present. Also in attendance was David Larkowski, Superintendent and Sheryl A McMahon, Treasurer.

New Water Tank Project

a) Consider RFP for third cellular carrier: Mr. Larkowski advised the Board that Verizon has requested additional space on the existing water tank in West Dennis. Verizon has been advised that it is likely that the construction of a new tank will be completed around the fall of 2017 and carriers will have to move from the existing tank prior to its demolition. A lengthy discussion ensued regarding the potential for additional carriers on the new water tank. Mr. Larkowski explained that the potential would depend on the style of tank constructed. Mr. McDowell wanted to know if there was anything that could be engineered that would expand the number and what that additional cost, if any, might be. The Superintendent advised that there would definitely be an opportunity to include certain types of accommodations during the design and construction phases, such as conduit, for additional carriers in the future. Mr. McDowell asked for assurances that the potential for additional carriers be maximized. Mr. Larkowski requested that the Board authorize a Request for Proposals for leasing space on the tank. On a motion made by Peter L McDowell, and duly seconded, the Board **UNANIMOUSLY VOTED: to authorize the Superintendent to issue a Request for Proposals for leasing to cellular carriers available space on the West Dennis Water Tank.**

b) Style of Tank: Materials such as pictures and diagrams (attached) were distributed to the Board members for review and discussion. Mr. Larkowski described the spheroid-style tank as a “golf ball” and is a basic design. Anticipating a 1 MG tank would mean that the strength of the steel pedestal that holds up the spheroid would have to be significantly increased compared to a smaller size. There is simply not the same amount of space available for cellular carriers on this style tank which would mean a loss of revenue for the District. The maintenance of this tank would be substantial as it is all steel construction.

Mr. Larkowski reviewed a style of tank known as a hydropillar. There is one in Harwich near the Cape Cod Regional Technical School. This is made from corrugated sheets of steel to hold up the tank. This style provides for storage space underneath the water tank. The tank is generally considered aesthetically pleasing because it is all one piece construction. A major consideration is that the all steel construction needs maintenance painting of the entire outer surface area which requires shrouding the tank.

The composite style tank was reviewed by the Superintendent. The water tank is made of steel and sits on a concrete pedestal. The water storage would be approximately 130 ft. by 10 ft. The pedestal is constructed on site by pouring concrete panels. The surface area of the concrete can either be textured or smooth. There would be hundreds of truckloads of concrete that would need to access the site during construction. One aesthetic consideration is that the concrete pours will not all match exactly. A definite advantage in terms of long term maintenance is that only the water tank itself has to be painted. The concrete is not painted or sealed. It may have to be pressure washed from time to time.

c) Construction & Maintenance Costs: Mr. Larkowski advised that there are at least three contractors that bid on this particular style of construction therefore, competitive bid pricing would be anticipated. He stated that he anticipated the cost of the composite tank, which is the one he is recommending to the Board, would be approximately \$4 million. Mr. McDowell requested that the estimated cost of each style for the anticipated IMG tank be provided for the next meeting.

d) Site Limitations: The Superintendent was concerned about the amount of space available for constructing the new tank without the need to acquire the use of adjacent land by way of a temporary or permanent easement or purchase. He further advised that he had met with a contractor and the consulting engineer at the site of the West Dennis tank the day prior to this meeting. He explained to the contractor that the existing tank would have to stay in-service until the new tank was constructed. Parking for the fire department vehicles and staff would need to be temporarily relocated to provide access but, he did not anticipate any issues. He said that the contractor was confident that he would be able to construct the new tank in the space available and remain totally on District property.

e) Appraisal: Since there appears to be a sufficient amount of space available for constructing the new tank on the District's property, there was no further discussion as it related to the acquisition of additional land.

Preliminary FY 2017 Budget Discussion

a) General Overview – Ms. McMahon had provided to the Board members a one-page preliminary budget review prior to the meeting. She reviewed with the Board some of the significant changes that are projected for the budget such as a requested \$10,000 increase in Repairs & Maintenance of Station, a \$5,580 increase in Water Quality Expense and approximately \$10,000 in increases spread over 6 line items. Major offsets to these increases would be an anticipated reduction of \$14,500 in energy expenses, \$9,132 in the Barnstable County Retirement Assessment and an estimated \$2,000 reduction in Group Insurance Benefits.

There is a reduction of \$12,417 proposed for General Appropriations. The reductions are primarily attributable to a decrease in debt service and a \$10,000 reduction in Insurance Expense. However, these savings are somewhat offset by a request to increase Water Services by \$10,000. This is due to an increase in materials but, an increase in the level of service work.

Due to a refocus from the maintenance and power washing of water tanks to the construction of a new water tank in West Dennis, the proposed Capital Appropriations is \$340,100. The only two "new" capital items is being considered the purchase of new water billing software and upgrades to the computer system.

Special Articles will certainly be the major focus of this year's budget preparation cycle. The preliminary cost of construction for a Water Tank in West Dennis is \$4,000,000. Sources of funding for consideration are proposed as follows:

- \$1,000,000 from Stabilization Fund
- \$ 500,000 from Maintenance & Power Washing Water Tanks
- \$ 500,000 from Free Cash and
- \$2,000,000 as authorized debt

A bookkeeping article will be presented in order to rescind the \$200,000 borrowing authorization for work on the existing West Dennis Tank.

Revenue estimates for water rates and charges remains essentially flat at \$4,497,865 with no changes in water rates and charges. Last year's revenue was just 2.03% above what was estimated.

b) EXECUTIVE SESSION: MGL Ch. 30A Sec 21A Reason #3. To discuss strategy with respect to negotiations with non-union personnel (office and water works employees) as an open meeting may have a detrimental effect on the bargaining position of the public body and the chair so declares.

Although an Executive Session was anticipated and appropriately posted, there was a consensus by the Board members present not to convene the session. Therefore, Mr. Larkowski reviewed the proposed FY 2017 payroll schedule with the Board. As it has been past practice for many years, the cost of living adjustment (COLA) was based on the average hourly rate for hourly compensated employees times 2%. This increase of \$0.57 per hour is then applied to each hourly employee. There were three exceptions to this application. The wage rate of one administrative employee was escalating outside the market range for the job description therefore, the COLA was withheld for FY 2016. Due to the appointment of an Office Supervisor during the current fiscal year, the wage differential was an aberration and was acknowledged. The Superintendent advised that the senior systems technician recently assumed the leadership role with commensurate responsibilities for management and maintenance of water supply and treatment. The Superintendent is recommending an increase of \$2.00 in addition to the COLA. The Board acknowledged a two percent increase in the annual salary of the Superintendent and Treasurer.

On a motion made by Peter L McDowell, and duly seconded, the Board members present ***UNANIMOUSLY VOTED: to tentatively approve the proposed salaries and wages for the Fiscal Year 2017 as presented.***

Previously Unknown Item: With the permission of the Chairman, Mr. Larkowski advised the Board that late yesterday afternoon he was advised that a 2009 F350 utility truck is leaking diesel fuel into the crank case. He has been advised that the 6.2 liter engine must be replaced at a preliminary base cost of \$18,000. The scope of the truck's service, age, miles and replacement with new was discussed. Mr. Larkowski advised that he will continue to investigate options and report to the Board at the next meeting. There was no action taken by the Board at this time.

Adjournment

On a motion made by Peter L. McDowell, and duly seconded, the Board members present ***UNANIMOUSLY VOTED: to adjourn the meeting at approximately 11:05 AM.***

Respectfully submitted,

Sheryl A McMahon, Clerk