

Board of Selectmen

February 6, 2019

8:09pm

Regular Session to attend and participate in the Water Company Sub-Committee of the Advisory Committee meeting

Present:

- Board of Selectmen: Mary Power, Karen Johnson; Not present: Paul Healey
- Water Company Sub-Committee of the Advisory Committee: Victor Baltera, Robert Curley, Eryn Kelly, Libby Claypoole, David Anderson
- Tom Mayo, Town Administrator; Michelle Monsegur, Assistant Town Administrator; Kerry Ryan, Town Counsel

The Board of Selectmen meeting was called to order by Ms. Johnson when Ms. Power arrived at 8:09pm.

Sub-Committee members asked about whether there would be any conflicts of interest by having the same people who serve as Selectmen serve as Water Commissioners. Ms. Johnson stated that Selectmen have to act in many different capacities already, that state law allows for the Board of Selectmen to act as Water Commissioners, and that the enterprise fund structure helps protect against conflicts because that money will remain separate from other Town obligations and will stay in the water system.

Mr. Krumholz stated that Town meeting will recommend rates but the Water Commissioners will actually set them. Ms. Johnson explained that the triennial sanitary survey done by the MA Department of Environmental Protection (DEP) looks at water rate structures and the ability to maintain financial capacity. The water rate setting process under Town ownership will be much more accessible and transparent than the Department of Public Utilities (DPU) rate setting process.

Sub-Committee members asked about what happens if an emergency situation takes place or if there is negligence on the part of the operator. Mr. Johnson stated that the business plan for the DEP will put together the technical, financial, and managerial pieces in place to respond and that the DEP will be a resource to the Town. Mr. Krumholz noted that the responsibility would first lie with the operator and that the Town would make sure the operator was properly insured.

Sub-Committee members inquired about any assurances Hull ratepayers would have that their capital repairs won't be ignored. Mr. Krumholz stated that since the Town of Hingham would own all of the pipes, including in Hull, it wouldn't make sense to let any part of the system fall into disrepair. Ms. Johnson noted that there is no transparency in the deployment of capital now. Under Town ownership, there would be a fully vetted public capital plan.

On the budgeting process, Ms. Johnson noted that the Town would leave the same rates in place for the first cycle and then would go through the normal budgeting process. Ms. Power stated that the Town will prepare an enterprise fund budget for the water system that the Selectmen will vote on by March 1. Ms. Johnson noted that in the event of a shortfall where funds were needed immediately, the Town would lend the water enterprise fund money and then water rates would be raised to pay the general fund back.

In response to a question about a possible combined water sewer commission, Mr. Krumholz noted that the proposed governance structure – Board of Selectmen as Water Commissioners, a full-time water superintendent with administrative support, an operations and maintenance contractor, and a capital vendor – is the “day 1” structure, which could change in the future.

Hingham Sewer Commission and Board of Health Chairman Mr. Shiltz mentioned that the Sewer Commission sets sewer rates and it's not a complex process. They look at expenses and capital plans, which are provided by expert engineering firms, and bill twice a year. The Board of Health would have greater input and collaboration for public safety under Town ownership. He noted that the Sewer Commission has customers in Cohasset right now, so the Commission is servicing pipes in other towns, and that Linden Ponds buys water from Cohasset. He also stated that the Water Supply Committee could make water regulations, particularly by updating and adapting regulations from other towns.

Regarding the proposed Citizens' Advisory Board under Town ownership, Ms. Johnson stated that it is important to establish and institutionalize that public voice and to provide a seat at the table for Hull and North Cohasset. Five members is a workable number, and they would work with the water superintendent on the rate-setting process and would be the first line in addressing citizen complaints.

Mr. Pedone of Aquarion noted that most towns use a water district model. Mr. Baltera stated that in water districts, each of the towns owns its assets, which is not the case here.

Meeting adjourned at: 9:08pm
Approved February 28, 2019

Michelle Monsegur

