

**MINUTES
HARWICH WATER DEPARTMENT
BOARD OF WATER/WASTEWATER COMMISSIONERS
MEETING**

Thursday, March 14, 2024
11:30 a.m.

WATER COMMISSIONER'S PRESENT: Chair Gary Carreiro, Vice Chair Noreen Donahue, Clerk Allin Thompson, Commissioner Judith Underwood, Commissioner John Gough

OTHERS PRESENT: Superintendent Dan Pelletier, Administrative Assistant Tracey Alves

CALL TO ORDER

Chair Carreiro called the meeting to order at 11:30 a.m.

CONSENT AGENDA

A. Minutes

1. February 1, 2024

Vice Chair Donahue moved to approve the minutes of February 1, 2024. Commissioner Underwood seconded the motion; 5-0-0.

The minutes of March 8, 2024 will be added to the next agenda.

OLD BUSINESS

A. FY25 Water Indirect Expenses

Superintendent Pelletier put together an updated set of Indirect expense figures for FY25 that were consistent with prior years methodologies, departmental chargeback percentages. Included in the packet, departmental chargebacks have been restored to what prior years percentages were which reflect a 2% increase year over year from FY25. And then in the Insurance and Expenses category, the Health Insurance figure, Retirement figure and Medicare figure were updated. Superintendent Pelletier explained how he calculated all of these figures. So now, this reflects an overall deduction of \$24,772 from the December 26, 2023 Indirect figures that were provided from Finance.

Chair Carreiro asked for a motion for the revised Indirect expenses for FY25 at \$861,327.

Vice Chair Donahue moved to continue to approve our Water budget with the Indirect costs to be allocated at \$861,327 per the table presented to us today at this meeting. Commissioner Underwood seconded the motion. All in favor; 5-0-0.

B. FY25 Water Budget

Included in the packet is a copy of the FY25 Water Enterprise Fund budget. The changes are highlighted in yellow. Those reflect the change in Indirects expense cost as well as reduction in the interest on long term debt line item in consideration of the \$1,000,000 funding for the Pleasant Lake Tank out of retained earnings.

Chair Carreiro asked if there was any discussion on the 2025 Water Enterprise Fund budget proposed on 3/14/24?

Vice Chair Donahue moved that we approve the Water Enterprise fund budget which has had changes from the last time in the Indirects and in the debt and the total that we are approving is, total expenses \$4,831,887. Commissioner Underwood seconded the motion.

Chair Carreiro thanked Superintendent Pelletier. He appreciates that Dan went back to put all of this together to give us a somewhat more reasonable budget closer to what we've had in the past and do look forward to having the outside vendor come in to do an analysis on our future Indirects so that we can present them to the Select Board and the Finance Committee to try and get on the same page so that we don't have to do this 3 or 4 times.

All in favor; 5-0-0.

Chair Carreiro will send the budget off to the Select Board and the Finance Committee to go over the new budget that the Town Administrator has authorized us to move forward on.

C. FY25 Capital Article Funding

We had contemplated funding a majority portion of the Pleasant Lake tank painting project from retained earnings. It is anticipated to push out principal and interest payments out to FY26. A debt schedule to that effect is included in the packet.

Vice Chair Donahue moved that in terms of our Capital Funding for this year, that we will use our retained earnings to pay for the projects for Vehicle replacement \$270,000, Equipment replacement for \$232,000, Well Rehab for \$150,000 and we will be putting up to \$1,000,000 of our retained earnings towards the project for painting the Pleasant Lake tank, total project estimated at \$1,750,000 that will leave a balance of \$750,000 to be bonded and that will leave balance in retained earnings water of \$997,233 or more. Commissioner Underwood seconded the motion; 5-0-0.

D. FY25 Water Rates

Superintendent Pelletier reviewed rates with the Board and relayed that at this stage that we do not need to do a rate increase for FY25.

E. FY25 Wastewater Budget

At the last meeting, we voted \$700,432 and we noted that that included \$100,000 in retained earnings.

NEW BUSINESS

A. Water / Wastewater Charter Revisions

Vice Chair Donahue had this topic added to the agenda. She was involved with the Charter Committee this year. It has become very clear that this Board and the Superintendent will need to write the Charter section for the entire Water/Wastewater Department from the ground up. We will have to look into what rights we are mandated to have by the State as Sewer Commissioners. This shouldn't take too long and could be done this summer.

Vice Chair Donahue commented that the specific question was, a recommendation was sent to the Board of Selectmen by the Charter Committee saying that we should change this line for the Water Department in yellow, to the Water / Wastewater Department.

The Board will hold off for now because no discussion has been had. There are other areas that would need to be changed as well. The Charter section for the entire Water/Wastewater Department will need to be written from the ground up.

With the Chair's permission, Vice Chair Donahue will reply to let the Chair of the Charter Committee know not to proceed yet.

B. Wastewater Assistance Program Funding

There have been some ongoing discussions at Town Hall amongst the Select Board and the Board of Assessing about establishing an assistance program to help people with Sewer Service connections. One of the potential funding sources for that is \$100,000 that was appropriated out of FY20 sewer enterprise fund budget. This was at a time before this body was managing the fund.

Superintendent Pelletier pointed out the free cash certification for sewer retained earnings fund. In this, there is a line designated for special purposes. This is where the \$100,000 is currently residing. The Select Board desires to use this for a wastewater assistance program. Superintendent Pelletier thinks it would be appropriate for this Board to vote to authorize or support the use of \$100,000 from retained earnings, reserved for this purpose, on your behalf.

Vice Chair Donahue added that this money was put there by the previous Finance Director Carol. It isn't really appropriate to be in our Sewer Department anyways because those programs of financial support involve several departments and are townwide, Treasurer's, Assessor's and others. It really should come under the domain of the Select Board.

Vice Chair Donahue moved to move \$100,000 from the Other Liability section in the reserve for special purposes from the control of the Wastewater Board to the control of the Select Board. Commissioner Gough seconded; 5-0-0.

SUPERINTENDENT'S REPORT

Spring flushing is starting soon and the information is up on the website. We will start on Chatham Rd and flush through Route 28 to West Harwich and then come back over and do South Harwich.

Well 4 is currently down. A new mag meter has been ordered.

Over the next two months we will be doing the prolonged pump test for the new source development out in North Harwich.

We have seen an increase in ground water from the amount of rain we have had and things should continue to trend upwards.

COMMISSIONER'S REPORT


Vice Chair Donahue asked for someone to let the Select Board and Finance Director know about the vote we just took on the \$100,000 for sewer service assistance.

NEXT MEETING

The next Board meeting is scheduled to take place on Thursday, April 4, 2024 at 11:30 a.m.


ADJOURN

Chair Carreiro entertained a motion to adjourn at 12:34p.m. Clerk Thompson moved the motion with a second by Commissioner Underwood. All in favor; 5-0-0.


Gary Carreiro, Chairman


Noreen Donahue, Vice Chair


Allin Thompson, Clerk


Judith Underwood, Commissioner


John Gough, Commissioner


Dan Pelletier, Superintendent


Tracey Alves, Board Secretary