

Groton Water Commission
Regular Meeting of the
Board of Water Commissioners
Tuesday, November 8th, 2022
Virtual Meeting using Zoom

Minutes

Present are Vice Chairman Greg Fishbone, Member James Gmeiner, Superintendent Tom Orcutt, Business Manager Lauren Crory, Dave Patangia, Bob Rafferty, and Tyler Schmidt from Environmental Partners, and Michael Ohl from CEI.

Mr. Fishbone called the meeting to order at 7:31pm. He stated that we are being recorded and everyone introduced themselves.

Manganese Treatment Plant – progress update, schedule

Mr. Schmidt said more slabs have been poured. Mr. Orcutt said the footings were poured today. Mr. Schmidt said that Fall River is working on the temporary power and the metal building work is still scheduled for February.

Mr. Schmidt said the total change order value stands at a \$25,000 credit. A draft pay requisition was submitted for October for about \$300,000 and they will get it over to us soon. Mr. Patangia said they have a progress meeting tomorrow at 10:00am. Mr. Fishbone asked about the change orders and Mr. Schmidt said it was wiring for a small valve, another electrical item, and plywood sheeting in the KOH area. Mr. Orcutt asked if we are moving in a positive direction and Mr. Rafferty thinks it is very promising and in the right direction. Mr. Patangia reviewed the cold weather pour plan and it is very comprehensive.

Whitney Pond Well #3

Mr. Ohl said that very little construction has happened since the last meeting and the electrical subcontractor is waiting on a few deliveries but most of the rest has been completed. Mr. Orcutt asked when they are pulling wires and Mr. Ohl said the main distribution panel and lighting panel need to be installed which should come this week and then we should have the motor starter. Mr. Orcutt asked about temporary heat and Mr. Ohl will check on that. Mr. Fishbone confirmed they are waiting on deliveries and Mr. Ohl said that is correct.

Mr. Fishbone asked about the regulatory timeline. Mr. Orcutt will check in with DEP this week. Mr. Gmeiner confirmed we are just waiting on the approval for the well and no extra withdrawal.

ARPA Funds – Taylor and Main Street Replacement

Mr. Schmidt said they will have a draft by the end of the week and would like to plan to schedule a meeting next week to review. They will also prepare a cost estimate as well. Mr. Orcutt is available to meet next Thursday. Mr. Schmidt said they can start filing permits afterwards.

PFAS/PFOS in Groton

Mr. Orcutt has a PFAS meeting next week so will have an update at the next meeting. Mr. Gmeiner asked about the tests that have been done in Groton and Mr. Orcutt will follow up. Mr. Fishbone agreed it would be good to have a mapping of what we know so far. Mr. Gmeiner said we should be getting cost estimates. Mr. Fishbone asked if there are homes around the Baptist camp and Mr. Orcutt said there are and knows the PFAS are in being reported in some community wells which is concerning for the aquifer.

Superintendent Operations Overview: Thomas Orcutt

No updates.

Business Manager's Financial Overview: Lauren Crory

Mrs. Crory reviewed the FY24 budget draft.

The debt spreadsheet was reviewed and Mrs. Crory presented the updated estimated debt payments for Whitney Well III at a total of \$80,834. Our forecasted amount was closer to \$20,000 because we did not expect interest payments to double and were originally planning to avoid any principal paydowns on the BANs. Due to high interest rates, bond counsel does not currently recommend permanently borrowing anything in FY2024. The estimated Manganese Treatment Plant debt is a total of \$491,868 which has increased for the same reasons. The forecasted amount was closer to \$350,000 originally.

Mrs. Crory reviewed our FY2023 free cash which breaks down to \$335,000 in free cash and \$286,000 in Manganese Fund.

Mr. Orcutt reviewed his expense forecast for FY2023 which includes increases in electric, propane, and chemicals due to inflation and having the new treatment plant on for half the year. Mr. Gmeiner thinks the electric forecast may be low but Mr. Orcutt explained that when the wells run through the treatment plant there will be increases not so much because of the new well. Mr. Fishbone asked if the chemical prices will fluctuate up and down and Mr. Orcutt said that truckers are an issue and fuel service charges on top of increased prices. Mr. Fishbone asked if we can store the chemicals and Mr. Orcutt said we have a 2000-gallon bulk tank for KOH but Chlorine cannot be stored for a long time. Mr. Orcutt said intergovernmental costs are up due to the new employee and raises for other employees that we pay a portion of. Mr. Gmeiner asked if there has been any change in the intergovernmental formula and Mr. Orcutt said there is not. Mrs. Crory explained that we still have \$50,000 on our meter budget but we do not want to take this out of free cash as a transfer since our free cash is getting low. Mrs. Crory also removed the \$140,000 that was being reserved to the manganese fund because we will now be using the income as it comes in. Mrs. Crory explained if we have a \$491,000 Manganese debt payment in FY2023 we will use the \$280,000 income to offset that – as well as monies from our manganese fund. Mr. Orcutt said he carried extra overtime in “Other Pay” for wages because the treatment plant will need to be staffed when it is first up and running because DEP will require that until they relieve us of that need.

Mrs. Crory asked if there will be changes to the current contracts and Mr. Orcutt expects there will be impact bargaining on overtime when DEP sets the minimum staffing requirements for the new treatment plant.

Mr. Fishbone wanted to see the budget increase without taking the \$140,000 out of the expense budget which would have been an overall 10% increase.

Mrs. Crory reviewed the revenue projections with slight increases to rate income. Mr. Orcutt explained his increases to construction income. Mrs. Crory also showed how we plan to make the manganese debt payment by using the fee income in that fiscal year (\$280,000) plus a transfer from our manganese fund reserves. The revenue is still about \$200,000 short due to Whitney Well III debt, expenses, salary increases, wage increases, and removing the transfer to pay for Water Meters. This difference will need to be made up by rate increases and/or minimum fee changes.

Mrs. Crory explained that we used FY2019 data for our past two rate increases but sales have been down so we did not see the full rate increase effects yet. When we have this year's rate hearing we will use FY2022 data.

Various rate scenarios and fee increases were briefly discussed in preparation for the rate increase hearing in December.

Mr. Orcutt will send additional budget documents. Mr. Fishbone said there is a lot of information and will think about it. Mr. Gmeiner wants to see the master debt schedule at some point but it is not needed at this moment. Mrs. Crory will start gathering new debt forecasts. Mr. Orcutt said that he and Mrs. Crory will be meeting with Mr. Haddad about updates and ideas.

Other Business

No Expense Warrant approved.

Mr. Fishbone said we cannot approve the minutes without Mr. McCaffrey because only have one member that was present.

Next Meeting is November 15th, 2022.

Mr. Fishbone made a motion to adjourn at 8:47 pm, Mr. Gmeiner seconded and the motion carried unanimously.

Respectfully Submitted,

Lauren Crory