

Groton Water Commission
Regular Meeting of the
Board of Water Commissioners
Tuesday, November 9th, 2021
Virtual Meeting using Zoom

Minutes

Present are Chairman Jack McCaffrey, Member James Gmeiner, Superintendent Tom Orcutt, Business Manager Lauren Crory, Dave Patangia from Environmental Partners, and Michael Ohl of CEI.

Mr. McCaffrey called the meeting to order at 7:32pm.

Manganese Treatment Plant

Mr. Patangia said the MA DEP application is done and ready to submit and they are starting to think about bidding. Mr. Orcutt asked about plans for plans and specifications. Mr. Patangia said they have reached out to a few contractors and they have all expressed interest in bidding on the project including Winston, Waterline, and RH White. Mr. Orcutt said we do not need a vote on the submission. Mr. Gmeiner does not have any comments and is fine with the submission. Mr. McCaffrey said he just wants milestones for the next 6 months and Mr. Patangia and Mr. Ohl will prepare that. Mr. Orcutt said he needs to know when we are going to bid and when we need to borrow the funds and we will need 8-9 weeks to line up the borrowing authorization. A spending plan or cash flow would be very helpful and the engineers will prepare this. Mr. Patangia said all submittals will be electronic. Mr. Patangia said if we get approval in a month (will add to cover letter), can add to Central Registrar December 23rd and will be available for viewing on the 28th. The sub bids will be four weeks after and two weeks after for the general contractors. Mr. Patangia said many contractors have been asking for extensions Mr. Orcutt would be ok with one week extension if needed. Mr. Patangia said we should have our final number by early February and a notice to proceed April 1. Mr. McCaffrey said he wants everyone to have a rough idea of what is going to happen and when we need the cash.

Mr. Orcutt asked if we are missing anything and Dave said they have been coordinating with GELD and working on changes, the permits are all set, there is just one minor permit due to DEP. Mr. Gmeiner and Mr. McCaffrey asked if all town permits are all set and Mr. Patangia said they are. Mr. Orcutt said SCADA issue is still up in the air and will be dealt with and we need SCADA upgrades in January regardless. Mr. Rafferty will help with this. Mr. Patangia said the upgrades will be substantial – a couple hundred thousand. Mr. McCaffrey asked if this will be rolled into a project and Mr. Orcutt said it will be.

Whitney Pond Well #3

Mr. Ohl said they are heading towards a similar bid schedule and doing a final review of the Water Management Act, New Source Approval and E&F Notification. We are still projecting going out to bid in December. Mr. Orcutt asked what we are actually bidding. Mr. Ohl said it is just the well and the adapter but will need building and electrical and may be other discreet pieces. Mr. Orcutt said the water portion of it should be done locally with quotes and Mr. Ohl said they can talk about it. Mr. McCaffrey asked who is buying the pump and the variable speed control panel and Mr. Ohl said it will come from the electrician typically but could use a smaller GC to pick up miscellaneous pieces. Mr. Orcutt asked if there will be a separate bid document and Mr. Ohl said it is better to have a GC but can pull out anything ahead of time. We can pull out what is being done by the school. Mr. Orcutt definitely wants to use a GC to manage the project. Mr. McCaffrey asked if we have sized the pump and Mr. Ohl confirmed it is 75 horsepower. He also asked if there are any long lead times for these parts or electronics. Mr. Ohl said generators are backed up. Mr. Orcutt said to check on the 75 horsepower. Mr. Orcutt said we definitely need a schedule and construction start date will be March. The bids will be opened by end of January and contracts signed by March 1. Mr. Orcutt asked if it is 90-day construction and Mr. Ohl will check on the lead time. Mr. Orcutt said they may need to move up bid date. Mr. Ohl said they can separate out equipment purchases. Mr. Orcutt said GELD is ready to lay the poles and the transformer is coming.

Finances – Treatment Plant and Whitney Well III

Mrs. Crory presented manganese fee data based on \$35-\$40 quarterly fees. She showed the outlook of charging different classes (residential, commercial, and schools) different fees to bring in about \$280,000 per year. Mr. Orcutt said we can still look by meter size but will bring the commercial number down greatly. He also said some of the school accounts have larger meters. Mr. Orcutt reminded the board that the schools also pay many extra sprinkler and hydrant charges. Mr. McCaffrey said it does seem like we should charge commercial a higher rate to be fair. We would like to keep the residential close to \$35. Mr. Orcutt said we will include the large meters at the schools also when looking at meter size.

Dunstable Water Operations

No update.

FY23 Budget

Mr. Orcutt and Mrs. Crory presented the first draft of the FY23 budget. Expenses were flat besides a few increases due to Whitney Well III and having a new employee. The Board discussed the line items and made minor adjustments. Salary and Wages were

reviewed and Mr. Orcutt said the COLA adjustments are not included. The debt figure is similar to previous years but includes about \$20,000 more due to new borrowing on 6/30/21.

Mrs. Crory presented the income spreadsheet and first discussed the rate figure. Mr. Gmeiner said the average number seems questionable because most recent totals are over \$1 million but the average is only in the \$900,000s. Mr. Orcutt said this goes back to 2009 and that is why. Mr. Orcutt wants to remember 2008-2010 when we had very bad years. Mr. McCaffrey said Whitney Well III is going to give us a boost in revenue. Mrs. Crory also reminded the Board that we have had two rate increases in FY20 and FY21 that each should be bringing in about \$80,000 more in rate income on an average year. We probably have not seen the true effects of those increases yet. Mr. Gmeiner agreed you need a couple of years to see the true effect of the increases. He may be ok with a \$890K rate budget. Mr. McCaffrey is hoping for \$50K from rate increases and \$50K from Whitney Well III and we have only included about \$30,000. Mr. Orcutt said it is ok because we are able to go into reserves to balance the budget if we have a very bad year, while we are trying to wait and see what the effect of the rate increases are. Mr. Gmeiner asked why \$135,000 is listed for the manganese fee. Mrs. Crory said we bill out \$140,000 a year but may not bring in the full amount in that fiscal year.

Mr. Orcutt reviewed his construction income figure which is conservative due to a lack of projects on the books (not just in discussion). Mrs. Crory reviewed the rest of the income budget which stayed consistent (backflow testing, reserve transfer for meters).

This leaves the budget \$26,000 short and Mrs. Crory will review and see where we can make adjustments to fill the gap.

Mr. McCaffrey would like to leave rates alone if we are going to be adjusting the capital charge. Mr. Orcutt said maybe just irrigation rates and/or tier 3 and 4 rates.

Other Business

Mr. Orcutt said they finished flushing and PFAS numbers were put on the website. Manganese numbers are updated on the website. He will get the well level graphics together. Manganese levels look pretty good and the distribution system levels look fine.

Mr. Gmeiner made a motion to approve the minutes of September 14th as amended, Mr. McCaffrey seconded and the motion carried unanimously.

Mr. Gmeiner made a motion to adjourn 8:56pm

Respectfully Submitted,

Lauren Crory