



DEDHAM-WESTWOOD WATER DISTRICT
General Business Meeting Minutes
Tuesday, June 21, 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 6:30p.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

Joe Emerson, Negotiation Legal Counsel

Andrew Gordon, Melanson Audit Manager

Elissa Cohen, DWWD Accounting Supervisor

Absent

John Healy, Member

Roll-Call Attendance

Messrs. Fox, Lexander, Kara, and Merithew Present; Messrs Yessaillian and Healy, Absent.

Mr. Fox confirmed a quorum present.

Mr. Yessaillian joined the meeting.

Executive Session (6:30-7:00pm)

Collective Bargaining Agreement Negotiation Strategy

Mr. Fox requested a motion to break out to Executive Session to discuss potential collective bargaining agreement strategy. Mr. Lexander made motion to exit the open meeting and enter into Executive Session under G.L. c. 30A. Sec. 21(a) Exemption 3. The motion was seconded by Mr. Kara, and a roll-call vote was taken.

Roll-Call: Messrs. Fox, Lexander, Kara, Merithew, and Yessaillian all voted Aye.

Motion passes unanimously.

Open Session resumed at 7:00pm, at which time Mr. Steve Locke and Ms. Pauline Donoghue joined the meeting, along with Mr. Andrew Gordon, Melanson Audit Manager, and Elissa Cohen, DWWD Accounting Supervisor.

Approval of Minutes of June 7, 2022

Before reviewing the 2021 audit, Mr. Fox called for a motion to approve the meeting minutes for June 7, 2022. A motion was made by Mr. Lexander to approve the minutes, as reviewed, for

June 7, 2022. The motion was seconded by Mr. Merithew. With no discussion necessary, a roll-call vote was taken.

Roll-Call: Messrs. Fox, Lexander, Kara, Merithew, and Yessaillian all voted Aye.

Motion passes unanimously.

Review of 2021 Audit

Mr. Lukis introduced Mr. Gordon, and acknowledged Ms. Cohen as having compiled information for the audit.

Mr. Gordon shared his computer screen and confirmed that the audit went well, with all books and records in good order, informing that the audit was performed in accordance with governmental auditing standards. Mr. Gordon told of his auditing background and the circumstances of his being appointed to audit the District.

Mr. Gordon notified that the District did not receive a management letter for the 2021 audit since internal control has been maintained and assets have been safeguarded. He did state one recommendation was made from the District information technology controls review, to create formal information technology controls and procedures for IT controls and processes.

Regarding the independent auditor's report, Mr. Gordon noted that the District received a clean opinion without exceptions, the best which can be received. The management discussion and analysis - a statement of net position which compares assets, liabilities, and equity - found non-current assets - described as other capital assets not of accumulated depreciation - up significantly, attributed to listed capital assets additions less annual depreciation expense. Net OPED asset has remained consistent; Mr. Gordon explained the District has OPED asset rather than liability, a strong position for benefits. The net pension liability includes the Norfolk County Retirement System, one year in arrears per government standards, showing investments performed greater than forecast. Mr. Gordon did state the Public Employee Retirement Administration Commission (PERAC) would like to see the expected rate of return lowered from the current 7.75%.

Discussion ensued regarding the rate of investment percentage and performance, with Mr. Gordon answering questions and referring to the net OPED schedule.

The statement of cash flows outlines the net cash as operating activities versus total debt service payments. Finding double over debt service, Mr. Gordon states the financial position is strong.

Mr. Gordon summarized the audit as efficient and successful. Questions were asked regarding specifics, with Mr. Marsh offering explanation.

Mr. Gordon exited the meeting.

Business Manager Report

Via his shared computer screen, Mr. Marsh introduced the Rockland Trust Company signatories authorization form, relaying that three signatories are best and pointing out the added withdrawal transaction stipulations. Not assuming he would be one of the three signatories, Mr. Marsh

suggested Mr. Lukis and a Board Member be added to the account. Mr. Fox nominated Mr. Lexander as the Member signatory, serving along with Mr. Marsh and Mr. Lukis; Mr. Lexander accepted. Mr. Marsh offered to complete and submit the form.

Business Operating Reports

Stating May results have been posted on Basecamp, Mr. Marsh confirmed they are consistent with past results. Showing YTD budget and variances, Mr. Marsh explained the billed water is over budget, which he hopes will continue, with investment income being reviewed. The personnel cost is favorable, with the operating cost affected by the MWRA water purchase but otherwise favorable. Reiterating, the only unfavorable aspect to the year's budget is the MWRA purchase. Mr. Marsh anticipates breaking even or better by about October, with the budget anticipated to reach at least plan.

Mr. Marsh confirmed that the long-range five-year models have been established, with ten-year models added at Mr. Lukis' suggestion since many capital projects' lives are many years. Questions were posed regarding the MWRA purchase, with Mr. Marsh and Mr. Lukis offering answers.

Financials and Warrant

Warrant

For the Board's review and approval, Ms. Donoghue presented Warrants 41-44 for June 2 to 16 activity, calling attention to Warrant 42 which includes the Fiscal Year '23 annual payment to Norfolk County Retirement System. Regarding the payment, Mr. Merithew posed a question which Mr. Marsh answered.

Treasurer's Report

Ms. Donoghue highlighted:

- Unreconciled cash balances at May 31 are down since April. Ms. Donoghue informed that Dedham Savings Bank and Bank of Canton basis points are now increased.
- Cash has been reconciled to April 30.
- Monthly summary of reconciled cash and disbursements is current to April 30, with two interest payments made in May.
- Monthly summary of reconciled cash and distribution for prior year to December 31 is complete.

Ms. Donoghue has been reviewing CD rates and treasuries to find a better return. Mr. Fox suggested inquiring with Eastern Bank, where the District account is held. Mr. Kara made additional suggestions regarding investments.

Operations Manager Report

Pumping and Operational Report

Mr. Locke stated pumpage was on an uptick this week. He directed the Board to view the video posted to Basecamp which shows a hydrant struck by a vehicle that failed below the breakaway flange, showing a significant amount of water lost. No offender has been apprehended. The

hydrant was shut down and replaced. Mr. Locke informed that MWRA usage is updated weekly. Also, Westwood flushing is completed.

Update on New & Existing Projects

Main and Service Breaks Report – There were no main or service breaks, and distribution has been busy. Five leaks from the detection study were repaired, which reduced leakage. Customer Service has resolved customers’ leaks. Six hydrants were repaired, with five more leaks to be addressed. The District’s backhoe has had power issues which are being diagnosed for repair, a well-utilized rental be used currently.

Treatment Plant Meter Calibration Report - The new White Lodge mag meter is 99.9% accurate. Some meter readings are over-registering.

Voicing a concern with supply chain issues, Mr. Locke stated an all-wheel-drive vehicle replacement must be ordered, rather than the cost-budgeted front-wheel drive, not including trade. Though over budget, past savings should be considered.

Ms. Cohen exited the meeting.

Mr. Locke detailed the new lead and copper rule revisions effective December 16, 2024, stating District inventory is being updated. He offered that webinars will be informative for developing a comprehensive plan. Mr. Lukis explained the change from first-draw rule to fifth-liter, both to compare and see differences. Details regarding testing so ahead of the curve, when to make public, reporting responsibilities, and resulting possible liability were discussed. Mr. Lukis will discuss this issue at a roundtable he will be attending, so to ascertain details for beginning the replacement of customer service lines. Mr. Lexander stated additional personnel will be required.

Executive Director Report

Contracts Executed by Executive Director

Mr. Lukis reported no new contracts have been executed.

Update on Communications Position

Stating he would like offer applicant Allyssa Jewell the position of Communication Coordinator, Mr. Lukis confirmed her requested vacation time increase will be granted.

Regarding EPA updates relative to PFAS, Mr. Lukis informed that the State-regulated health advisory rule for DEP sampling limits of six compounds has been revised to below current laboratory technology detection. There exists concern with treatment plants exceeding levels. Mr. Lukis will provide updates as he receives information on the regulations, confirming the

District's need to reduce levels to as low as possible. Mr. Merithew provided a link further explaining the regulations.

Old/New Business*

Mr. Yessaillian thanked the Board for acknowledging his mother's passing by sending a flower bouquet.

At Mr. Lukis suggestion to schedule future meetings, it was decided July 12 and August 9 would be the Board's summer meetings. Mr. Lukis informed that Governor Baker's order allowing remote meetings expires July 15, confirming the July 12 meeting would be held remotely, while acknowledging the August 9 meeting may have to be convened in-person. He will keep the Board apprised of this determination.

Mr. Fox requested a motion for adjournment. A motion was made by Mr. Yessaillian to adjourn the meeting, and Mr. Merithew seconded it. A roll-call vote was taken.

Roll-Call: Messrs. Fox, Lexander, Kara, Merithew, and Yessaillian all voted Aye.

Motion passes unanimously.

The meeting was adjourned at 8:19 p.m.

Respectfully Submitted,
Kathy Travers Reynolds
Recording Secretary

DOCUMENTS

- 06072022 Regular Session Minutes.doc