

Harwich Water Department

BOARD OF WATER COMMISSIONERS

Meeting on February 18, 2010

Present: Chairman Donald Bates, Clerk Danette Gonsalves, Allin Thompson, Superintendent Craig Wiegand, Secretary Alexandra Nidositko, Comptroller Sandra Cummings

Chairman Donald Bates called the meeting to order at 8:40 a.m.

The Board reviewed the abatement request from the Harwich Water Department for 35 Pleasant Street to split the bill by 50 %. Upon review and discussion, Clerk Gonsalves moved to abate half of the charges from the account with a second by Chairman Bates; 3-0-0.

A motion to keep the Board structured as is was made by Clerk Gonsalves with a second by Vice Chairman Thompson; 3-0-0

Superintendent Wiegand informed the Board that he failed to post a notice for the meeting they had with The Town Administrator last week to go over the budget. He said he was going to release a public statement of apology for the Department's oversight.

Mr. Wiegand presented revised budget information that was put together after the meeting with the Town Administrator. Vice Chairman Thompson said he doesn't agree with the Town Administrator's suggestion to raise rates a little every year. He said the general rate should go up according to overhead costs. He asked when the last rate increase was. Comptroller Sandra Cummings stated that it was 2 years ago and Mr. Wiegand thought it was about 3-4%. He said that an 8.25% rate increase would carry the Department until about 2014 or 2015. He said for a long time there had not been a rate increase, and when the Department became part of the Enterprise Fund he had to raise the rates by 50%. He said at that time Harwich still had the second lowest rates on the Cape.

Ms. Cummings presented the Department's wages. Mr. Wiegand commented about the Department's need for more heavy equipment operators. He said they had to remove a long time employee from the heavy equipment operation due to safety reasons. Therefore, employees were promoted and hired to compensate. He said Will Pizzano left after a short time because his salary of \$15 per hour was insufficient. He said when they hired Jeremy Sinclair he started at a step 5 in order to keep him from leaving. Also Steven Hicks was promoted to fill the void left by the late Bruce Cahoon as his position was not being filled. He said that the new hires and promotion's salaries about equal what Bruce Cahoon's was. There are still some temporary positions that need to be made permanent and fully calculated into the FY 11 budget. This would raise it by \$47,452 from the previous estimation. Mr. Wiegand said that the Department had not hired anyone since 1984. He also said that the new service installation service has netted the Department around \$50,000 and covers the cost of the extra hire. Mr. Thompson asked about the Electrician, Scott Currie, on staff. He wanted to know if other Departments hire him out. Mr. Wiegand said he is quite busy here, as he is a jack of all trades, but when he does have time he can do work for other Departments at \$45 per hour.

Mr. Wiegand said he still wants a line item break down for indirect costs. He said it is hard to create an accurate budget when you are working with figures that are two years old. He said he is not sure how much the Department is being charged for Town services. He said that when you are looking at the budget you need to consider that the figures are doubled because they are for two years. Ms. Cummings said she has adjusted the budget to meet the guidelines set by Nan.

Ms. Cummings reviewed the figures for the utilities and other costs. She said the Town maintains level funding, where as the Water Department tries to incorporate increases similar to cost of living. She said last year they increased everything by 2%. The Board felt this was a good practice to follow. Mr. Wiegand said he rather overestimate than have to go before the Finance Committee and ask for more money.

Mr. Wiegand informed the Board that the Town Administrator would like the Water Department to start replacing the old water mains. Mr. Wiegand said the major problem with that is then the Department would have to pay to resurface the roads. He said he did an analysis of critical areas that need to be addressed, and the area most in need is the old camp grounds. He said there is a need to increase the size of the main, however, he stated that there would be a water quality issue because they are seasonal homes in that area. He said that water quality affects the Town as a whole, whereas, water main breaks only impact localized areas. He said no matter what the age of the main the potential for a break always exists. He said replacing water mains is not a high priority. He said in the future he would like to reline pipes that are in good condition. He said this can be done at a fraction of the cost with 30 more years of life left in them.

Ms. Cummings said the total expenditures for FY 11 are \$2,984,000, thus the revenue must be at least the same. She said the actual revenues for FY 09 are \$2,775,000, not including the service installations. She said if we do a rate increase of 8.25% that would bring the revenues to \$3,750,000. The Board agreed with these findings. A public hearing date of March 9, 2010 at 8:30 a.m. was set to discuss the rate increase. The Board will vote on it after the hearing.

The Board will meet again on Tuesday, February 23, 2010, March 9, 2010 and March 23, 2010.

The meeting was adjourned at 10:30 a.m. with a motion by Chairman Bates and seconded by Clerk Gonsalves; 3-0-0.

Respectfully submitted,

Donald T. Bates, Chairman

Craig Wiegand, Superintendent

Allin P. Thompson, Vice Chairman

Alexandra Nidositko, Secretary

Danette Gonsalves, Clerk