



*Town of Walpole  
Commonwealth of Massachusetts  
Board of Sewer and Water Commissioners*

*John Spillane, Chair  
John Hasenjaeger, Clerk  
William Abbott, Member  
Patrick Fasanello, Member  
Pradeep Mishra, Member*

**Meeting Minutes**

**Monday, April 4, 2022**

**6:30 P.M.**

**Finance Committee Room  
Town Hall-135 School Street**

**This meeting was taped and will be available on Walpole Media's YouTube Channel**

A regular meeting of the Board of Sewer & Water Commissioners was held on Monday, April 4, 2022 at Town Hall, 135 School Street, Finance Committee Room. The meeting is called to order by Board Chair John Spillane at 6:30 p.m.

Present at the Meeting:

**Sewer and Water Commissioners:**

John Spillane, William Abbott, Patrick Fasanello, Pradeep Mishra and John Hasenjaeger

**Other Participants:**

Scott Gustafson, Sewer & Water Superintendent, James Johnson, Town Administrator, Patrick Shield, Assistant Town Administrator, Jodi Cuneo, Town Accountant/Finance Director, Mark Trudell, Finance Committee, Mark Aiello, Jim O'Neill, Select board Member and RTM, Jan Van der Linden, Susan Lawson, Finance Committee, Dennis Crowley, Finance Committee and Mary Timilty

**6:30 p.m.-Public Rate Hearing**

Mr. Spillane calls for the meeting to start with each Commissioner to state where they stand on the rates.

Mr. Abbott recommends hybrid module and summarizes that the hybrid-MA water pollution water abatement is the other source of revenue fees. He is in favor of going down to 0 on the retained earnings.

Mr. Mishra has issue with rate hearing being today. Speaks about the February 28<sup>th</sup> hearing. He reviews timeline of memos and workshops and feels a budget hearing was not done properly. His main concern is not rates and budgets. The users are not using water because it is costly. He is not in favor of raising rates and instead finding more funding. Wishes to discuss increasing fees at another meeting.

Mr. Fasanello does not see a lot of difference. He wants the fire suppression and he wants to see a hydrant free for a private hydrant and all he sees is a testing fee. He wants no increase on the Tier 1 and Tier 2 fees, but would like 3 & 4 raised to 10% and 14% respectively.

Mr. Hasenjaeger speaks of the 18% increase in water and 11% increase in sewer that were proposed by the Town Administration and not the Board of Sewer & Water. He feels ambushed and embarrassed by them for those numbers. He agrees with Mr. Mishra that when we increase rates, customers use less. Explains to audience what the options are due to the costs and forecasts what might happen in the future. He prefers to test for PFAS over building new wells. Notes that the Board proposed to the town to join the MWRA as an insurance policy using them as a supplemental option for water if PFAS becomes unmanageable. Gives more explanation of capital

budgeting and how the department and the commission works. Explains that it is the board's responsibility to keep the rates and taxes down, and that the board pays the town \$1.7 million to manage the department this is supposed to be audited. His proposal is 2.5% in Tier 1, 5% Tiers 2 and 3 and 7% in Tier 4.

**Motion made by:** Mr. Abbott **Seconded by:** Mr. Spillane to officially open the rate hearing itself.

**4-1-0 (YES VOTE)**

**Roll call John Hasenjaeger-Yes, William Abbott-Yes, Patrick Fasanello-Yes John Spillane-Yes, Pradeep Mishra- No**

Mr. Fasanello does not want to vote on rates today and speaks about PFAS and explains to the crowd what the history of PFAS is. He asks what the levels are of the wells and Mr. Gustafson updates on levels. Mr. Fasanello asks about AARPA funds.

Mr. Mishra speaks about the condos and families and the impact the tiers have on them. Mr. Fasanello says it's hard to encourage people to use more water when the state has restrictions on them. Mr. Abbott summarizes his history totals to the board and how it fluctuates based on rain, etc. He says 9 months last year were below average. Mr. Hasenjaeger says MA DEP is scaling the amount for the user to use. He then reviews the towns that are using funds for PFAS.

Mr. Spillane speaks about rebates for the washers and toilets. He would go along with Mr. Fasanello in regards to 0% on Tier 1 & 2. Mr. Mishra wants 0% on all tiers.

Mr. Abbott speaks about the rate tiers and how it was put into place. Tier 1 is 42% of the townspeople. Discussion is had regarding the tiers and how to help the people. Mr. Fasanello speaks about the service charge that they took away to help the residents and how they have been trying to help seniors and low income homes save. He says they try to keep the rates down, and speaks of the history of the water and the iron and magnesium. Mr. Mishra speaks about the tiers and that the majority of the town falls under Tier 1 & 2 and feels the brackets are not fair to the family size.

Board speaks about the buildings with condos and the large amount of usage they have and they are put into the higher tier. Mr. Mishra says it should be a tier by tier vote. He speaks of Westwood and how we should look at their structure. Mr. Fasanello asks Mr. Abbott about the blocks and how we came up with the blocks. Mr. Abbott explains why he came up with the 4 blocks and the thought process, based on how many people used the amount of water and how it was calculated. He and Mr. Hasenjaeger discuss they are both on the same page on this.

Discussion is had regarding the fixed premium charge of \$2.50 and Mr. Mishra wants to know how it is calculated.

Mr. Fasanello says he needs the AARPA number and they set the rates in June and needs more time. He then talks about the budget and how we handle the RFPs and Mr. Gustafson answers the questions. The cost of bleach has doubled and all the chemicals have doubled. Mr. Fasanello talks about the schedules and the overtime and how it could be decreased. Mr. Gustafson explains the overtime situation, which is discussed and Mr. Fasanello asks about different schedules, etc. Mr. Abbott says we have had the budget available for three meetings and plenty of time to discuss the budget.

**Motion made by:** Mr. Spillane **Seconded by:** Mr. Fasanello for discussion purposes to set rates at Tier 1- 0%, Tier 2 – 0%, Tier 3 – 10% and Tier 4 – 14%.

**2-3-0 (NO VOTE)**

**Roll call John Hasenjaeger-No, William Abbott-No, Patrick Fasanello-Yes John Spillane-Yes, Pradeep Mishra- No**

Mark Trudell of the Finance Committee states AARPA funds are for capital expenditures only, they are not to supplement the funding of the budget. There are no capital expenditures listed in the current budget, so the AARPA funds would not affect the budget.

Discussion is then had by the board and Mr. Fasanello on the MWRA and the advantages and disadvantages. Mr. Abbott says the MWRA is a wholesaler and we still have the expenses to treat, etc. Mr. Fasanello says they are pushing the water because they have such a huge amount of water and want more people to join, and that the more that join the program, the lower the rates will go. Mr. Hasenjaeger says we are talking about an insurance policy and debate is had and Mr. Hasenjaeger says Mr. Fasanello is talking negative about the MWRA.

Mark Aiello says the fact they are debating about the rates is appreciated and shows that they are listening to the people. He is against anything scaling up or scaling down. He's a firm believer in a flat scale where everyone across the board is getting the same increase.

Jim O'Neill, Select Board and RTM speaks for the retained earnings and agrees the good open debate is a good thing. He speaks of the budget and covering the costs. He has a problem on using retained earnings and the hybrid proposal makes the most sense as it gets it close by only a \$15,000 hit to retained earnings and it sets a good financial management practice. He says this will minimize the impact on retained earnings.

Mr. Hasenjaeger responds saying if you charge an excess price and explains his thought process. He wants to keep the rates down.

Mr. Abbott states one of the things that has been a problem is gap in between when we read the meter to when we get the bills out to the customers, and that the office has made great strides in improving that. He explains the history and that it's being addressed based on a fiscal year boundary.

Mr. Mishra also speaks on billing lag. He asks about the problem of the retained earnings and what is the problem there. Ms. Timilty inputs on how the current billing is being done. Mr. Mishra discusses more about the AARPA numbers and needing to know what they are before we talk about retained earnings and rate increases.

Mr. Spillane makes it clear it sounds like nothing is going to be done tonight.

Jan Van der Linden speaks and is surprised that the board is urging to use more water when the rest of the world seems to be all about conserving it, that it feels wrong. He expresses his concerns, that the board should be incentivizing using less water. Mr. Hasenjaeger states he is incorrect and the two debate what is hard to understand as far as pushing to use water. Mr. Van der Linden believes they should bring in a geologist to set the record straight. Mr. Mishra speaks of the MA DEP and the states. He defends the commission when it comes to a lack of conservation.

Mr. O'Neill speaks again of the AARPA funds and he, personally, would be happy to entertain a request from the board for AARPA funds in some fashion for capital projects work. To date, he understands they have not received any requests. He suggests they put together a list to bring to the board. Mr. Abbott requests they add creating a list to the next agenda.

Mr. Fasanello adds to ask the Town Administrator to be involved since they have more information on what projects would be coming up.

Mr. Johnson says that so much of what has been said is incorrect. He speaks about the budgets, history, timeline and all his concerns and he is worried about it. He speaks about the AARPA fund and the history as well as the sewer retained earnings and the five year rate plan. He stresses that they are trying to work with them and for them but they are getting constant pushback. Pradeep says that Mr. Johnson's memo doesn't include numbers about the budget.

Susan Lawson, RTM Precinct 2 & Finance Committee says she is very concerned about use of about the retained earnings being used to supplement the budget. Speaks about the government and that they are part of the government as elected officials and she wants them to do their job. We can't tell the people that we don't have the money to fix a problem that might happen so a proper budget needs to be set.

Mr. Mishra has comment that a rate hearing should not be done in the middle of the year.

Mr. Spillane asks Mr. Johnson to set up a workshop meeting.

Dennis Crowley, Finance Committee, speaks of the amount of money spent over the last ten years by the town in general on fixing and building projects and that it stems from the poorly run town government in the 1970s and 1980s who pushed things off for future boards and officials to deal with. He states the board needs to make some decision and not to dump it on the people who are next on the board. Mr. Hasenjaeger speaks his thoughts on retained earnings and says he started the first capital budget committee and served on it for 25 years. Mr. Crowley asks if the board knows what we have for capital expenses in the next 5 years. Mr. Abbott gives the numbers on the capital budget. Mr. Crowley asks how they will fund it. Mr. Hasenjaeger answers that they would finance/bond it. Mr. Fasanello speaks on replacing the membrane on the Willis plant and the usage of AARPA would be great. Mr. Crowley's opinion is that the people using the water now, creating the wear and tear should be paying for it, not future residents. Mr. Fasanello disagrees with that philosophy.

Mr. Mishra speaks on the 20% of water budget goes to town general fund for town staffing. Mr. Johnson immediately corrects him on misrepresenting the statement. Mr. Mishra feels someone needs to look into the costs. Mr. Johnson states this was done at the commission's request and approved that in 2017. He also corrects that the MWRA was voted on and failed at the town meeting.

Jodi Cuneo, Town Accountant, speaks about the retained earnings and the entrance fees went into retained earnings. She feels now is the time to look at this and the \$2.9 million is from entrance fees.

***Motion made by:*** Mr. Abbott ***Seconded by:*** Mr. Spillane to close the meeting without final vote.

***5-0-0 (YES VOTE)***

***Roll call John Hasenjaeger-Yes, William Abbott-Yes, Patrick Fasanello-Yes John Spillane-Yes, Pradeep Mishra- Yes***

Meeting Adjourned at 7:45

Date Meeting Minutes Approved With Said Changes ***January 9, 2023***