



DEDHAM-WESTWOOD WATER DISTRICT
General Business Meeting Minutes
Tuesday, April 26, 2022 | 6:30 PM
Via Teams Virtual Platform

Announcement of the Audio and/or Video Recording

The Chair, James Fox, called the meeting to order at 6:32 p.m. and announced the meeting would be audio- and/or video-recorded.

Attendance

James Fox, Chair

Robert Lexander, Vice-Chair

Andrew Kara, Clerk

Eric Merithew, Member

Gary Yessaillian, Member

Blake Lukis, Executive Director

Bob Marsh, Business Manager

Pauline Donoghue, Treasurer

Steve Locke, Operations Manager

Mr. Fox expressed his thankfulness for Commissioner John Miller's giving of his time, energy, and input throughout his District serving years, including with union negotiations. Mr. Fox also noted he has heard positive mention of newly appointment Commissioner John Healey, and he looks forward to Mr. Healey's contributions to the District.

Introduction of New Recording Secretary, Kathy Reynolds

Mr. Lukis introduced Kathy Reynolds as the new recording secretary, and each Commissioner introduced themselves.

Approval of Minutes of April 12, 2022

A motion was made by Mr. Kara to approve the minutes, as reviewed and corrected, for April 12, 2022. The motion was seconded by Mr. Lexander. With no discussions necessary, a roll-call vote was taken.

Messrs. Fox, Lexander, Yessaillian, Kara, and Merithew all voted Aye.

Motion passes unanimously.

Financials and Warrant

Treasurer's Report

A first-quarter income statement was reviewed by Mr. Marsh to give explanations of the financial performance and variances. Mr. Marsh pointed out the Excess of Revenues over Expenses as a negative, being unfavorable to the budget because of the MWRA additional purchase of 54-million gallons. The Billed Water Revenues are favorable to the budget and to last year, a trend Mr. Marsh hopes will continue. The User Charges are estimated donated capital, which has been less than planned year to date. Investment Income is an unfavorable variance as rates have dropped. The Personnel Costs are favorable, and the Other Operating Costs were unfavorable but includes the MWRA purchase. Mr. Marsh stated the District is still holding to the original budget for the year.

Mr. Lexander acknowledged the water purchase has affected the budget and asked if this purchase was directly related to the TTHM and PFAS issues; Mr. Marsh confirmed his thinking. Mr. Lukis further clarified that it was just the TTHM issues and unrelated to PFAS. Mr. Kara asked why the Billed Water Revenues is high and if that is expected to continue for the rest of the year. Mr. Marsh responded that is being reviewed. Mr. Lexander responded that usage should be increasing and well levels should be high. Mr. Marsh explained models are being used to forecast for the year and develop the long-range plan, with capital spending and bank balances models, stating no borrowing will be needed this year, anticipating the five-year plan will show next year as a borrowing year. Mr. Marsh will follow up with the long-range plan in the coming weeks.

Capital Schedule

Mr. Marsh brought attention to the budget total number, stating spending to-date is 9% of the budget, as programs are beginning.

Mr. Fox asked Mr. Lukis about his thought of deferring a capital improvement project to help ensure staying on budget. Mr. Lukis responded a two-tiered commercial rate is being examined to implement part of the year for increasing revenues; or if no interest in reviewing rates mid-year and the spending trend or other factors in effect, a capital project could be reviewed to not move forward with this year in order to offset the deficit with retained earnings.

Mr. Yessaillian asked if residential rates would be reviewed since some residents are now charged for unused water. Mr. Lukis acknowledged restructuring of the rates is needed, possibly for next year.

Mr. Lexander asked Mr. Lukis about the possible commercial-side changes. Mr. Lukis responded that a two-tier system might be utilized, with Tier 1 being any usage between 0 and 25 HCF and Tier 2 of anything over 25 HCF, with Tier 1 billed at the current flat rate and Tier 2 at the residential Tier 2 rate of \$7.89. Mr. Lukis offered an on-screen slide to highlight the unique commercial and residential differences, the current structure versus the proposed to recoup costs and meet demands of high-end users. Mr. Fox suggested the residential versus commercial structure be reviewed for change, then informing residents. Mr. Lexander agreed with this structure, concerned with how businesses have recently been affected. Mr. Fox asked the Commissioners to think about, so the topic could be put forward at the next meeting to implement down the line. Mr. Merithew voiced concern on how the planned rate increases will hold up against inflation. Mr. Fox responded would like to stay with a 2% increase and see a steering committee formed to roll out automation to reduce future costs so rates are not raised every year.

Mr. Marsh informed that a District audit was begun this week, with no issues found to be brought before the Commissioners. Mr. Marsh expects to have an audit draft for the June meeting.

Mr. Merithew acknowledged removals from the budget are difficult, with Mr. Fox stating it is preferable to defer rather than cut, to make a fiscal-year impact.

Treasurer's Report

Ms. Donoghue reported Warrants 28-31 for April 11-21, 2022.

Operations Manager Report

Pumping and Operational

Mr. Locke informed that pumpage has increased and leak detection has begun, with numerous service leaks and minor main breaks found. He stated flushing is planned in Westwood in May. A one-inch service-line break was found on Eastern Avenue where water mains had recently been replaced, and the contractor responsible warrantied and repaired.

Regarding consumption and revenues, Mr. Locke notified that 365 ultrasonic water meters have been installed to-date and a total of over 1,000 will be installed this year. Mr. Merithew asked if a change in water quality was seen with the reduction in MWRA water, or if it is switching back and forth is possible without community impact. Mr. Locke does not find water quality issues with the change of MWRA water usage. Mr. Lexander added that no past phone calls were received to report of changeover issues, which Mr. Merithew was pleased with.

Additionally, Mr. Locke reported a sampling port was installed at Well E1. Also, line painting is planned for this week on Route 1. He informs that ongoing projects are progressing.

Mr. Locke has taken part in three days of very productive meetings with RosTech. Mr. Locke addressed Mr. Marsh, asking for clarification regarding a project management website which lists action items for individual completion.

Mr. Fox asked about the golf course. Mr. Locke responded that the topic of inflation rates would be covered during the golf course's June meeting.

Executive Director Report

Contracts Executed by Executive Director

Mr. Lukis reported no contract updates since the last meeting.

Discussion & Action on Well Rehabilitation Contract

Mr. Lukis informed references are being checked on the two three-year well rehab project bidders, suggesting moving forward with a motion. Mr. Fox asked if a contract was available to review, with Mr. Lukis stating the contract was part of the bid package, suggesting the draft contract including Addendum 1 be posted for review rather than putting a motion forward now for the expenditure as Mr. Fox suggested.

Updates on Other Ongoing Items

Two ongoing items were noted by Mr. Lukis: The cost of peer review of Weston & Sampson's memo and the uploading of the individual well PFAS levels. Samples of three White Lodge wells are over the 20ppt, and 2022 compliance sampling outcomes are still in process and monthly samplings are being made.

Old/New Business*

For new business, Mr. Fox reiterated his want to establish a committee to work toward automation, critical for the District's future so as not to pass on unnecessary huge costs. He would welcome a formal public meeting. In response, Mr. Yassaillian stated he would prefer working sessions without a quorum needed so recommendations are made before going to a public meeting.

Mr. Fox confirmed any actions would comply with the open meeting law. Mr. Yassaillian would like the financial planning of rates, etc. reviewed. In response, Mr. Fox said he was discussing the five-year plan with Mr. Marsh regarding the costs and pressures to find a reduced-cost/increased-automation solution so no more time is lost towards the long-term picture. Mr. Yassaillian would like the hurdles considered, and Mr. Locke thinks factors should be weighed, which a sub-committee could shine a light on.

A motion was made by Mr. Fox to establish a Sub-Committee on Automation, and Mr. Lexander seconded it. A roll-call vote was taken.

Messrs. Fox, Lexander, Yessaillian, Kara, and Merithew all voted Aye.

Motion carries unanimously.

Mr. Merithew requested Mr. Lukis find out the sub-committee rules and if a new Board representative would be placed for union negotiations.

The next meeting is planned for May 17, 2022.

Mr. Lexander stated he would like another program besides Basecamp used, with Mr. Lukis sharing he is researching another program to begin using in the fall.

A motion by Mr. Lexander to adjourn the meeting, and Mr. Merithew seconded it. A roll-call vote was taken.

Messrs. Fox, Lexander, Yessaillian, Kara, and Merithew all voted Aye.

Motion carries unanimously.

The meeting was adjourned at 7:45pm.

Respectfully Submitted,
Kathy Travers Reynolds
Recording Secretary

DOCUMENTS

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