

**June 24, 2019**

A regular meeting of the Board of Sewer & Water Commissioners was held on Monday, June 24, 2019 at 7:00 p.m., at the Edward J. Delaney Water Treatment Plant, 1303 Washington St.

Present: Glenn Maffei, John Hasenjaeger, John Spillane, William Abbott and Patrick Fasanello. Also Bernie Marshall, Supt. of Sewer and Water; Scott Gustafson, Asst. Supt of Sewer And Water and Rick Mattson, DPW Director.

All abatements submitted tonight are reviewed and signed.

Minutes of June 10, 2019 are discussed. Mr. Maffei does not recall the vote for 54 Anderson Way at this meeting and it is asked that this be reviewed via the video. The minutes are held until this is done.

**SUPERINTENDENT'S STATUS REPORT**

Mr. Marshall circulates a letter that he received today from the Town of Foxboro Board of Health Chairman. This letter indicates that the McDonald's at 212 North Street in Foxboro must tie into the MWRA sewer in Walpole immediately. He says he did call the Health Agent however she was not available. There is discussion on the content of the letter and the appearance of a demand. Mr. Fasanello says a copy of this letter should be sent to the MWRA so that they know what is going on. None of these non-MWRA communities that are now looking to tie into this system have contributed to the Deer Island infrastructure and it is now the MWRA is at a point that they are in need of replacement. Mr. Maffei says he will never be in favor of this. Mr. Spillane says they should not have built this on such a small lot and it is not Walpole's problem. Mr. Hasenjaeger feels by sending this letter it would allow the MWRA to circumvent the Town of Walpole. Mr. Fasanello responds that they cannot extend our sewer without our permission not can we extend without their permission. Mr. Abbott does not see how this would benefit the Town of Walpole. He adds this has been there for a very long time and he understands it might be expensive and disrupt their business but it is not a new problem. Mr. Maffei is interested in responding to the Town of Foxboro stating point blank that this is not a viable solution for them. Mr. Spillane says he distinctly remembers telling the applicant when they appeared before us that any work they did would be at their own risk. Mr. Fasanello says he sees no benefit for this Town from extending the sewer here.

Vote on the motion 4-0-1.

**SPECIAL PERMIT – 1 PEACH STREET – BOARD OF APPEALS**

There is discussion as to whether or not the in-law addition is connected to the main residence or if separate services are required. The plan provided does not provide the answers the Board needs to make comment. This is to be investigated and brought back to the Board.

**SPECIAL PERMIT 7 BURRILL ST. – BOARD OF APPEALS**

Information provided is reviewed and discussed. The applicant is proposing to tear down the house that is currently there as it is a total loss due to a fire and rebuild. **Motion Made** by William Abbott to send a memo to the Board of Appeals stating that this Board has no comments with regard to the above subject. Second by Glenn Maffei. Vote 5-0-0.

### **NOTICE OF INTENT – LOT 13 ARLINGTON LANE – CONSERVATION COMMISSION**

Discussion is held. Mr. Hasenjaeger says the Town Engineer's comments make no sense as these are new homes and they have already been recorded. **Motion Made** by William Abbott to send a memo to the Conservation Commission stating that this Board concurs with the comments of the Town Engineer with regard to the above subject. Second by Glenn Maffei. Vote 4-0-1, Hasenjaeger abstains.

### **ORDER OF CONDITIONS AMENDMENT – 8 GIGI'S WAY – CONSERVATION COMMISSION**

This is before the Board is the house is changing direction. **Motion Made** by William Abbott to send a memo to the Conservation Commission stating that this Board concurs with the comments of the Town Engineer. Second by Glenn Maffei. Vote 4-1-0, Fasanello against.

### **NOTICE OF INTENT – LOT 2 PORTLAND WAY – CONSERVATION COMMISSION**

Available information is reviewed and discussed. Mr. Marshall points out the Town Engineer's comment where the driveway is within the easement and would have to be dug up should any water main repairs be necessary. **Motion Made** by Patrick Fasanello to send a letter to the Conservation Commission to concur with the comments of the Town Engineer. Second by Glenn Maffei. Vote 5-0-0.

### **APPLICATION FOR FUEL STORAGE 2285 PROVIDENCE HIGHWAY – BD. OF SELECTMEN**

It is explained that this was the old Hess Gas Station that closed years back and Mr. Marshall says he does not know what the original gallons were. There is discussion and Mr. Fasanello would like to be sure that the old tanks were removed and if not, they should be tested for leakage and put observation wells to see if they are compromised or if there are any leaks. Second by John Spillane. Vote 5-0-0.

### **OPEN AND CLOSE OF FALL TOWN MEETING WARRANT**

Mr. Marshall reports that he is researching Mine Brook 4 and he believes he will have all that he needs to build it up for a capital project. The Board should see it before the deadline. Mr. Maffei asks if he is looking to do the whole project and Mr. Marshall says yes, he has reached out to Wright Pierce. They had a cost analysis breakdown from 2016 and he has asked them to revisit this. He feels he has a good idea of what direction they need to go in. Mr. Maffei asks if this will all be from borrowing and Mr. Marshall says yes, except for engineering. There is a State Revolving Fund with a very low interest rate but engineering cannot be incorporated with this. Right now he is weighing out which direction to go and he still has to speak with the Town Accountant regarding the bond rating. Mr. Abbott asks since this is a new source if we would be appropriating money before we knew if we had the approval and Mr. Marshall says yes. Mr. Abbott expects that this would be opposed by the NepRWA people. Mr. Hasenjaeger says he has asked several times for a workshop on withdrawal permits. He does not see the sense of building the well if we are not allowed to use it. He feels we should have the delegation from the State in here for a workshop to figure this out and Mr. Mattson responds that if they had helped when it started but they won't be able to do anything now. Mr. Abbott expresses concern over the DEP allowing us to develop another well. Mr. Spillane feels it would be good insurance and Mr. Mattson adds that if Washington 6 ever goes down the Town will be in big trouble. Mr. Maffei asks if there is a timeline of when the Withdrawal Permit will be issued and Mr. Marshall says he expects it to be either this year or next. Mr. Fasanello says he would like the Board to revisit a MWRA connection for emergency use. Mr. Abbott says it was not approved by Town Meeting and it is complicated as there is a \$5 million entrance fee. He would like to wait to see how the withdrawal permit goes. Mr. Hasenjaeger responds that it was a mixed vote and not unanimous, they may just need to be more educated. Mr. Spillane asks the cost for Mine Brook 4 and Mr. Marshall responds

approximately \$3.4 million. Mr. Hasenjaeger suggests there could be no results at Mine Brook 4 and Mr. Abbott responds that it has been pump tested twice. Mr. Spillane says if he had a choice he would rather see the well on line. Mr. Marshall says he will get all information to the Board.

### **PUBLIC RATE HEARING**

**Motion Made** by Patrick Fasanello to open the public rate hearing. Second by Glenn Maffei. Vote 5-0-0. Chairman Abbott reads the legal hearing notice that was publicized.

**Motion Made** by John Hasenjaeger to waive the reading of the entire fee schedule. Second by John Spillane. Vote 4-1-0, Fasanello against.

Mr. Abbott explains that it is suggested that the water rate be increased by 1.99%. The other change would be billed every 90 days rather than every 60 days. He explains how the 60 days have caused a problem in being able to address exceptions in the cycles and caused a lag in the billing. Mr. Spillane asks how this will affect the billing and Mr. Abbott presents a chart with cubic foot adjustments to reflect on the expanded time period of billing. Mr. Fasanello asks why not bill monthly and Mr. Abbott responds that we do not have the ability to do this and out of 60 communities there is 78% that use quarterly. Mr. Fasanello feels there would be a better revenue stream if we billed monthly. Mr. Abbott says we should wait until the rate consultant reviews everything and makes their recommendation as this Board has voted to bill quarterly for now. There is discussion. Finance Director Marilyn Thompson and Town Accountant Jodi Cuneo arrived at this time (8:13 p.m.) Mr. Abbott adds that overtime is addressing the lag in billing and says it will get better. He says the long term solution is to go to the 90 days as it has worked in the past. The other potential cause was that the inclining block rates were set too low. Using the consumption analysis report off of Munis he got information and it showed that the block rates produced slightly more revenue than a flat rate. This was in line with what they expected, the plan was to charge more for those who used more volume which was primarily irrigation, would hopefully cut back. It does not appear that the rates either block or flat, would have been an issue. It is more the lag in billing that is the cause. He says the two factors that determine the rates are how many entrance fees will be received and how much water is expected to be sold. He would like to monitor revenue and usage on a monthly basis so that if we run into problems we are able to catch it early. He says we have hired a consultant to review the blocks, the rates, and the funding of our capital projects. It is likely that we may have a mid-year rate hearing based on what the consultant recommends. He then takes questions and comments from board members. Mr. Maffei asks Mr. Marshall once the billing lag is corrected what the plan is as far as once the billing period ends, when will the bill be produced and sent to the Finance Dept. Ms. Thompson explains that once they receive the bills it goes to the printing office and they need 7 days in order to print and mail. Mr. Abbott explains that we have 13 major cycles so basically once a week; the cycle produces an exception list which is the cause of the delay in getting the bills to the finance office. He says until you fix the exceptions you cannot go onto the next cycle. He says historically it was shorter, he believes it will be 30 to 40 days and reasonable. Mr. Maffei then speaks on the 88 million gallons used in calculating water rates and asks if this number was used last year and previous years. Mr. Abbott responds that it is the same as last year and is based on a formula that Mr. Mattson has used and it has worked quite well over the years. Mr. Spillane has no comments. Mr. Hasenjaeger feels Mr. Maffei has made some good observations. He says this is a work in progress and the people tend to use less water with an inclining block rate. He says we have new growth which will bring water use up and new conservation efforts which will bring water use down and this is why it is a work in progress. We also have two revenue scales from the new growth and the conservation. It will never be set in stone but more adjusted by the behavior of the population. He feels Mr. Abbott has done a good job in covering all the bases and he is very happy with the quarterly decision as well. Mr. Fasanello says when he first saw the block rates he liked them but then something

changed. He refers to the chart where commercial pays less than the resident in the same block and feels this is not fair. He says as long as there is this inequality he cannot vote for it. Mr. Abbott explains his philosophy in developing this and the research he had done for a good block rate. He found that essential water use should get the lowest rate and nonessential water use which is residential and mostly watering lawns should pay much higher rates. The other part of the philosophy is the one that is putting the biggest burden on the system should also be paying more. In looking at commercial hardly any can be considered nonessential. He does not feel it would be a good idea to change these numbers at this time as we need to produce revenue to be self-sufficient. There is discussion on the economics in the Town and how the rates can affect them. Also discussion is held on essential versus nonessential use. Bill Hamilton of Precinct 5 speaks he says he would like to see more conservation as DEP is challenging the Town to lower their water draw. He would like to develop a plan to educate the public on how to read their meters and avoid water leaks. Mr. Abbott says his thoughts are good and it will be investigated. Mr. Moraski of Precinct 8 says he would like to say with regard to the quarterly billing that any resident can come in on a monthly basis and put money on their account if that works better for them and it would help them avoid a large bill every quarter. He says by the time we get to FY 2020-2021 the Commission will be paying close to \$2 million in indirect costs for services. He would like to know what type of accountability system is used by this Board to make sure it is being charged a correct amount for the indirect charges. His concern is the amount of detail used, i.e. how does staff outside the Sewer and Water Department account for their salaries to sewer and water funds and he would also like to know is it time share weekly, monthly or annually. Mr. Abbott explains that the indirect charges are something the DEP wanted to get the full cost of producing the water. Some could be performed by outside services but we have chosen to do it in house and lists the different departments and services; some are actual amounts and others are based on percentages of time, vehicles etc. Mr. Abbott adds not only do we get charged for services, we charge for water. Mr. Moraski wonders how reliable the method is. He feels we should have a more precise method of tracking as the indirects are higher. He then asks about Jarvis Farm and would like to know if sewer and water is receiving any money from the activities at the Farm that is applied to either the rate or rate reduction. Mr. Abbott responds that particularly related to the summer camp originally they would provide a portion of their profits. Other things like Boy Scouts, Jarvis Harvest there was no profit. So earlier it was learned that the Sewer and Water Department was providing some upkeep of the farm particularly the pond and it was then agreed that the Commission just get out of this business and told the Rec Dept. that if they would have to pay to maintain the pond if they wanted to use the pond and this Commission would not take any profits. He then asks about the meters at condominiums and would like to know how things will work moving forward. He cites the Boards regulations Section N-1 of Article II. He feels it would seem if you condo and want an individual connection and asks if we would provide the meters and waive the fees. Mr. Abbott responds by explaining condominiums would have individual services where rentals could have one service. There is discussion on this subject. He explains that he did have a proposal but the Superintendent found a glitch in it so the Board is still investigating this. Mr. Moraski asks if in a condo complex an individual can apply for their own service and would we waive the fees and provide a meter. Mr. Hasenjaeger says an apartment complex is a business so there is no individualization there. He also would not anticipate not charging a fee for the condo's. Mr. Abbott says the key is we are aware of this problem and won't solve it at this point. Mr. Moraski says he has been a proponent for many years of the block rate system and applauds the Board for initiating this. He says he issue with two of the block rates. The first is the out of town commercial and his real issue is with the out of town commercial greater than 2500 cubic feet. He would like to point out that they are lower than the residential in town. He would like an explanation as he is against giving out of town commercial any kind of break. Mr. Abbott explains in the past we charged a percentage higher than in town when it was a flat rate and he just adjusted the blocks based on this. Mr.

Moraski says he is dead set against providing water and sewer to out of town customers. Michelle Brown of 1168 Main St. asks to speak. She asks how much sewer and water is spending on consultants and how much do they plan on spending on consultants in the future. Mr. Abbott says we do not use consultants on a regular basis; they are ad hoc as we need them. Mr. Marshall explains that on special projects we may hire a consultant and Ms. Brown asks how often we do this and if we track it. Mr. Abbott responds that it is not a regular thing, we use the in house Engineering Dept. for many of the requests we get and we pay them through indirect costs. Sometimes we have to pay outside for special circumstances. Ms. Brown then asks how the small homeowner controls the rates from going up. She discusses how her bill is high although she doesn't water. Mr. Abbott explains the water rebates for energy efficient washers and toilets. Ms. Brown asks how much is in retained earnings and Ms. Thompson says \$1.2 million. She then asks if it is earmarked for anything and Mr. Abbott explains how it is used rather than borrowing and the retained earnings fluctuate. Ms. Brown challenges raising rates with this much money set aside and asks for the details. Mr. Johnson says she can pull the information up on line. There is discussion on the projects and how the money is spent. Ms. Brown would like to know if there is any study on the new construction and how it would affect the rates. She then asks about the Board's elections and it is explained. Mr. Hamilton then speaks and asks if he brings a photograph of his meter reading and brings it to the Water Dept. can someone calculate the monthly charge. Mr. Mattson says yes. Mr. Abbott asks the Superintendent if he sees any of the fees that should be adjusted and Mr. Marshall says he see no need at this time. Mr. Fasanello speaks on the fee for tampering with any part of the water and sewer system. He wants to know if this is for damage or fraud and Mr. Marshall says for both. Mr. Maffei says his interpretation is for intentional misuse. Mr. Abbott moves on to the sewer rate and says the big factor is the MWRA assessment and therefore have little control so the increase is 4.23% increase. Mr. Fasanello explains that the assessment is basically for the Boston Harbor clean up. Mr. Abbott asks the Superintendent if he believes that any of the sewer related fees should be adjusted and Mr. Marshall says no, not at this time. Mr. Abbott says the remaining item is the septic facility charges and no changes are being recommended.

**Motion Made** by Patrick Fasanello to close the public rate hearing. Second by Glenn Maffei. Vote 5-0-0. Mr. Mattson speaks of the Board's regulation regarding inflow and infiltration. He says currently our regulation is for 2 units or more to be required to address I/I. Town Counsel had said this is dangerous and should be for all new sewer connections. **Motion Made** by William Abbott to reopen the public rate hearing for the purpose of discussing the I/I regulation. Second by Glenn Maffei. Vote 5-0-0. There is some discussion on changing the regulation from 2 units to 1 unit for I/I purposes. **Motion Made** by John Spillane to change the rates of the Sewer & Water Regulations from 2 units to 1 or more units or all residential and non-residential properties shall remove I/I at the ratio and rate as per the most recent fee schedule of the Sewer & Water Commission. Second by Glenn Maffei. Vote 4-0-1, Hasenjaeger abstains.

**Motion Made** by Patrick Fasanello to close the public rate hearing. Second by John Spillane. Vote 5-0-0.

**Motion Made** by William Abbott to adopt the water and sewer rates as they have been presented at the hearing and not making any changes in the fee schedule. There is no second. **Motion Made** by Glenn Maffei to adopt the water sewer rates as they have been presented with 2 changes; we create a new tier for residential as a temporary fix for multi-family units of 4 to 6 and pay \$60.38 per 1000 cubic feet and this would be a flat rate. The second change would be for out of town commercial where he would propose a 10% increase on the third and fourth block in addition to the 1.99% increase. Mr. Abbott asks that he split the changes as he does not feel there has been adequate discussion on the multi-family tier. Mr. Maffei agrees to split the changes. **Motion Made** by William Abbott to adopt the water and sewer rates as they have been presented at the hearing and for out of town commercial at \$106.11 in the fourth block and the third block would remain unchanged. Second by Glenn Maffei. Vote 4-1-0, Fasanello against. **Motion Made** by Glenn Maffei that we further investigate the issue of multi-family unit rates and for now we

create a new tier for residential as a temporary fix for multi-family units of 4 to 6 and pay \$60.38 per 1000 cubic feet and this would be a flat rate. Mr. Fasanello, Mr. Spillane and Mr. Abbott are not prepared to accept this motion as they feel it needs further investigation. There is no second.

**Motion Made** by William Abbott to close the public rate hearing. Second by John Spillane. Vote 5-0-0.

**Motion Made** by John Spillane to adjourn. Second by Glenn Maffei. Vote 5-0-0. Meeting adjourned at 9:30 p.m.

*Accepted August 12, 2019*