

**Water Commissioners' Meeting
October 7, 2014**

Members present were: Dana Blais, Gregg Edwards, Chris Stewart

Employees present were: John Driscoll, Ron Davan

The meeting was called to order at 6:00 p.m. by Dana.

The agenda was approved on a motion by Gregg, seconded by Chris, 3-0 in favor.

The August 5, 2014 minutes were approved on a motion by Gregg, seconded by Dana, 2-0 in favor.

Old Business:

The only Old Business discussed was the need for funding for the painting of the water storage tank on Johnson Avenue in East Templeton, and the Manager had looked into an option to be discussed under New Business.

New Business:

The Manager and Superintendent had met with Tighe & Bond and the USDA to discuss funding options for the Water Plant to complete the project of interior wall-painting of the above-mentioned water storage tank. Steve Bonavita from the USDA had done a loan term sheet for the Manager laying out 40-year options for the \$650K required for the project; once with level principal and again with level payments. The level principal option began year 1 at \$38K and ended year 40 at \$17K, whereas the level payment option required a \$29K payment every year. Both the Board and the Manager were not interested in assuming any more debt that would require 40 years to pay off, roughly double how long the new tank interior paint job would last before the Mass DEP required it again.

Dana asked how long the Water Plant had to push off this project until a better funding option was available; the Superintendent responded that it was originally supposed to be done in 2015 and we had already requested an extension. The Manager felt that

realistically the Mass DEP would not allow anything more than maybe another year of extension since the water rates had gone up 23% in FY 2014 and would be going up 4% for the next four (4) fiscal years pursuant to the water rate study results accepted and voted into effect by the Board. This new USDA Loan proposal had an interest rate of only 3.25% compared to the Water Plant's last one at 4.625%, but the real turnoff continued to be the 40-year term. Gregg asked if it were possible to do a 20-year loan instead or at least pay additional principal to reduce the 40 years to 20. The Manager was already looking into it and had e-mailed Steve Bonavita last week these questions but had not heard back as of yet.

The Manager had given a report to the Board on the extensive well site work done for the Water Plant since the beginning of FY 2015. There had been nearly \$48K spent already for work at Maple Street, Sawyer Street and Willow Street. There had also been work performed in FY 2014 that was not invoiced to the Water Plant until FY 2015 so that was making the maintenance costs seem higher than they actually were. The Superintendent was confident that the extent of work done here on all three well sites would buy the Water Plant a good 5 years of worry-free well operations.

The Mass DEP was insistent on the replacement of the source meter for the Sawyer Street Well Site. This was the 8" meter that measured the gallons of water being pumped out of the ground and the meter had required some calibration each year since the Water Treatment Facility was completed in 2004. The Manager added that this was an unnecessary expense since Regan Supply tested the existing source meter annually and could always re-calibrate to within Mass DEP standards. This meter installation work at Sawyer Street would cost \$8K.

[A more detailed discussion of the errant health and dental insurance and retirement invoices from the Town to the TMLWP would be held in the light meeting following the water meeting.]

The Manager offered the Board a comparison of the Q1 water sales from FY 2015 versus FY 2014. The gallons sold in FY 2015 were up by 586,040 or by 1.8% but the revenue from water sold in FY 2015 was up by \$71,318 or by 24.7%. There had been enough cash flow to pay *all* of the Water Plant's vendor invoices on time with the exception of some of the electric ones.

The Superintendent informed the Board that any and all town road repairs due to water main breaks in FY 2015 had already been repaired.

The Superintendent also informed the Board that the state was doing over all of their water main up at the Otter River State Forest in Baldwinville. They had required a new 6" pit water meter for the job and will require some oversight by someone from the Water plant during installation of the new water main and connection to the existing one in the road when they are ready. This will be a billable job for the Water Plant.

Other Business:

The Manager wanted to bring up one important issue regarding the Town's Zoning Board of Appeals (ZBA). The Superintendent had served on this board for several years' time now, going back to the days when he was a town resident on North Main Street. In past years, often due to the objection of no more than a single town resident, the matter was looked into by the Town as to whether or not the Superintendent could remain on the ZBA once he became a resident of Winchendon. He was always allowed to continue to serve on the ZBA up until a Selectmen's meeting in June when they voted to suddenly adopt a policy to dis-allow this practice at the recommendation of an administrative assistant in the selectmen's office. Both the Manager and the Superintendent are confused as to why this has suddenly occurred and the reasons as to why are not clear after communicating with the administrative assistant and the town administrator on the issue.

The Superintendent plans to attend the next selectmen's meeting and be put on the agenda to ask them just why this has happened and why was neither he nor the ZBA Chairman notified in advance? There had already been at least one meeting of the ZBA where residents with business to tend to could not in the absence of any quorum of the ZBA. After what happened at the Day Mill Condominiums going back ten (10) years it was critical to have a water department representative on this board so that local bylaws and water department guidelines are followed by incoming contractors. The Water Plant already lost over \$100K in water meter connection fees at Day Mill Condominiums since those contractors were informed by someone who worked for the town, not by the water department that there would be no water connections fees.

There being no other Open Session business to discuss, on a motion by Gregg, seconded by Chris, 3-0 in favor the Water Commissioners' Meeting adjourned at 6:35 p.m.

Respectfully Submitted,

John M. Driscoll
General Manager