

DENNIS WATER DISTRICT

Board of Water Commissioners

Minutes of Meeting held

March 13, 2008

A meeting, having been duly posted, was held this date at the main offices at 80 Old Bass River Rd., S Dennis. The meeting was called to order by Edward A. Crowell, Chairman at 5:05 PM. Water Commissioner Paul F. Prue and Charles F. Crowell were present along with the following District officials:

David Larkowski, Superintendent

Sheryl A. McMahon, Clerk & Treasurer

Ms. McMahon advised the Board members that, prior to considering any credits under the Board's Leak Abatement Policy; the Board should determine what the water production rate used to calculate the abatement. She provided an cost analysis. On a motion made by Paul F. Prue, and duly seconded, the Board ***UNANIMOUSLY VOTED: to set the production rate at \$1.45 per thousand under the Leak Abatement Policy effective this date.***

In accordance with the agenda, the Chairman then recognized Ms. Craveho who was appearing this evening to request consideration on her most recent water bill for the shoe store on Route 28 in Dennisport. She acknowledged that there had been a leak that was repaired by the District. On a motion made by Paul F. Prue, and duly seconded, the Board ***UNANIMOUSLY VOTED: to abate \$2,973.20 on the account of Mary Ann Cravenho, Acct. No. 03198, 271 Route 28, Dennisport under the Board of Water Commissioners' Leak Abatement Policy***

Mr. Larkowski advised the Board that there is a change occurring in principal project manager assigned by Earth Tech to the District's Iron and Management Treatment Project. Mike Ohl will be leaving Earth Tech, Inc. at the end of the month to join a smaller environmental firm. Mr. Larkowski noted that Mike Ohl's participation and supervision on the project was a major factor in securing Earth Tech as the project engineer. The Board was assured that the water and wastewater groups currently with Earth Tech have about 55 people on staff within the state. Assurances were made that the necessary manpower to ensure success of the project would be allocated and that work on the project would continue as seamless as possible. Kristin Berger will become the Project Manager. Mike Ohl will continue to consult on the project as a subcontractor through the new company CEI. This is a very common practice that is reciprocated among engineering firms. It was also announced that AECOM (which owns Metcalf and Eddy) has merged with Earth Tech and it is unlikely that any reorganization will occur before September of this year. Mr. Prue spoke of his concern regarding DEP and their

scrutiny of the project, particularly where it concerns the District self-performing the water main installation and other items. Earth Tech is actually owned by Tyco International.

Mr. Larkowski explained that DEP has called in to question whether or not the District can or should self-perform the water main work. Earth Tech representatives stated that they have gone to some length and provided additional services in order to respond to DEP and SRF's concerns and to demonstrate the District's capability. Initially, the additional work Earth Tech was providing was covered because of the costs saved when the Board decided not to file for a Rural Development Grant/Loan. Additional survey work has been done for the NSTAR easement as well as areas where water mains have to be installed through property that is of concern to the Nature Conservancy. Other items added would be the extra packet for SRF application, Natural Wildlife Heritage (NWH) for the rare species identified. There will be GPS work in order to satisfy NWH in the Grassy and Clay Pond area. Bennett and O'Reilly have conducted the survey work. While there are sufficient funds appropriated to cover these additional services, it will mean that the construction oversight will have to be rolled in to the total SRF borrowing which is eligible for reimbursement. There was a discussion about DEP's hesitation and level of confidence with the District self-performing the water main work. The Board of Water Commissioners did not object to the changes in the principal parties assigned to the water treatment project as proposed by the Earth Tech representatives. They left the meeting at 5:41 pm.

Ms. McMahon advised that the Cape Cod Municipal Health Group has added three new health plan options to their menu of available plans. The plans are primarily designed for those who wish to have lower premiums and higher deductibles. These are not replacement plans but, additional plan offerings as part of the group program. The plans are called *Private Fee For Service* Plans and are available to active and retired employees. On a motion made by Paul F. Prue, duly seconded, the Board ***UNANIMOUSLY VOTED: to add the Private Fee For (PFF) Service health plans to the menu of plans offered through the Cape Cod Municipal Health Group to the Dennis Water District.***

Ms. McMahon advised that the Cape Cod Municipal Health Group is urging participating units to adopt Chapter 32B, Section 18 as soon as possible. Section 18 requires that retired employees, reaching the age of 65 and are Medicare eligible, to enroll in Medicare Part B. At this time, the statute requires the municipality to pay the 10% late-enrollment penalty. Ms. McMahon advised that in the cases where the retirees have the more expensive indemnity plans, paying the late enrollment fees is still cost effective for the municipality. She further advised that there is pending legislation that would grandfather municipalities from having to enroll those retirees that were eligible but not enrolled in

Medicare Part B and from having to pay their late-enrollment penalties. She was hopeful that the legislation would be enacted prior to the Annual District Meeting. She also stated that the Town was considering the adoption of Section 18 as well. Ms. McMahon noted that it is not only a cost savings to the municipality, it will pass more of the future health care costs for retired employees onto the federal Medicare program and not on to the self-insured municipal pool which is paid with premiums shared by the municipalities and the employees. On a motion made by Paul F. Prue, and duly seconded, the Board ***UNANIMOUSLY VOTED: to place an article on the Annual District Meeting to adopt Chapter 32B, Section 18.***

Ms. McMahon advised the Board that the water bills that were issued in February were calculated on 127,000,000 gallons and for \$412,000 more than the same cycle a year ago. Although, the consumption is more, the significant increase in revenue is due to rate changes.

Ms. McMahon and Mr. Larkowski provided additional information to the Board for their consideration of the FY 2009 Budget. The estimated revenue from interest on available funds has been decreased to \$25,000. Miscellaneous Equipment has been revised from \$12,000 to \$25,000 to reflect some additional requests. There was also a recommendation to reduce the short term interest from \$200,000 to \$25,000. Mr. Larkowski also has added a request for \$10,000 for the catalytic converters on the diesel equipment required by contractors working on projects financed through the State Revolving Fund loan program. On a motion made by Paul F. Prue, and duly seconded, the Board ***UNANIMOUSLY VOTED: to approve the changes as requested by the Treasurer and Superintendent as outlined.***

There was a lengthy discussion regarding the annual election of officers of the District. Ms. McMahon stated that the cost of the elections is approximately \$2,500 and that the average number of votes cast is about 60. That is about \$41.67 per vote. She is recommending that the Board consider placing an article on the warrant to amend the District's bylaws to allow the election to be held in conjunction with the Town's annual election in May and that the names be on the same ballot. She did acknowledge that there are some issues such as the fact that there are some parcels that are within the Town but not within the District and that this applies to two voting precincts. This led to a discussion about expanding the boundaries of the District to encompass the entire Town. She noted that the Town of Mashpee and the Mashpee Water District have boundaries that are co-terminus. On a motion made by Paul F. Prue, and duly seconded, the Board ***UNANIMOUSLY VOTED: to place an article on the Annual Meeting Warrant to amend the District's bylaws to set the Annual District Meeting to the fourth Tuesday in April and to set the Annual District Election to the second Tuesday in May in***

accordance with and in conjunction with the Annual Town Election and that Town officials be granted full authority to conduct the District election.

The Superintendent advised the Board that the transmission/rear-end in one of the backhoe/loaders has experienced catastrophic failure and will have to be replaced. He requested a Reserve Fund transfer for the replacement. The machine is three years old with approximately 400 hours of operation. Schmidt equipment can provide a re-manufactured transmission/rear-end. On a motion made by Charles F. Crowell, and duly seconded, the Board ***UNANIMOUSLY VOTED: to authorize transfer of an amount not to exceed \$10,000 for the emergency replacement of the transmission-rear end of a backhoe/loader as requested by the Superintendent.***

Ms. McMahon provided copies of the District's Fiscal Year 2007 Audit Report. There were no irregularities to report. She reminded the Commissioners that annual reports will be required by bond rating agencies in order to keep a favorable rating as well as by the Mass. Water Pollution Abatement Trust if and when the SRF loan funds are approved.

With no further business before the Board, the Commissioners signed the Accounts Payable Warrants and on a motion made by Paul F. Prue, and duly seconded, ***UNANIMOUSLY VOTED: to adjourn their meeting at approximately 5:52 PM.***

Respectfully submitted,

Sheryl A. McMahon, Clerk