



APPROVED  
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# Town of Carver, North Carver Water District Commission

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Posted in accordance with the Provisions of M.G.L. Chapter 30A, Section 20B

Meeting minutes for November 22, 2016. The North Carver Water District Commissioners met, today, at the Carver Town Hall, meeting Room #3, 108 Main Street, Carver, Massachusetts.

Attendees: Kevin Tracey, Chairman; William Sinclair, Commissioner; Stephen Romano, Commissioner; Marlene McCollem, Director, Planning and Community Development

Also Present: Mike Milanoski, Town Administrator; Meg Lamay, Accounting

Meeting called to order at 5:04 PM, by Mr. Tracey

## FY17 Expenditure Reports:

Mr. Tracey – How are costs assigned to departments? Mike- We carried forward what was on previous year. The total budget is correct, but don't overspend. We took the tax rate recap and then took what you approved. What's in there now is what was voted for at the town meeting.

Mr. Tracey – discrepancies –

- Expense Reports T/Y July commissions/salaries \$1000, Sept is \$5400, why? Ms. Lamay indicated that was what was voted on (numbers are the same as last year). The \$5400 reflect commission, stipend and clerical services (used in the past when clerk used to do billing for us). Mr. Tracey, \$4800 should be moved to indirect cost in next years' budget. Direct cost would include clerk services, including minutes. Ms. Lamay - Going into budget season, there was some things being changed. As long as the bottom line doesn't change, you can vote to reallocate line items. Mr. Tracey – the only thing we have control over are operating expenses. Mr. Sinclair – When people look at this budget, they are

going to wonder what the \$5400 salary is for. If it said "clerical duties" that would help clarify line item. Ms. Lamay - If you want to reallocate, you can as long as you don't change the bottom line.

- Mr. Tracey – Equipment line disappeared. Ms. Lamay – It is in there now. Was combined with equipment repairs and maintenance. Equip \$9249 on 7/1, Equipment \$3000 on 7/1-10/31. This was done based on what was approved. Mr. Sinclair - we should delete "vehicle" as we don't have one. Mr. Milanoski – when you look at approval from last meeting, the only change was repair and maintenance which was combined with equipment and vehicles. Ms. Lamay has updated this to reflect the \$3000. Numbers are slightly off from approved but necessary to shift to make the bottom line. There is a variance of \$650. After reviewing the budget, Mr. Milanoski asked if there was a calculation error as all numbers are the same on previous vs current?
- Mr. Tracey – What was encumbered for \$6237. Ms. Lamay - Only \$3300 was charged. Comprehensive environmental bill with date of service prior to June 30<sup>th</sup>. Mr. Tracey felt he made sure all bills were taken care of. Ms. McCollem indicated that the bill included municipal. Mr. Tracey - We shouldn't be paying municipal bill. Meg will verify that the charges apply to this board. Ms. Lamay - If it was charged to your budget, at some point this board approved it.
- Mr. Tracey – How do you determine indirect costs? Ms. Lamay – Handout provided. A list of all people and how much time each devotes to the NCWD, are included on page 2
- Mr. Romano – We have one note of principal payment in the first quarter, in the amount of \$100000? Why? We don't have any money at the beginning of first quarter. Ms. Lamay – we do have the money in the first quarter. We did not need to borrow anything to pay that principal. We are financially solid. Ms. Lamay - We are no longer semi annually funded, we are quarterly. Mr. Milanowski – NCWD borrowed 5.1 Mil - (1.7mil and 2.9mil and \$500,000). Total cost of project was over 8mil but we received grants as well. Mr. Sinclair – Who came up with % for indirect costs? Mr. Milanowski believes it was Jack. Board - If this board were to require more time from various town employees, how do we reallocate %. Mr. Milanowski – It really doesn't matter right now as you are currently getting subsidized.
- We can't keep time records at this time. Mr. Sinclair - When you are made whole and when you don't need a subsidy anymore how do you pay the town back for the money borrowed? We should carry this number and keep a tally on. Mr. Milanowski – This Board feels a moral and ethical obligation, DOR doesn't look at it that way; the town is giving a grant. Mr. Sinclair – still feels this obligation should be tallied until solvent. Years down the road, we could pay back the town. Mr. Milanowski – we could create a spreadsheet with a list of yearly payments. We can then give spreadsheet to board to maintain. Mr. Romano - Payback to the town could also be done through betterments.

- Mr. Romano – 2018 budget – Whatever we do now should stay, as is, for future. Would love to do a five-year average in the future. Every time we make a change, it makes it impossible to do a five-year average.
- Mr. Milanowski – forecast – We will need to build a line item debt services subsidized for NCWD ty \$260000. Ms. Lamay handed out a 2014 recap. Mr. Milanowski is looking for a version of this spreadsheet as an excel spreadsheet, currently has a PDF file. The variables are what we need direction on. Variable - Decas falling off in 2016 – we extended but will be done before spring. However, Indian Head will ramp up in the spring with a higher rate but for lesser period. Another variable – Ms. Lamay needs non Decas usage averaged out; 2015, 2016 and 2017 to date or as far back as we can go. We should use billable amounts and not include lost water. Mr. Milanowski - Has anyone ever checked usage vs lost water. Ms. McCollem - we should be well below the 10% average as this is a newer system. Variable – New construction? Mr. Tracey listed off some new growth values – New England Farms, Dog Mall, Duplex behind dog park. We can do estimates for usage on New England Farms, but may be difficult to estimate other new business.
- Mr. Milanowski – The Board should keep a log for new water systems. We should project amount of usage. This will assist with forecast each year. Mr. Tracey agreed to do that and can provide it by mid December.
- Mr. Sinclair – have we figured out the solar credits? Have they figured out the right locations? Ms. McCollem - Credits are being distributed accurately on the Eversource bills. Mr. Sinclair - How is it being credited back to us? Ms. Lamay will check. Mr. Sinclair – I'd like to make sure credits come back and are allocated to us as they are supposed to. Mr. Milanowski – Phase 2 was the agreement with the town that they would take any savings they received and give it back to NCWD. Ms. McCollem – your power is covered by phase 1 and if there was no agreement to get that back than that is bad. This board would incur all of that expense. The town (4 locations) is not paying for its electricity. \$1000's is coming back and getting value of credits to town accounts and not coming back to this board. The Eversource bill is detailed and broken out. Ms. Lamay – Some months, the credit wipes out balance due, which may require a journal entry. Mr. Milanowski – when we do fy18 budget, we can incorporate the appropriate adjustments. Ms. McCollem – Mr. Sinclair and you take electricity tab off from subsidy? Mr. Milanowski, Ms. Lamay and Ms. McCollem will have a further discussion to determine the best way to handle it. Ms. McCollem needs the July and August bills from Mr. Milanowski's office. Ms. Lamay left the meeting.

Generator disposition and procurement: Ms. McCollem and Mr. Sinclair met with FM generator and discussed. Ms. McCollem recommend that we write a temporary request. Timing wise, it will be easier if we are not tying two events together. Board can have contract line up and new installer and hook up a temporary one. We can

do online auction or equipment broker to sell current generator. We do not need to wait; we can actively market this. We do not have to wait to get new one until old one sold. Disposition and procurement can be treated as separate events. It was also noted that we need another tank so that we have enough storage, that would bring us to 4 tanks; we also need to increase the line line, 1.5 is too small. Our current unit vaporizers are condensing and not fueling itself. Mr. Romano – Do we pay for the tanks? Mr. Tracey – No, just a re-piping fee. Mr. Milanowski – Where is additional funding coming from if \$ increases to 90. From a finance standpoint we really need to sell old one before procurement of new unit. Ms. McCollem - We have to time this relatively close together. Mr. Sinclair – so say we place the order with a contractor but we don't take delivery until other is sold? Yes. There is a bridge of time from loaner to new install, but should be no more than 2 weeks. Our current unit is 350KW. We are looking to replace with, at most, a 100KW – 150 KW on the new unit. Ms. McCollem - the 75 – 95K budget includes 15K budget for removal. The same company might not be doing both. If a separate company is taking it out it will need to be factored into sale price. It was asked if there had been research into used units. Mr. Sinclair - We are not in the market for a used generator. Mike – what is the target time frame? Ms. McCollem is hoping to have it done in January. Mike – to help solve some of procurement issues I could go to capital outlay to get \$100000. We would lay out a scenario asking for advance of money to handle this type of situation. This money may never be needed but at least it will be there if you do end up needing it. Mr. Sinclair – If we can purchase ahead of time, we will get a better price as we wont need a temporary. Mr. Milanowski – Do we have a day's worth of water on hand. Mr. Romano - Yes. Ms. McCollem - We should be able to have gas work done ahead of time and then plumb it when installed. If we can sell current unit as "ready to go", it will be easier to sell. Mr. Milanowski – If needed, we can lock in with generator company an agreement that we need a temp generator for specific time frame. Mike – will we be revisiting this again in three years? Are we under powering for the future? Ms. McCollem - we need to have some capacity cushion for future expansion. I've had this conversation with Mike Ohl, if you are going to double capacity, does it make sense to continue building onto something that already doesn't work or do we build a parallel system. We need to do an analysis and see how much needs to be retrofitted, repaired, etc....

### Plant facility

Mr. Sinclair – We have discussed having a well field. If we lose the potential of maximizing the benefit of this project, we have done a disservice to the community. Mr. Tracey – Mr. Ohl is working on the asset management plan. Mr. Milanowski – we really need to be in a position to move forward. We could also approach the developer on this. Mr. Sinclair – Source approval takes about 5 years, although some have received emergency approval in under a year. We are drawing up too much mud and burning through \$3500 pumps. We need to approach DEP to move forward with additional drawing area. Mr. Sinclair – The conservation land is a hurdle as we would need to punch wells outside the gates. Mr. Milanowski - should we

get Mr. Ohl involved in an in depth conversation in what we see as a town and where its going. Ms. McCollem - We can address perhaps in January. Maybe two separate meetings in January. Mr. Milanowski will have some extra money to help with generator. If we need to go to capital outlay or Fin Comm we need a plan. Ms. McCollem - Our priority is to sell existing generator and getting a new one. Next priority is plant facility updates.

**Privilege fee for 3 Braddock Way for 160 gpd:**

We do have to levy a privilege fee. The betterment calculations equal \$35/gal. Regulations has cost per assessment unit with escalator (5% every year since 2012). If straight \$35/gal it would equal \$5600. Ms. McCollem will recalculate and provide at next meeting.

Note: Ms. McCollem confirmed, there is a difference of 160 gals (previous notes) due to increase from 2 to 3 bedrooms.

**Service installation and fire sprinklers at 3 Braddock Way:**

Ms. McCollem – They have sprinklers. No one at board was aware. I've looked at plumbing records and it is a totally separate system. Mike will do a survey to verify. Ms. McCollem has alerted the fire department for them to work out as there is no water source. This really needs to be hooked up to a source to prevent future issues. Right now 2 domestic service lines with standard meters. Mike and I agree that it should be a totally separate line. We don't run fire service through domestic meter. This was all brought up as they were asking mike for larger meters. Mr. Sinclair – Is there a way to enforce an inspection upon sale? Not us, but fire department has to inspect smoke/carbon. Ms. McCollem informed fire department that they need to talk with these people to ensure they hook up to a source. Mr. Sinclair – Fire Department will need to inspect fire suppressant system before occupancy and should require future inspections with sale of property.

**Minutes**

Minutes were not reviewed.

**Next meeting: December 12, 2016 at 5:00 P.M.**

*Motion to accept: Mr. Romano*

*Second: Mr. Sinclair*

*Accepted: Unanimous*

**No further business.**

Meeting adjourned

*Motion to accept: Mr. Romano*

*Second: Mr. Sinclair*

*Accepted: Unanimous*

Meeting adjourned at 7:20 PM