

# Harwich Water Department

## BOARD OF WATER COMMISSIONERS

Meeting on January 26, 2010

Present: Chairman Donald Bates, Clerk Danette Gonsalves, Superintendent Craig Wiegand, Secretary Alexandra Nidositko, Billing Administrator Wellesley Marsh, Comptroller Sandra Cummings

Chairman Donald Bates called the meeting to order at 8:15 a.m.

The minutes for the previous meeting held on January 5, 2010 were approved with a motion by Clerk Gonsalves and seconded by Chairman Bates; 2-0-0.

Superintendent Wiegand presented former Vice Chairman, George Cavanaugh with a plaque in appreciation of his years of service as a member of the Board of Water Commissioners. He also welcomed, Allin Thompson, who was appointed to the Board. Mr. Thompson sat in on the meeting informally as he had not been sworn in at the time.

The Board reviewed the abatement request from Jennifer Chase of 198 Belmont Road in regard to a late fee assessed due to the mail arriving late. Upon review and discussion, Clerk Gonsalves moved to abate the late fee from the account with a second by Chairman Bates; 2-0-0. A letter will be sent to Ms. Chase addressing the Board's decision.

The Board reviewed the abatement request from Peter Kostorizas of 36 Oakmont Circle in regard to a late fee assessed due to not receiving his bill. Upon review and discussion, Clerk Gonsalves moved to deny the abatement request with a second by Chairman Bates; 2-0-0. A letter will be sent to Mr. Kostorizas addressing the Board's decision.

The Board reviewed the abatement request from Marie Doyle of 21 Patricia Lane in regard to a late fee assessed due to her being hospitalized. Upon review and discussion, Clerk Gonsalves moved to deny the abatement request with a second by Chairman Bates; 2-0-0. A letter will be sent to Ms. Doyle addressing the Board's decision.

The Board reviewed the abatement request from Bernard Sykes of 390 Route 28 in regard to a late fee assessed due to not receiving his bill. Upon review and discussion, Clerk Gonsalves moved to deny the abatement request with a second by Chairman Bates; 2-0-0. A letter will be sent to Mr. Sykes addressing the Board's decision.

Mr. Wiegand informed the Board of an upcoming meeting with T-Mobil. He hoped to negotiate the installation of cell towers on all three water tanks. He said if he could get three cell providers on each tank at \$75,000 each, that money would pay for the painting of the tanks.

Billing Administrator Wellesley Marsh presented the correspondence of G.M. Schick regarding the Notice of Hearing. She explained the history of the case, and how back in December a letter offering to split the bill was sent to her. No further correspondence has been received from her. The Board felt it was worth Mr. Wiegand traveling to Boston to present our case.

Ms. Marsh also discussed payment plans. She explained how the number of requests has increased significantly over the past couple of years. She said she usually tries to set them up with 3 to 4 payments so it

doesn't carry over to the next billing cycle. She would like to set a precedent for how many times a customer would be eligible. Board asked her to draft policy for review.

Comptroller Sandra Cummings gave a second quarter budget report. She said the expenses for the first half of the fiscal year are at \$1,588,000, and the revenues are \$1,388,000, leaving us with a \$200,000 deficit. She said that we still have spring billing, which she estimates to be around \$888,000, and there is still \$546,000 in Reserve. She said the revenue is down due to pumping and consumption being down last summer with all of the rain. Mr. Wiegand said that he is trying not to tap into the Reserve Fund, instead he is cutting down on spending. He has already set aside \$300,000 for the new water main, but that other projects were going to be on hold. He has earmarked \$100,000 from various sources if needed. He said that in the end we would not be in the hole, but we would not get any projects done either. He said last year he completed all intended projects and was still able to put money in the Reserve Fund. He said you can have as much in the Reserve Fund as you want, so long as it is earmarked.

Ms. Cummings also discussed the budget for Fiscal Year 2011. She said that they are looking at the indirect costs, which at the end of the year the Town takes out. Right now we are not receiving an itemized accounting of it. Mr. Wiegand would like to see a breakdown for all individual changes. He wants to know what the costs are so he will be able justify them.

Ms. Cummings then presented the proposed Rate and Fee increases for 2010. The rate study was done in house as opposed to contracting it out, saving the Department \$25,000. She based the study on a four year average of billable consumption, she felt it was the best way to get an average cycle. She said based on the 30 Year Capital Plan, we must meet a revenue goal of \$3,700,000. The proposed rate increase will cover the Greensand Treatment Facility, payment on existing tank, \$1,500,000 loan, and the painting of Route 39 and Lothrop Tanks. She said that there would be a new flat rate of no water usage of \$60 and from there it would be \$1.10 per \$1,000 gallons used. This accounts for an 8 ¼ % increase which will meet our projected needs. Chairman Bates asked if this would be enough considering the past year. Ms. Cummings and Mr. Wiegand were in agreement that yes, if we used the past year as a guide we would have to increase the rates by 45%. The Board would like to see what the other Towns on the Cape are doing. Ms. Marsh is putting together a spread sheet together with that data. This information will be presented to the Board at their next meeting.

Ms. Wiegand discussed Fee increases. He said he wants to at least be able to cover our costs. He looked at what other surrounding towns are charging and brought our fees up to be consistent. One area in need of fee increase is the labor and inspection of Backflow devices. He wants to at least cover administrative costs. Ms. Marsh suggested a Notice Fee for collection and failed devices. Mr. Wiegand also proposed a Mark Out fee to non-utility companies. The concern over that is if the fee is too high people will not call us and we run the risk of our equipment being damaged. Another new fee is charging for after hours calls to technicians. If technical assistance is provided to a customer over the phone they will be charged a portion of the overtime that the technician is paid. Mr. Wiegand feels this is a fair way to recoup some lost money. He said the technicians always make the customers aware of the fee at the time of service. The Board decided to table the proposed fee increase until the next meeting.

Mr. Wiegand apprised the Board as to the happenings with the Fratus property. He said there is a bit of head butting between Paul Widegren and Jim Merriam over who will have control of it. Mr. Merriam feels the property should be under the purview of the Water Department, and Mr. Widegren wants it to be considered Open Space. Mr. Wiegand sent a letter to Mr. Merriam advising him to keep it as Open Space.

Clerk Gonsalves proposed to reconfigure the Board at the next meeting. Mr. Thompson will be sworn in at that point and will be able to vote.

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

The meeting was adjourned at 9:25 a.m. with a motion by Clerk Gonsalves and seconded by Chairman Bates; 2-0-0.

Respectfully submitted,

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Donald T. Bates, Chairman

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Craig Wiegand, Superintendent

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Danette Gonsalves, Clerk

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Alexandra Nidositko, Secretary