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John M. Driscoll, *General Manager*

## WATER DIVISION

### Water Commissioners' Meeting

January 24, 2018

Members present were: Chairman Dana Blais  
Clerk/Secretary Chris Stewart

Employees present were: General Manager John Driscoll  
Water Superintendent Ron Davan  
Business Manager Jennifer Belliveau

The meeting was called to order at 6:01 p.m. by Dana.

The agenda was approved on a motion by Dana seconded by Chris, 2-0 in favor.

The minutes of December 13, 2017 were not available for tonight's meeting.

#### **Old Business:**

The General Manager (GM) updated the Board on the FY2017 Water Audit completed by Goulet-Salvidio (GS) for TMWP. The A133 Audit process that GS's office said was necessary was quite burdensome to staff here. The Selectmen's Office emailed the GM on January 22 requesting the audit for submission to the Annual Town Report for FY2017. The GM emailed Holly at the Selectmen's office stating we only had a draft presently and would not have a final version in time for the Town's deadline. After this the GM sent an email to GS's office confirming the results of their draft, however, GS WOULD NOT release the final version to us electronically till all open invoices were paid. The GM was incensed over this but was left with no other options than to utilize his TMLWP VISA card to pay GS a sum of \$10,500 over the phone. (The GM was VERY UNCOMFORTABLE using his company credit card in this fashion, particularly since there was already a \$2,000 check in the mail to GS and we'd just gotten the additional \$8,500 invoice a few days ago.) In the past, GS had never behaved this way and the GM had no doubt that they had learned of the TMLWP's intentions to acquire a new audit firm for FY2018 for the Water Plant; nothing else would explain this juvenile behavior. For GS to have demanded from a municipality the full payment short of the allowable 30 days was unreasonable.

The GM provided the Town and the Board with copies of his annual water report and associated financial pages as well. The GM provided the Board with copies of the bound Water Financial Statements and pointed out the net income figure of \$565,701. This figure included the USDA Grant portion of the total \$1,239,000 in federal funds used to construct the new Johnson Ave WST, another accounting practice that the GM disagreed with already on the Light Plant side of things. He explained that there was no corresponding expense to cancel out the \$289,000 in granted funds from the USDA; this would make it seem to an outsider that the Water Plant received \$289,000 in disposable income to spend any way that as we saw fit. The GM plans to have Melanson-Heath take over the water auditing as well.

The Water Superintendent (WS) discussed with the Board completing the Sawyer St WTP Filtration Media replacement. He provided some pictures to the Board of the removal, cleaning and repairs made to the filtering equipment there. The WS said that it took two (2) days to remove the old green sand media and refill the newer materials. He said that we could discard the old green sand at the Templeton Sewer

WWTP after clearing it with Kent S. The Supervisor from Carbon Filtration commented on how clean the green sand was considering it had been in use since 2005. He informed us that the City of Gardner's WTP had not been maintained so frequently since it was built in and the media appeared to be much older. The WS explained that there were some broken pipes and sensors that needed to be replaced as part of this filtration media change-out, so this increased the total invoice to \$40,950. Dana asked how long the green sand usually lasted, WS said ours last 12.5 years, but typically this type of filter media has a 10-year useful life. He said that there is clean water being pumped from Sawyer St WTP and now the Water Plant has bought themselves another 12-15 years of plant operation.

Dana asked how deep the Maple Street Wells were since the Birch Hill Dam Authority was restricting water use due to the Athol iced dams. The WS said their depth was 20' but that the power is shut off before 18'. Maple St Wells are now OFF since that Sawyer St WTP is back ON.

### **New Business:**

The GM discussed the establishment of a Water Plant OPEB Trust with the Board, like that of the Light Plant. He said that we had completed the 4<sup>th</sup> actuarial study for the Water Plant but have not set aside any funds for post-retirement healthcare expenses. The Town had changed the retirees' health insurance plans from Medex 3 to Medex 2, which decreased TMWP's OPEB expense significantly. In 2018 the Water Plant has only one (1) retiree and one (1) spouse so our OPEB expense appears artificially inexpensive (especially since we only pay one third of the cost for Harry A and Phyllis A). The GM stated that within the next ten (10) years of water operation that we will have five (5) retirees to contend with, worst-case scenario.

The Town Administer (TA) had contacted the GM to see if there were an interest in funding an OPEB Trust with the Town. The Fund that the Town chose has a minimum start-up deposit requirement of \$250,000, and the TA was looking for a minimum commitment from the Water Plant of \$25,000 (Templeton Sewer were also asked to contribute \$25K). The Town would make up the remaining balance of \$200,000 for their employees and retirees. The GM said that the TMWP is nine (9) years behind on its funding of OPEB, and all auditors hope to see some type of funding allocated for this expense. Dana stated that he hoped health insurance premium increases get under control and don't increase annually as much as they have been the past few years.

The GM reviewed the projected water sales summary for Q1, Q2 FY2018 with the Board. The total income for Q1 & Q2 is almost \$800,000.

### **Other:**

There being no other Open Session business to discuss, on a motion by Dana, seconded by Chris, 2-0 favor the Water Commissioners' Meeting adjourned at 6:34 p.m.

Respectfully Submitted,



John M. Driscoll  
General Manager