

Board of Water Commissioners

February 23, 2020

Remote meeting via telephone conference call

Present:

- Board of Water Commissioners: Ms. Mary Power (Chair), Mr. Joseph Fisher and Mr. Bill Ramsey
- Mr. Tom Mayo, Town Administrator
- Ms. Michelle Monsegur, Assistant Town Administrator
- Mr. Russell Tierney, Superintendent, Weir River Water System

Call to order: 6:30 pm

Ms. Power called the meeting to order and read the following statement:

“This meeting is being held remotely as an alternate means of public access pursuant to an Order issued by the Governor of Massachusetts dated March 12, 2020 Suspending Certain Provisions of the Open Meeting Law. You are hereby advised that this meeting and all communications during this meeting may be recorded by the Town of Hingham in accordance with the Open Meeting Law. If any participant wishes to record this meeting, please notify the chair at the start of the meeting in accordance with M.G.L. c. 30A, § 20(f) so that the chair may inform all other participants of said recording.”

Ms. Power asked if any participants were recording the meeting. There were no responses.

Approval of Minutes

Vote: Mr. Ramsey made a motion to approve the minutes dated December 1, 2020. Mr. Fisher seconded

Roll Call Vote:

Mr. Fisher: yes

Mr. Ramsey: yes

Ms. Power: yes

Vote: Mr. Fisher made a motion to approve the minutes dated January 22, 2021. Mr. Ramsey seconded.

Roll Call Vote:

Mr. Fisher: yes

Mr. Ramsey: yes

Ms. Power: yes

To accept the draft FY22 enterprise fund budget for the Weir River Water System under M.G.L. c. 44 §53F½ as submitted to the Board by the Water Superintendent

Mr. Russell Tierney, Superintendent of the Water System, presented the following budget for the Weir River Water System:

FY22 Budget Worksheet	FY22 BUDGET
Cash receipts	\$12,881,507
Annual Billings	
Potential rate increase (10% every 3 years; last rate increase FY19)	\$1,288,151
TOTAL REVENUE	\$14,169,658
Salaries (2% annual increase)	
Water Superintendent	\$116,276
Administrative support	\$41,000
GIS support (paid to Town of Hingham)	\$25,158
Seasonal construction inspector(s)	\$75,000
Subtotal Salaries	\$257,434
Operating Expenses (3% annual increase per year unless noted)	\$0
Operator contract including billing (10 year quote)	\$4,835,887
Operator transition costs (quote, 1st & 2nd amendment maximums)	\$0
Water system employee benefit costs (30% salaries)	\$75,803
Cash capital and emergency repairs (R&M Grounds)	\$250,000
Paving & Other Roadwork	\$15,000
Asset Replacement (2 vehicles)	\$95,000
Police Details	\$35,000
Property Insurance	\$90,000
Engineering Fees (A&E SERVICES)	\$75,000
Rate Structure	\$5,000
Miscellaneous	\$62,500
Subtotal Operating Expenses	\$5,539,190
Property Taxes (2 1/2% annual increase)	
Payment in Lieu of taxes to Town of Hingham	\$735,000
Property Taxes Hull	\$61,500
Property Taxes Rockland	\$9,100
Property Taxes Norwell	\$25,000
Subtotal Property Taxes	\$830,600
Debt Service (see Notes 2 and 3)	
Long-term debt (30 years, level payment, per UBS final cash flow 7/15)	\$5,593,219
Capital improvements (20 years level principal; 2.25% - 25 bp increase every 3 yrs)	\$195,750
Subtotal Debt Service	\$5,788,969
TOTAL BUDGETED EXPENSES	\$12,416,193

Revenue/Budgeted Expenses Surplus	\$1,753,465
Debt Service Coverage Ratio	1.30

DSCR = (Budgeted Surplus + Debt Service) / Budgeted Surplus - target is >1.1

Mr. Tierney reported that the Abrahams Group is conducting a Cost of Service study. This study will inform a recommendation on water rates.

Ms. Power added that the acquisition model called for lower and slower rate increases under municipal ownership. She also commented that, prior to any rate increases, there would be a series of public hearings that would allow for public input. Prior to municipal ownership, rate hearings were not open to the public. Ms. Power said that she looked forward to an open and public process as this moves along.

Mr. Tierney also explained the Town's relationship with SUEZ Water Environmental Services, Inc. He reported that SUEZ is responsible for the following:

- Water and service repairs
- Backflow testing
- Day-to-day operations of the water treatment plant
- Treatment and distribution of all the water going out of the plant
- The flushing program (starting in late March/early April)

Mr. Fisher asked if the presented budget was on track with what had been forecasted. Mr. Tierney commended that the only place he anticipated an increase would be in repairs. He anticipated that he could cover additional repair costs from other places in the budget. Other items not originally forecasted were police details, two additional vehicles, vehicle fuel and some GIS mapping.

Vote: Mr. Ramsey made a motion to accept the draft FY22 enterprise fund budget for the Weir River Water System under M.G.L. c. 44 §53F½ as submitted to the Board by the Water Superintendent. Mr. Fisher seconded.

Roll Call Vote:

Mr. Fisher: yes

Mr. Ramsey: yes

Ms. Power: yes

Fourth Amendment to the Agreement between the Town of Hingham and SUEZ Water Environmental Services, Inc. (Board of Selectmen acting as Board of Water Commissioners)

Mr. Tierney reported that the fourth amendment would merge billing data from different sources, allowing it to be stored in one place. He said that Suez would like the Town to carry the billing transition costs for 2 additional months due to the timing of the data entry. He noted that this would be the last time they would extend the billing contract with Aquarion. Ms. Power asked for the projected timeframe of the water system billing transition. Mr. Tierney said that Hingham would take over customer service on April 1, 2021. He anticipated that the new billing system would be activated on April 12, 2021. He also said that customers would then be able to pay their bills electronically. Mr. Tierney added that customers would also be able to pay their bills by dropping a check off at the Lincoln

St. office and at a mailbox at Town Hall. He also reported that the cost of the Fourth Amendment to the Weir River Water System Enterprise Fund would be approximately \$80,000, and would not be paid until three months after successful billing conversion. Mr. Tierney also noted that they are currently in the process of running a mock billing system to make sure everything is running correctly.

Vote: Mr. Fisher made a motion that the Board of Selectmen acting as the Board of Water Commissioners pursuant to Article 11 of the 2019 Town of Hingham Annual Town Meeting and Chapter 139 of the Acts of 1879 (as amended) and all other applicable laws do hereby vote to authorize its Chair to execute and deliver the Fourth Amendment to the Agreement between the Town of Hingham and Suez Environmental Services, Inc. in substantially the form attached hereto. Mr. Ramsey seconded.

Roll Call Vote:

Mr. Fisher: yes

Mr. Ramsey: yes

Ms. Power: yes

Water Superintendent Report

Mr. Tierney provided some highlights of his monthly report to the Board including:

- They are working on rebuilding filters.
- The Bulow Road water main project is progressing well.
- Water main replacements for Downing St., Wompatuck Rd., and several other small roads are being planned for the spring. Following that, they will design a contract for work on Atlantic Ave. in Hull.
- Labor relations should be complete within the next few weeks.

Public Comment

There were no comments from the public.

Vote: Mr. Ramsey made a motion to adjourn. Mr. Fisher seconded.

Roll Call Vote:

Mr. Fisher: yes

Mr. Ramsey: yes

Ms. Power: yes

The meeting adjourned at 7:00 pm.

Documents: A complete meeting packet of supporting documentation is on file and available for public review in the Hingham Board of Selectmen's office.