

# **DENNIS WATER DISTRICT**

## *Board of Water Commissioners*

Minutes of Meeting held

July 26, 2018

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

The Pledge of Allegiance was recited.

## **Public Information**

### **Other Post-Employment Benefits Liability Trust**

**a) Official filing of Declaration of Trust** - Ms. McMahon had provided a memorandum regarding the status of the District's OPEB Trust Fund. She stated that as Trustee she is required to create a Declaration of Trust. Ms. McMahon informed the Board that upon completion of the draft which was based somewhat on the Town of Dennis' Trust Agreement it was reviewed by Attorney Marsh. Upon further joint review with Attorney Marsh, a final Declaration of Trust is presented here tonight. Chapter 32B, Section 20, states that the Declaration of Trust must be made available for review by the voters of the District for at least 90 days. She further explained that if the voters had an objection to the Declaration, they can call for a special meeting of the District to address it. Ms. McMahon advised that the 90-day review period begins once the Declaration is filed with the District Clerk and the Chief Executive Officer (in this case the Boar of Water Commissioners). In anticipation of the Board and the Clerk certifying receipt of the Declaration of Trust as of this meeting date, it would is already been made available on the District's website. The statute is silent on how the public is to be advised that the Declaration is available for review. She advised that an article in the newsletter to be mailed with the August water bills will advise the public that the document is available from the website or a copy can be obtained in the District office. Ms. McMahon requested that the Board members sign the Certification of Filing to be on record that the Declaration of Trust was properly filed.

**b) Discuss next steps for OPEB Trust Fund** – Ms. McMahon had further advised in the memorandum that the next step was to address the process of investment of the OPEB Trust Funds of the District. She recalled that, at the District Finance Committee meeting, Mr. Plath had explained that the Town of Dennis, through a Request for Proposal process, hired Rockland Trust to investment their OPEB Trust Fund. She said that the Town's OPEB Trustees were amenable to having the District join in with their OPEB Trust Fund through Rockland Trust. Ms. McMahon felt that this would provide a greater opportunity for investing the funds jointly with Dennis rather than the District alone. The fees have already been negotiated and that would greatly benefit the District. She said she would of course, as the District's OPEB Trustee meet with the Town's Trustees to review the investment performance and report back to the Board of Water Commissioners periodically. Mr. McDowell inquired about the reporting of the investment yields. She noted that each entity's Trust Funds will be accounted for separately including annual actuarial valuations. Mr. McDowell asked about the statutory reporting requirements. Ms. McMahon further advised the Board that in order to pool the District's OPEB funds with the Town's, a vote of both the District and the Town were required by Chapter 32B, Section 20(k). It was her request that the Board consider placing an article on the next District Meeting to vote to authorize the pooling of funds with the Town of Dennis. She advised that the Town of Dennis would

be holding a Special Town Meeting on October 16 and that she has already broached the inclusion of such an article on the Town's warrant. In light of the fact that, there may be the need to hold a Special District Meeting, the Board could take action on it at that time.

## **Water Billing Software – Current billing process, programming platforms and costs**

Mr. Tuttle had requested that additional information be provided concerning the status of the Districts water billing software. Ms. McMahon advised that the water billing file had been created earlier this day and had been forwarded to the bulk mailer for processing and mailing. She further advised that the cost of the programming and customer access she has been looking to develop has far exceeded the amount budgeted. She was of the understanding that the current version of the software will not be compatible with the migration of Windows when the current version used by the District is no longer supported by Microsoft. The current software needs to be updated in order to be compatible with the new meters that include more reading digits. She advised that what staff is hearing from customers is their desire to be able to receive electronic presentment of their water bills, be able to print them, review their history of usage, etc. This is the bill presentment and payment that is available for nearly all other utilities. In order to accomplish this, the District will either need to have web based software comprised of one platform or use a web based or server based billing software with a third-party vendor for hosting the bill presentment and payment for customer access. Mr. Tuttle asked if it were possible to join with the Town for this type of software. She was aware that the Town was doing some technology updates in large part to provide customer self-service access for beach stickers, etc. Ms. McMahon said that she would investigate the possibility of partnering with the Town. Mr. Larkowski advised that the software doesn't just do water billing. It is used for every interaction the District has with its customers. He explained that as soon as a customer calls, for whatever reason, their information is accessed from the water billing software. All of the ties, work orders, usage, repair billing and history as well as many other functions are from the water billing software. Mr. Larkowski invited the Board members to visit the District at their convenience to observe first-hand how essential the water billing software is to the daily operations of the District.

## **Water Tank Update**

Mr. Larkowski advised that once the new water tank was online, the process of moving the cellular equipment from the old tank as well as having the Town's radio antenna moved to the new tank. Earlier this week, the District consulting engineer was on location to review the final punch-list items for the construction project. The bids for the demolition of the old tank will be advertised August 1 with a opening date of August 22. During his review with the engineer it was discovered that there was not enough funds appropriated to cover the cost of the demolition. Mr. Larkowski reviewed the actual construction costs with the Board. The issue is a lack of appropriately funding the total costs and not due to any project costs overruns. The estimated cost of the demolition is \$125,000. Mr. Larkowski said he was embarrassed for not adding the cost to the total budget and apologized to the Board for the oversight. Mr. Larkowski stated that if the tank is to come down in October, it will require a Special District meeting. Mr. McDowell was interested in knowing the value of the steel that would be salvaged from the demolition. Mr. Larkowski explained that the contractor nets out the salvage value of the steel from the overall contract cost. Mr. Larkowski said that when the tank is being dismantled the contractor takes ownership of the materials. Mr. McDowell said he was curious about the process and how the salvage value is calculated in terms of the net pricing of the contract. Mr. Larkowski recommended the removal of the old tank sooner rather than later. Mr. McDowell wanted to know how the steel fluctuation in price factors into the bid pricing. Mr. Larkowski shared a calendar of September and October with the Board and tentative dates of having the Board vote to hold a Special District

Meeting at their August 23<sup>rd</sup> meeting. It was recommended to conduct the special meeting just prior to the regular meeting of the Board of Selectmen in their hearing room at Town Hall. There are generally quite a few registered voters in attendance so it may be easier to attain a quorum (25) to conduct the meeting. It was noted that the warrant would have to be posted on September 11. It was noted that the regular monthly meeting of the Water Commissioners is scheduled for two days later. Mr. Larkowski noted that the Board could either hold their monthly meeting prior to the special meeting or, if there was not enough business, cancel the September meeting. Chairman Prue asked about available “Free Cash”. The Treasurer advised that she anticipated that the amount will be approximately \$900,000. She advised that the Stabilization Fund has approximately \$200,000 available.

## Superintendent’s Report

The Superintendent advised that the Route 134 water tank was recently power washed. He noted that this year he noted additional streaking which is actually the thinning of the top coats of paint. He plans to drain the tank to conduct an inspection this fall of the interior and exterior. It may mean just another power wash and application of a top coat. In response to Mr. McDowell’s questions regarding proximity to ocean salt water, Mr. Larkowski advised that there is no difference in that respect but, it is the areas below the tree line that become “dirty” and need maintenance power washing and painting.

In regards to water conservation, Mr. Larkowski advised that the water tables are historically high and the availability of source water is not a concern. However, he explained that due to irrigation systems across the town, the tanks drop predictably and drastically at 3:00 AM and every hour on the hour until mid-morning. He has included an article in the newsletter requesting that property owners with lawn sprinklers consider reprogramming their irrigation cycles to late at night, closer to midnight rather than the early morning hours. It was suggested that he reach out to lawn maintenance and irrigation installers to request that they change the setting of systems to more stagger the cycles to lessen the impact on the distribution system.

## Treasurer’s Report

The Treasurer reported that the water bill commitment that was just done for the August water bills is about \$58,000 less than what was billed for the same cycle one year ago. She noted that this is still close to the average for this cycle being \$13,000 more than the 10-year average. She further noted that this is the reason she did not anticipate the \$1.5 million in free cash experienced over the past couple of years and estimated it to be closer to \$900,000.

## Minutes: June 28, 2018

Mr. Tuttle requested that the minutes note the presence or absence of the Water Commissioners as well as the Superintendent and Treasurer and asked that Mr. Larkowski’s absence at the prior meeting be noted in the minutes. On a motion made by Alan Tuttle, and duly seconded, the Board ***VOTED: 2-0-1 (PLM abstaining) to accept the minutes as amended.***

## Adjournment

On a motion made by Peter L. McDowell, and duly seconded, the Board ***UNANIMOUSLY VOTED: to adjourn at 7:11 PM.***

Respectfully submitted,

Sheryl A McMahon, Clerk