

## **Water Commissioners' Meeting October 8, 2013**

Members present were: Dana Blais, Gregg Edwards

Employees present were: John Driscoll, Ron Davan

The meeting was called to order at 5:00 p.m. by Dana.

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

### **Old Business:**

Further Discussion was held between the Manager and the Superintendent with the Board on the differences between Tighe & Bond's three different water rate increase schedules, known as Scenarios #1, #2 and #3. The Manager felt that the increases that lay within the third scenario were too severe for the town's water customers to handle at this point in time. Scenario #3 would increase the quarterly water customer charge by 166% in five fiscal years from \$28.00 to \$74.52 per quarter. It would also increase the quarterly water usage charges by 34% in five fiscal years from \$6.70 to \$8.96 per KGAL for Tier I, \$7.44 to \$9.95 per KGAL for Tier II and \$8.33 to \$11.00 per KGAL for Tier III.

Scenario #1 would increase the quarterly water customer charge 70% in one fiscal year from \$28.00 to \$47.60 and remain there. It would also increase the quarterly water usage rates by 22% in five fiscal years from \$6.70 to \$8.14 per KGAL for Tier I, \$7.44 to \$9.03 per KGAL for Tier II and \$8.33 to \$10.02 per KGAL for Tier III. The Manager and Superintendent both felt that all this would do is assist the Water Plant in paying all of its operating expense invoices on time, but not much else would remain for capital improvements or savings. Scenario #1 would merely adjust the Water Plant's incoming revenue to Inflation and CPI

The Manager had suggested that the Board consider the second scenario, #2, and stated that this move seemed to be most sensible for now, as it would immediately raise the remainder of the Water Plant's FY14 revenue from water sales by 24% and allow the payment of all past due invoices to its vendors in addition to allowing enough extra to purchase a new water utility truck. He added that in the first few years it would be possible to set aside enough extra revenue to schedule the painting work needed on the

Johnson Avenue Water Storage Tank. The Manager thought it important to embrace one of these scenarios put forth by Tighe & Bond since the new CIP and Water Rate Study had been done in such detail, much more so than the previous 2001 and 2003 reports were. He had prepared some detailed spreadsheets for the Board to review outlining the various water rate increase schedules which each different scenario suggested. The Manager stated that a decision would have to be made before the December water billing cycle.

**New Business:**

The Manager and Superintendent had prepared for the Board a price quote from MHQ on a 2014 Ford F-350 Water Utility Truck and a financing quote from Ford Motor Credit for a four year lease. In reviewing the vehicle quote both the Manager and the Superintendent realized that mistakes were made on the pricing of the gasoline V-8 as an option and an unnecessary manual-crank loom screen which didn't make any sense on a truck with a utility body. Since the financing was specific to a certain dollar amount quoted it would have to be redone. The manager would be sure to get a new vehicle and financing quote and have another meeting in a week or two so that the Board could vote on the proper dollar amount for the new water utility truck.

There being no other Open Session business to discuss, on a motion by Gregg, seconded by Dana, 2-0 in favor the Open Session Water Meeting adjourned at 6:50 p.m.

Respectfully Submitted,

John M. Driscoll  
General Manager