

Allan Kent
Chairman



Kevin Rudden
Matthew O'Brien

TOWN OF MENDON WATER COMMISSION

20 Main Street

Mendon, Massachusetts 01756

Phone: (508) 473-2547 Fax: (508) 478-8241

Email: watercom@mendonma.gov

DEP Public Water Supply (PWS) ID #217900

mendonma.gov/water

Meeting Date: 2/6/2020

Meeting Location: Water Commission Office, Mendon Town Hall, Mendon

Minutes Approved: 8/6/2020

Members Present: Allan Kent, Kevin Rudden,

Water Clerk: Dan Byer

Others:

Absent: Matthew O'Brien

The meeting was called to order at 7:01

The commission reviewed the draft minutes.

Kevin made a motion to approve the minutes of 11/21/19, 12/5/19, 1/2/20, Allan stepped down and seconded, all approved.

The commissioners signed the monthly White Water bills

The commission reviewed the draft 2019 annual report.

Kevin made a motion to accept the 2019 annual report and submit it to the Select Board, Allan seconded and all approved.

The commission reviewed the FY21 budget. Dan updated them on a change to the water clerk salary. Kim is looking to change how it is set up in the budget. Dan identified 3 options:

- 1 - Put the full 5 hour water line in the 001-0450-5405-xxxx section of the budget. No change in the indirect costs or enterprise fund, this just puts the 5 hours in a different department.

- 2 - Put the full 5 hour water line in the 060-0450-5400-xxxx account (Enterprise Fund) and then offset the indirect costs by the 1.25 hours for the "town's" share. We would need to update our enterprise budget to account for this.

- 3 - Split the line into 2 lines, Enterprise and Town PWS and then remove the salary from the indirect costs altogether. This might be cleaner to show the split between the duties. Also would require updating the enterprise fund.

The commission discussed and are in favor of option 3.

Kevin made a motion to recommend the Town Administrator update the water clerk salary structure using option 3 above, Allan seconded, all approved.

Dan will work with Kim and update our budget to reflect the changes.

The commission discussed the water study committee. Another meeting was suggested in March.

Dan updated the commission on the issues with the Town Hall well pump. The pump is failing. Due to the location of the well head (in the elevator machine room) the repair may prove to be very complicated. It is possible the well pump was installed on 20' sections of steel pipe and may be very difficult to pull. Dan is working with Kim to get pricing from White Water and McLure Engineering on options to repair or replace the pump. Kevin clarified this would be the Select Board's responsibility to pay for the repairs.

The commission discussed the meter replacements. Kevin is reaching out to Braza to see if they are interested.

Dan discussed the need to purchase a few additional parts for repairs so we have them in stock. Specifically a few curb stops and a few extra tools. The total is around \$250. The commission approve.

Dan updated the commission on Code Red. He spoke with Officer Erskine about creating a group to send out water related code red alerts. Dan is going to include a flyer in the next set of water bills to collect info,

The commission discussed final readings. Dan spoke with KVS about pro-rating the capital impact fees. He also wanted to clarify our process. All agree, the \$30 min will apply to all bills. The capital fees can be pro-rated based on the date of the bill for final readings.

The commission discussed the contract with Hopedale. Kevin updated them on the meeting with Hopedale. They told Kevin they will not allow any new business use. The contract does not allow changes in use from residential to commercial unless that commercial use existed in 2001. The commission discussed possible future negotiations.

The commission discussed the master meters Hopedale is looking for a date from Mendon. The commission discussed funding options. All agree we should target this project for FY22. Dan will notify Tim.

The commission discussed the ZBA application for 21 Bates. All agree we should send the applicant a letter advising them any new lots created cannot be connected to town water per the contract.

The meeting was adjourned at 8:45pm

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Water Commission – 2019 Annual Town Report

DEP Public Water Supply (PWS) ID #217900

The Water Commission consists of three elected members, Chairman Allan Kent, Kevin Rudden and Matthew O'Brien. The Commission is also served by a part-time clerk, Daniel Byer. White Water Inc. serves as the Water Department's contracted Certified Water Operator. In the 2019 Annual Town Election, Kevin Rudden was re-elected to another 3 year term.

The water system currently services 153 customers on Bates Street, Cape Road, Edward Road, Hartford Avenue East, Joseph Road, Mill River Drive, Parker Road, Talbott Farm Drive, and Dudley Road. Mendon continues to purchase water from the Town of Hopedale to serve its customers. Additionally, the Town of Hopedale provides water service directly to a few properties on Milford Street, Harrington Street, and Eight Rod Road.

As required by our contract with Hopedale, the Commission continues to investigate options to find a replacement water supply solution. In the Fall of 2019 an informal "Water Study Committee" was formed consisting of members of the Board of Selectmen, Water Commission, Economic Development Committee, Fire Chief, and several others. The goal of this committee will be to explore options open to Mendon to replace our current supply of water as well as expand water other areas of Town to promote commercial development. Some preliminary work was started in the Fall and the committee will continue to meet in 2020.

Monthly sampling and reporting were completed as required by the Massachusetts Department of Environmental Protection (DEP). The 2018 Consumer Confidence Report was published per regulations by the Massachusetts Department of Environmental Protection and is available online at mendonma.gov/water. There were no violations of any drinking water regulations in 2018.

The Commission also oversaw testing of the Town's four public water supply wells:

Town Hall Campus – PWS ID # 2179027

Senior Center – PWS ID # 2179028

Memorial Park Complex – PWS ID # 2179029

Taft Library – PWS ID # 2179031

Water Meter Replacement Project:

In 2016 the Commission began the process of replacing all the water meters with new, radio-read units to improve the accuracy of our billing as well as to increase the efficiency of the billing process. As of December 2017, the replacement project was 63% complete with 95 replaced and 57 remaining. In 2018 three additional meters were replaced. In 2019, 4 more meters were replaced, including 1 of 3 large commercial meters, and 2 more were removed from service due to demolitions, bringing the total remaining to 48 meters (69% replaced). The commission will continue to work on this project in 2020.

Enterprise Fund:

At the May, 2018 Annual Town Meeting, the Mendon Water Commission began the process to establish an Enterprise Fund for the Public Water System. This fund will enable the commission to better manage the finances of the department. An enterprise fund will ensure all revenue generated by the sale of water remains under the control of the commission and enable the commission to put aside money for future repairs or expansions of the system.

Unfortunately, it was determined the vote taken in 2018 was not correct and there were some additional steps needed to establish the fund properly. These issues were corrected at the May 2019 Annual Town Meeting and the Mendon Water Commission commenced operating the Enterprise Fund on 7/1/19 in Fiscal Year 2020.

Water Rates, Fees, and Regulations:

As part of this process a review of the proposed budget revealed an approximately \$11,000 deficit between revenues and expenses. The Commissioners held several meetings to attempt to close the gap and were ultimately forced to raise the water rates. Additionally Mendon was notified by Hopedale of a proposed rate increase (\$6.55 to \$6.70/100 cu. ft.) and increase to the Capital Impact Fees (\$48.32 to \$52.81). On May 30th, 2019 a public hearing was held to amend the water rates to go into effect on 7/1/19 (FY20). The old fee structure was a flat \$9 per 100 cubic feet. The new fee structure is \$30 for 0-50 cubic feet and then \$9.20 per 100 cubic feet for all usage over 50 cubic feet. This new fee structure was created to more fairly spread the costs of the system to all users including those with zero use. In addition to the Capital Impact Fees paid to Hopedale, the Commission also created a new Local Capital Impact Fee of \$12.50 per quarter to remain in Mendon. The purpose of this fee will be to set aside funds in the newly created enterprise fund for the future repair of the system as the infrastructure ages.

In the 2019 the Commission also completed an update of the Rules and Regulations which had not been updated since 2012. The regulations were updated to reflect changes to the billing process and address several issues in the old regulations. The current rules and regulations are available from the Commission's website (mendonma.gov/water-regs) or in print by contacting the Commission.

Infrastructure:

In 2019 the Commission continued work on mapping our infrastructure. Data from a 2018 survey of the Hydrants and Gate Valves was compiled and compared with old records to begin cataloging the valves and hydrants. A spreadsheet was developed and all valves and hydrants were numbered. In 2020 the Commission hopes to combine this data with the digital maps created by DEP to create a comprehensive map of the system.

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FY19 Financial Report – Water Commission

The 2019 water rate was the same as FY18 at \$9.00 per 100 cubic feet. All properties are also assessed a quarterly Capital Impact fee of \$48.32, which is passed along from Hopedale as water customers' share of that town's improvements to its water treatment systems.

| Purchase of water from Hopedale | Q1 July-Sept. | Q2 Oct.-Dec. | Q3 Jan.-March | Q4 April-June | TOTAL |
|--|--------------------------|-------------------------|--------------------------|--------------------------|---------------------|
| Hydrant Fees | \$2,421.90 | \$2,421.90 | \$2,421.90 | \$2,421.90 | \$9,687.60 |
| Capital Impact Fee | \$7,210.11 | \$7,210.11 | \$7,210.11 | \$7,210.11 | \$28,840.44 |
| Westcott Rd. Meter | \$3,893.85 | \$972.85 | \$815.85 | \$2,058.75 | \$7,741.30 |
| So. Main St. Meter | \$23,030.60 | \$17,043.10 | \$13,466.80 | \$21,708.00 | \$75,248.50 |
| TOTAL | | | | | \$121,517.84 |

| | |
|--|--------------|
| Water & Capital Impact Fees TOTAL PAID | \$111,830.24 |
| Hydrant Fees TOTAL PAID | \$9,687.60 |

| Water Revenues | | | | | | | |
|----------------------------|--------------------|--------------------------------|--------------------------------------|-----------------------------|------------------------------|-----------------|----------------------------|
| | Water | Capital Impact Fees | Misc. Charges³ | Late Fees (\$25) | Admin Fees (\$50) | Interest | TOTAL |
| Committed | \$100,096.02 | \$29,378.56 | \$0.00 | \$4,000.00 | \$3,250.00 | \$441.62 | \$137,166.20 |
| Abatements ¹ | \$0 | \$0.00 | \$0.00 | \$275.00 | \$100.00 | \$2.76 | \$377.76 |
| Adjustments ² | \$192.51 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$14.98 | \$207.49 |
| Total Collected | \$98,265.37 | \$30,713.79 | \$0.00 | \$2,774.64 | \$1,800.00 | \$372.23 | <u>\$133,926.03</u> |

¹Abatements are charges removed with the authorization of the water commission.

²Adjustments are bill corrections due to incorrect billing or administrative errors.

³Misc. Charges are charges for Shut-Off Fees, Meter Replacements, Damages, etc.

| Water Liens | |
|---|----------------------------|
| Total Past Due Uncollected FY18 Balances | (\$4,972.54) |
| Total Collected through FY19 Lien Process | \$4,035.13 |
| <i>Outstanding Uncollected FY19 Liens</i> | <i>(\$937.41)</i> |
| Total Collections for FY19 | <u>\$137,961.16</u> |

| FY19 Water Usage | |
|--|---------------------|
| Total Water Usage billed from Hopedale | 1,329,800 cubic ft. |
| Total Water Usage billed to Mendon Customers | 1,113,178 cubic ft. |
| Reported Hydrant Usage | 6,000 cubic ft. |
| Difference | (210,722) cubic ft. |
| Loss (<i>industry standard <10%</i>) | 15.83% |

| Water Commission Fiscal Year 2019 Profit & Loss Statement | |
|--|---------------------------|
| Private Water Customers | |
| Income | |
| Water Billing Receipts | \$137,961.16 |
| Total Income | \$137,961.16 |
| Expenses | |
| Purchase of Water from Hopedale | \$110,964.92 |
| Private Contractor Services | \$12,590.89 |
| Water Testing | \$95.56 |
| Postage, Ads, Supplies | \$645.00 |
| Equipment Maintenance | \$860.00 |
| Hydrant Flushing /Valve Maintenance | 0.00 |
| Total Expenses | \$125,156.37 |
| Private Water Profit/Loss | <u>\$12,804.79</u> |

| FY19 Town Owned PWS Wells & Hydrants | |
|---|--------------------------|
| | |
| FY19 Budget | \$20,900.00 |
| | |
| Expenses | |
| Public Contractor Services | \$9,626.35 |
| Public Hydrant Fees | \$9,687.60 |
| Public Water Testing | \$60.00 |
| Total Expenses | \$19,373.95 |
| | |
| Net Budget Surplus/Deficit | <u>\$1,526.05</u> |

Respectfully submitted,
Mendon Water Commissioners
 Allan Kent - *Chairman*
 Kevin Rudden
 Matthew O'Brien