

Meeting Minutes
Charlton Water and Sewer Commission
Date: January 28, 2013

Location: 8A Worcester Road, office at the sewer treatment plant

Attendees:

<u>Members</u>	<u>Present</u>	<u>Members</u>	<u>Present</u>
John Elliott, Sr.	N	Joseph Haebler	N
Robert Lemansky	Y	Paul Gagner	Y
Joseph Spiewak	Y		

Recording of minutes by Carol Goodspeed, Department Assistant

Meeting was called to order by Mr. Lemansky at 4:42 p.m. Mr. Lemansky: First order of business is warrants and commitments. Just for the record, Mr. Haebler and Mr. Elliott are absent. Mr. Spiewak: I make a motion to approve the following warrants for the following amounts: National Grid: \$9,364.16; Quill Corporation: \$169.54; Osterman Propane LLC: \$973.84; Osterman Propane LLC: \$1,158.21; total: \$11,665.75; Verizon: \$441.85; McClure Engineering, Inc.: invoice #10395: bid assistance with respect to Freitas Construction, Inc.: \$181.10; McClure Engineering, Inc.: invoice #10587: water field oversight; preparation of substantial completion certificate; preparation of application for final payment with respect to the Burlingame loop: \$1,300.00; McClure Engineering, Inc.: invoice #10565: sewer pump stations—data loggers; coordination of, purchase and installation of same at 11 pump stations: \$1,787.50; McClure Engineering, Inc.: invoice #10566: existing conditions survey; develop construction plan; bid document preparation and construction cost estimates: \$9,771.25; McClure Engineering, Inc.: invoice #10567: proposed water system expansion; correspondence with Kleinfelder re: design support; review of design plans: \$1,171.25; Franklin Electric Co., Inc.: purchase of 20 grinder pumps: \$19,528.00; purchase of 20 retrofit kits: \$20,840.00; total: \$40,368.00; Commissioner payroll for January: \$400.00; seconded by Mr. Gagner with the exception of the McClure invoice #10566. Vote: Unanimous. Mr. Spiewak: I make a motion that we approve the minutes of November 19th; seconded by Mr. Gagner. Vote: Unanimous. Steve indicated that he is questioning one electric bill for Old Worcester Road which was excessive. Mr. Lemansky signed the McClure service agreement with respect to #054-988-D. The commission voted that this be signed at their meeting on August 20, 2012.

Steve's report: Elaine Tiberii had asked to meet with the commission this evening. She has withdrawn her request. Steve: Her concern was to quote her: "...she thought that the \$30 per account fee she was seeing on the bill was an administration fee and she thought it was being leveled at her account because it went from one to twenty and she didn't think the costs were reflective as to what was happening..." I explained to her that the \$30 per account was a fee that was established on June 25, 2008. Every account that is on a meter is charged a \$30 per account fee; and if manually read, an additional \$20.00 fee per quarter is charged. Mr. Lemansky: Up there is one meter; the meter is read; the reading gets divided by 20 for the 20 accounts; and each account is assessed \$30 per quarter. But to be fair, there is administrative work in dealing and maintaining the 20 accounts. Carol has to take the number and divide it by 20; and enter the number into each account. Mr. Spiewak: What's the account fee? Steve: Up through June 25, 2008, there was a \$93.75 per edu charge. When they went to a metered situation, they came up with an adjusted rate and decided on an account fee. An account fee is defined as a single entity. In this particular case, there is one unit that may go into receivership as they have not paid their bill. If we were billing a single account, we would have to lien against the entire complex. Mr. Lemansky: The project went from being a privately held property that had 20 units. A condo conversion was done. Then we created these separate accounts. The original Title V billing – that number included the work of reading meters and the paperwork that was involved and the usage was also part of that; so when we went to the meters, the usage is clearly just the usage; but there was no way to put in the administration fee until the metered accounts were set up.

Steve: There was research for the property at 10 North Main Street account. Something in the math was wrong. At our last meeting, the commission signed an abatement warrant to correct it. We are doing research on the Sleeper account--the house; and they have a question—they had put in a meter that was manually read and they would need to pay the manual read fee. I was asked if they could change that meter and put one of our meters in. Steve explained that there is a cost of \$275.00 for the meter. Also someone would need to be at the property for the meter installation. Steve is waiting to hear back.

I did some research of our sewer by-laws with respect to Power Station Road. Frank Manzi, Francesco's Bakery. Steve read his report. Mr. Gagner: I have a question on the testing. Test grease traps. Steve: There would be a maintenance program. Mr. Gagner: How do we know the grease isn't flowing? The testing should be done in the manhole in the street. Steve: The plant will check 5 manholes periodically. Steve has researched and read from the by-laws. Mr. Lemansky: In our requirements, an outside third party pumps it out periodically; does quarterly maintenance; you take the cover off. Fats, oils and greases go to the vendering company. It isn't testing; it's maintenance. On the first day of a quarterly period; they need to send us a note saying they have checked the trap. Jody will check on this periodically. If he sees a problem, he'll let them know. Steve had suggested they have their own maintenance plan. The grease trap gets washed regularly. Steve to the owners: You should check the grease traps; i.e., weekly, monthly. Mr. Lemansky: If they had an outside one, it would have to be serviced by an outside party. The plumbing code allows for interior grease traps properly sized to the sinks. Mr. Gagner: Do you currently have a grease trap? Mr. Manzi: Yes, There was a grease trap that never had any issues. Traci: When it was Nana Eleanor's they had two fryers and a griddle. As a bakery, when you think of the bakery products that we sell, there is minimal grease. Mr. Gagner: With Champion Pizza, similar to you, they were required to put in a 1,000 gallon grease trap outside. Their business was similar to yours. They should not have had to put in a grease trap. Mr. Lemansky: That was before Steve. Steve has done the work. It's pretty clear I feel. We have the plumbing inspector behind us as well as the documentation. **Mr. Spiewak: I make a motion that we adopt the proposal by the sewer administrator; seconded by Mr. Gagner. Vote: Mr. Lemansky: I; Mr. Spiewak: I; Mr. Gagner: No. Motion passed. Meeting concluded at 5:25 p.m.**

Discussion of the annual report format. Steve: I sent this through to Joe today. He asked for some statistics through Jody that they be put in our annual report. One of the things that were put in but not in the past: the plant is permitted for 450,000 gallons a day. We are averaging around 228,000 gallons a day. Joe had asked for a map of the roads – I do have one here. We have included information about the senior citizen discount on their sewer invoices and what the requirements are. We are seeing a migration from Title V customers to meter accounts; and also that we have Charlton meters and Southbridge meters. Mr. Lemansky: We should add our sewer map and our water map on the website so people can see where everything is. Steve: 1-3 pages are acceptable for the annual report. Steve will do a draft and send to Joe for his review.

Mr. Lemansky to Steve: Did we send Liberty Mutual a 93A letter with respect to the hydrant claim. Steve: The last time I spoke with an agent, they said they were still investigating. The vehicle is insured by them. The last time I had a problem dealing with this type of situation, I called the Attorney General's office.

Steve: Capital budget: I went through it with Jody. Steve indicated that there is a break in the gutter on the plant building where icicles form and make it hazardous for foot traffic. The blowers in our EQ tank blowers and pumps are getting old; and Jody wants to have spares on hand in the event that there is a failure. The commission reviewed estimated costs with respect to various pieces of equipment. Mr. Lemansky to Steve: The Muggett Hill generator trailer: \$30,000. That's a little bit overboard. The generator that got wet has been refurbished. The suggestion is to put it in an enclosed trailer; then if we have to put it somewhere else we can do it. Mr. Gagner: I thought we had a generator that could be moved. Steve: It is a smaller one. Steve: There is one down here and one at Vine Street. Mr. Lemansky: I think the number should be \$15,000 for the larger generator. If we had the money in reserve, if we don't use it, it will recycle back into our retained earnings. Mr. Spiewak: The alarm system inspection—that's a capital item? Steve: Yes, it is a requirement. Mr. Lemansky: We don't even have a year of time on the alarm, do we? Steve: No. Did you talk to Dave Woods about it? Steve: Yes. Inspection is required once a year. I can take this out of the capital plan and put it in the operation and maintenance budget. Mr. Spiewak: An outside HVAC unit. Steve: We have called the people in when necessary.

An outside HVAC unit, from my previous experience, will perform for 8 years. Some of ours are 13 years old. Once a day every day, the system at each of the pump stations calls in; it comes back through the plant; that's the auto dialer that alerts people when they are off site that there is an issue. Steve: Jody indicated that the cost is \$5,000 apiece (auto dialer). The hot water heater is old. We do have a shower unit in the event there is a need. Steve: The jetting water tanks – I spoke with Jody. They would only be used during months when we were doing jetting. It won't be a full-time set up. Tanks hold 2,500 gallons. Building dehumidification: You have water dripping off the ceilings. Something needs to be done; perhaps ventilation through the roof. Mr. Lemansky: The RBC's are like humidifiers. Now we need to get rid of the humidity. Stevens Park Road and Glen Echo Shore Road pump stations: there are four pumps there; Jody would like to purchase one spare. Plant office air conditioning unit: it is 13 or 14 years old; Steve estimated replacement cost to be \$5,500. Plant heaters: Those are the units hung from the ceiling; they are 13-15 years old; replacement cost of \$3,000 each. Discussion about the roof and insulation of the plant building: Mr. Lemansky: There are some good coating products out there. Ceilings can be suspended and insulation blown in.

Mr. Lemansky: We continue to reduce our I/I which drops our gallons treated per day which allows us to take in more gallons. Mr. Spiewak: We are running at half capacity. Mr. Lemansky: (Analogy): What we have done here is: we have a 450 seat restaurant when we have 185 seats full; and those 185 have to pay for the infrastructure. Steve: If you elected to do the asphalt: we would want to consider bringing water to here. There is a 12" lateral at the end of the driveway. Mr. Lemansky: Shouldn't we change the sewer main? Steve continued: If we have a pump that goes, we get a rebuilt price. If it is less than 40% of the original cost, we have it rebuilt. If it is 60% of the cost, we purchase a new one.

Budget: indirect costs – operational; based on the town budget of \$22.8 million; the water and sewer budget: \$2.3 - \$2.4 million. In both the town budget and the sewer budget, our operating budget is \$1.2 million - \$1.3 million, but with the debt that we have, the town is also carrying debt there. The number that Keith came up with which is 10.39% is a divisor of the \$22.8 into the \$2.4. Mr. Lemansky: Keith is saying this is the methodology other towns use. Steve: You are seeing what the department costs. What I like best is the department we use the most—the tax collector—we pay 4% (we are issuing 2,400 bills per year out of 60,000 bills a year). I don't see how we're using 10% of the assessors' budget. I looked at the average hours: the accounting office; treasurer's office: 216 hrs; town administrator: 216 hours; assessors: 216 hours; the accounting office at \$36 per hour; assessors office at \$81 per hour. Mr. Lemansky: I am being asked to meet with the Finance Committee. We need to agree on these items before we go to town meeting. Mr. Lemansky: Should I make an appointment with the Finance Committee? The consensus was yes. Steve reported a related benefits amount of \$167,508. Steve reported that there are 6,300 parcels per Todd Girard. Mr. Lemansky to Steve: Talk to Virginia or Lucia about how they do their calculations above. Mr. Spiewak: I agree. I think our bill may continue to go up and our usage may go down. It was mentioned that the betterments are due on February 1 and May 1. Steve: They have to certify cash sometime between May and June. Currently we have \$36,055 in water retained earnings; and \$353,208 in the water stabilization fund. Mr. Lemansky: The water stabilization fund was created when the Konoco settlement check came in (over \$2,000,000). Since then the town has been taking the interest payments that are due or that the town pays and they have been taking the money out of here rather than out of the general fund. The water line went in 10-12 years ago. The town has been paying interest. It has been coming out of the general fund.

Mr. Lemansky had spoken with Ms. Craver asking: If you go from year to year and the town has been paying ¼ million dollars that they didn't have to pay, where is the surplus? The 2-1/2% inflation rate can't keep up. There's \$167,000 more going into the fund for meals tax. She wanted to take money out of the retained earnings. Mr. Gagner: I paid some of the money because I am a taxpayer. Now I am on the sewer line. We're paying taxes on the taxes we have already paid. Mr. Lemansky: The section that was omitted will be there for consideration; and will be put into the contract. The people on the north side of Muggett Hill Road can hook up. All those house lots can. Keith indicated that he is carrying \$560,000 - \$570,000 which will be added to the tax bills that go out to the town populus. Steve: It has been an effort to balance the budget. Mr. Lemansky: When the treatment plant was improved 3 or 4 years ago – this improvement was not funded and it was felt that the

funding would come from the Masonic Home when they added on their big addition - \$1.7 million dollars. In 2007 and 2008, the privilege fees would pay for this (\$2,400,000); Masonic Home added on \$185,000,000. Steve will put together a breakdown. We should be getting interest from that money. Monies are earning dollars. We should have some interest income coming in. If the Masonic Home wasn't going to pay the bill through a betterment process, we would have to somehow charge our users.

Steve: There are no limitations on the enterprise fund. Sewer/privilege fee money has to go for sewer improvements. Mr. Spiewak: I would propose a 6% share rather than a 10% share. Mr. Spiewak: When the debt starts to get paid off, those numbers are going to drop. Mr. Lemansky: We are taking money out of our operating budget to pay the town back. If the commission decides we don't want to do the Enterprise Fund minimum, we could send it up the street. Steve: If you are going to continue what you are doing--having a contract that you paid out--you need to have the funds available for the first year. Mr. Lemansky: \$500,000. When the sewer commission does a budget, contracts come in portions.

Our next meeting is scheduled for February 11th. Mr. Gagner: I make a motion to adjourn the meeting; seconded by Mr. Spiewak. Vote: Unanimous.

Meeting adjourned at 7:00 p.m.

John Elliott, Sr.

Date

Robert Lemansky

Date

Joseph Haebler

Date

Paul Gagner

Date

Joseph Spiewak

Date

Paul Gagner

Date
3/11/13

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