



DEDHAM-WESTWOOD WATER DISTRICT
General Business Meeting Minutes
Tuesday, October 11, 2022 | 6:30 PM

Hybrid Meeting
In-Person Attendance at 50 Elm Street in Dedham, MA 02026

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 video-recorded.

Attendance

James Fox, Chair (remote)

Andrew Kara, Clerk

Eric Merithew, Member

Gary Yessaillian, Member (remote)

John Healy, Member (remote)

Blake Lukis, Executive Director

Bob Marsh, Business Manager

Pauline Donoghue, Treasurer

Steve Locke, Operations Manager

Absent

Robert Lexander, Vice-Chair

Roll-Call Attendance

Messrs. Fox, Kara, Merithew, Yessaillian, and Healy Present.

Mr. Fox confirmed a quorum present.

Approval of Minutes of September 20, 2022

Mr. Fox called for a motion to approve the meeting minutes for September 20, 2022. A motion was made by Mr. Kara to approve the minutes, as reviewed, for September 20, 2022; the motion was seconded by Mr. Merithew. With no additional discussion necessary, a roll-call vote was taken.

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

Motion passes unanimously.

Financials and Warrant

Warrant

Ms. Donoghue presented approved Warrants 69-74 for September 19 to October 6 activity.

Treasurer's Report

Ms. Donoghue highlighted:

- Unreconciled cash at September 30, increased from August.
- Reconciled cash balance of August.
- Monthly summary of reconciled cash and disbursements through August.

- Monthly summary of reconciled cash and disbursements for prior year 2021.

Ms. Donoghue pointed out that the cash balance is higher than at the beginning of the year, with capital expenditures at 24% of budget, partly due to not spending down as budgeted. At Mr. Merithew's inquiry, Mr. Lukis explained this is attributed to project timing, order shipping, vehicles ordered, the securities project, and the awarded but not contracted water main project.

Action on Investment Policy

Regarding the investment policy for the District's operating fund, Ms. Donoghue explained statutory authority was sought, with the model investment policy developed by the Massachusetts Collectors & Treasurers Association as well as the Town of Wellesley's investment policy referenced. Labeling the District as conservative, Ms. Donoghue informed that investments would be made according to statute, with focus on safety, liquidity, and better return.

Asking if the Board would vote on the policy's acceptance tonight, Ms. Donoghue was first presented with questions from Mr. Merithew regarding the investment process. Ms. Donoghue stated the investments would be made through the Bank of Canton using Infinex Financial Group, a consortium of four states which services 40 banks. Mr. Lukis added that the currently used bank is being utilized to prevent the need to transfer funds for the 90-day capped investments. Ms. Donoghue informed that all Board Members would sign the policy.

Mr. Fox requested confirmation all holdings would be backed by the United States Government Treasury, with no hybrid funds. Stating the investment policy requires no money market risk, Ms. Donoghue will confirm the fund structure with Infinex Financial Group. Mr. Lukis read from the statute: The Treasurer will utilize investments that have FDIC insurance and depository insurance fund coverage or investments that are backed by the United States Government.

Mr. Fox requested a motion regarding approval of the investment policy. Mr. Merithew made a motion to approve the Dedham-Westwood Water District investment policy for short-term investments; Mr. Healy seconded the motion. Clarification was made on the total investment and bond amounts, and timing limits.

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

Motion passes unanimously.

Business Manager Report

Business Operating Reports

Mr. Lukis displayed August's results. Mr. Marsh called attention to year-to-date excess or revenue/expenses being positive versus planned cumulative, a profit despite MWRA usage. Though payments are coming due, Mr. Marsh expects to break even or show a positive number. The revenue line shows District building because of May-July volume, the rate increase, and July-August tier structure; but September volume is turning down. The revenue flash for

September shows the budget will be over-achieved. Mr. Marsh informed that the budget is being completed.

Operations Manager Report

Pumping and Operational Report

Mr. Locke confirmed the glitch in the pumpage report was corrected. For three weeks, 3.7 million gallons were pumped daily. After the October THM sampling, MWRA will be removed, reducing THM formation.

Update on New & Existing Projects

Main and Service Breaks Report – Two breaks were reported, one main where a well was shut down to repair and one repaired two-inch service break.

Water Main Replacement Project – A water main was installed, with pressure testing and sampling performed; transfer will be done once results are received. One complaint regarding a hydrant placement was received and resolved. Mr. Locke stated the prepurchase of pipe for the project allowed completion within a year.

Update on New & Existing Projects

Veterans Road - Regarding capital expenditures, the design completion on the Veterans Road project is at 90%. Mr. Locke is reviewing the project to then ask for a motion for ordering.

Dedham Country Polo Club - Mr. Locke mentioned the Dedham Country Polo Club main extension project is not yet completed, informing that new club management is in place and an easement agreement has been made.

Mr. Merithew suggested pipe and meters could be prepurchased for next year's budget projects. Mr. Lukis stated project material prepurchasing could be discussed since project money not spent this year could be used for the design of next year's projects for early next year.

Meter Changes - Mr. Locke informed that 1,200 meters a year to be changed out are at 82% completion at the end of September, with backflows at 65% and tests scheduled six months apart.

Final Meter Building and Evaluation on Right-Sizing Report – A guideline for replacements.

TTH Sampling Report – No surprises were reported.

Treatment Techniques Report – Draft report has been received and staff is reviewing it internally and will provide comments to Weston & Sampson prior to finalizing it.

THM Reduction Project – Weston & Sampson working with EverSource on service design and location of panels.

New Cement Walkway – A path to generators and air handlers has been poured.

Dump Truck Repair – Repair took two months once parts are received.

Backhoe – A backhoe has been rented since the part needed for repair was ordered from Europe.

Executive Director Report

Regarding the Treatment Techniques study, Mr. Lukis will share the Weston & Sampson report with the Board when finalized. Responding to Mr. Merithew's inquiry regarding sodium, Mr. Lukis informed that three recommendations for contaminants reduction were received, and THM is already moving forward.

Contracts Executed by Executive Director

No contracts were executed.

Update and Potential Action on PFAS Litigation

This type of litigation is called a multi-district litigation (MDL) and is multiple entities suing the same party for the same issue, as with PFAS in water systems, so courts combine cases. The District has been asked to join this litigation. The Ayer, MA court case will be the bellwether, or representative, case. Attorneys believe a settlement will be made. Once the bellwether case starts, it is too late to join the litigation. The first case - in Stuart, Florida - begins June 2023, if not settled before. Mr. Lukis spoke with Attorney Sandman and DWWD counsel regarding the Attorney General's lawsuit; DWWD will not profit from the lawsuit - Focus is on water systems, waterways, landfills, fish & water life. DWWD counsel found no concerns with Attorney Sandman's contract, citing the low contingency fee. Mr. Lukis recommends moving forward and signing onto the MDL.

Discussion ensued regarding Mr. Lukis looking into the Board seeing engagement letters from the two known litigation firms, SL Environmental and a larger nationwide company, as well as the Ayer case details.

Update on 2022 Lien Process

Mr. Lukis explained liens are placed on accounts unpaid for three to four months, adding that 225 letters were sent for accounts totaling unpaid balances of \$177,000; last year, the unpaid accounts totaled \$258,000, with fewer letters sent during covid times. Mr. Lukis was able to report that one resident who had not made payments in three years paid \$14,000. Answering Mr. Healy's inquiry on the statutory interest rate on unpaid bills, Mr. Lukis responded that it is a nominal percentage that the District charges, but once liened the Town's change 14%. In response to Mr. Merithew's inquiry on funds paid to the District, Mr. Lukis answered he is providing requested information to the towns for about-May payment processing. Confirming most of the outstanding accounts are residential, Mr. Lukis answered Mr. Merithew's question regarding the hardship process, stating assistance would be provided with payment plans if a resident inquired; Mr. Healy shared his knowledge of the process.

Mr. Lukis shared that a press release issued by the MWRA informed that their board of directors voted to place a five-year moratorium on the one-time entrance access fee. Mr. Lukis confirmed he intends to move forward for qualification for this moratorium, to present at the next Board meeting. Mr. Merithew asked how much could be gained for future allocation; Mr. Lukis stated total usage is 1.2 billion gallons a year.

Mr. Lukis will share the survey for special district officials from the Division of Local Mandates for input from Board Members. The survey inquires if any issues exist with being a district. A suggested bill would mandate communities, not districts, report to the Department of Public Utilities.

Mr. Fox suggested Mr. Lukis formalize his intention to use the capital budget to begin design on next-year projects not yet approved into a motion to be entertained at the next meeting in three weeks. Mr. Merithew referred to the process timing of the vehicle purchase, and Mr. Lukis confirmed savings were made by early purchases.

Old/New Business*

No additional business was brought before the Board.

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

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

Motion passes unanimously.

The meeting was adjourned at 7:32pm.

Respectfully Submitted,
Kathy Travers Reynolds
Recording Secretary