



## **DEDHAM-WESTWOOD WATER DISTRICT General Business Meeting**

### **Hybrid Meeting**

**In-person attendance: 50 Elm Street, Dedham, MA 02026**

**Wednesday, February 12, 2025 | 6:30 PM**

#### **Announcement of the Audio and/or Video Recording**

The Chair, Eric Merithew, called the meeting to order at 6:30p.m. and announced the meeting would be audio- and video-recorded.

#### **Attendance**

Eric Merithew, Chair

Louis Kustwan, Vice-Chair (remote)

Jennifer Perkins, Member (remote)

Robert Lexander, Member

Mark Phillips, Member

Blake Lukis, Executive Director & Assistant Treasurer

Bob Marsh, Business Manager

Pauline Donoghue, Treasurer (remote)

Steve Locke, Operations Manager

#### **Absence**

Mr. Healy, Member

#### **Roll-Call Attendance**

Messrs. Mr. Merithew, Ms. Perkins, Mr. Lexander, and Mr. Phillips Present.

A quorum was confirmed.

#### **Public Participation**

No questions or comments were presented by the public participants.

#### **Approval of Minutes for January 22, 2025**

Mr. Merithew requested a motion to approve the meeting minutes of January 22, 2025. A motion was made by Mr. Lexander to approve the meeting minutes as reviewed for January 22, 2025; Mr. Phillips seconded the motion. With no discussion necessary, a roll-call vote was taken.

Roll-Call: Mr. Merithew, Ms. Perkins, Mr. Lexander, and Mr. Phillips voted Aye.

Motion passed unanimously.

#### **Presentation and Action on Water Rate and Structure Change**

Mr. Lukis shared his screen with the presentation 'Dedham-Westwood Water District Water Rate Structure Analysis,' similar to that presented at the last Board meeting, updated with comments received from the Board. The structure has been advertised to the general public.

- Potential Changes to Structure
  - Recommend altering tier structure
  - Recommend single-tier structure for all users
- Current Flat Rates
  - Tiered based on meter or service size
  - Minimum monthly meter charge
  - Private fire services
- Current Tier-Rate Structure
  - Residential
    - Three tiers
  - Commercial & Municipal
    - Two tiers

Mr. Lukis reported that billing is based on 100 cubic feet (HCF), equal to approximately 748 gallons.

- Why a rate structure analysis
  - Three points with breakdowns
- Basics of Inclining Block Rates
  - Three points with breakdowns
- Determining Number of Tiers
  - Two points with breakdowns
- Identifying Breakpoint of Tiers
  - Two points with breakdowns
- Current Breakpoint Analysis
  - Percent of customers' average monthly water use 2019-2023 graph
- Breakpoint Analysis
  - Towns/Tiers averages
- Breakpoint Analysis
  - Average residential HCF (2019-2023)
    - Winter & Summer
- Tier Breakpoint Summary
  - Tier 1 0-6
  - Tier 2 7-20
  - Tier 3 21-99
  - Tier 4 >99

and five points of explanation

Ms. Perkins asked if this works like tax tables. At Ms. Perkins' request, Mr. Lukis said yes and explained with the example of 25 HCF usage in one month:

- usage 1-6 HCF would be billed at Tier 1
- usage 7-20 HCF would be billed at Tier 2
- Usage 21-25 HCF would be billed at Tier 3

- Proposed Tier Analysis
  - Percentage of all customers' average monthly water use 2019-2023
    - Proposed tier structure
- Rate-Setting Recommendations
  - Tier 1 - remain at \$5.40/HCF
  - 41% increase between tiers, explained
  - 5% increase in monthly meter charge
  - No increase to flat-rate fire service charge
- Rate Setting Recommendations
  - Snapshot
    - Existing tiers/rates vs proposed tiers/rates
- Rate Impact to Customers
  - Winter usage, summer usage, annual charge
    - Residential
    - Commercial

Mr. Lukis reminded that the long-range plan rate increase needed to meet budget was 7.4%. The monthly proposed increase is approximately 5% for residential and 27-28% for commercial.

- Estimated Revenue
  - Three points with breakdowns

Mr. Lukis informed that there will likely be a drastic reduction in residential usage due to new outdoor water use regulations. In 2027, the PFAS upgrades will have a one-time impact; potential funding is being reviewed. Mr. Merithew observed that, if the District change nothing in the rate structure, would need an 8.5% increase to meet budget needs for 2025. Mr. Lukis confirmed that the customers conserving will see a nominal bill increase. Mr. Merithew asked about the impact for budget differences; Mr. Lukis answered that the proposed increase between tiers increased to 41% from 40%. Mr. Merithew referred to family sizes, tiers, and conservation.

There was no response to Mr. Merithew asking the public for their questions.

Mr. Merithew read the motion to move forward: The Dedham-Westwood Water Commissioners vote to restructure the water rates into 4 tiers to be uniformly applied for all customer user types. The revised tier structure and associated rates are as presented in the February 12, 2025 meeting and shown in the amended Schedule of Water Rates presented herewith as Schedule A, Metered Rates; Schedule B, Fire Protection Rates; Schedule C, Other Charges including Access and Change of Use Fees; and Schedule D, Meter Charges. Amended rates shall be effective on all bills issued on or after March 1, 2025.

Mr. Phillips seconded the motion.

Mr. Merithew asked if the low-income rate changed; Mr. Lukis confirmed it has, with 50% of the meter charge. Mr. Merithew asked for clarification of proposed schedules, which Mr. Lukis provided.

Roll-Call: Mr. Merithew, Ms. Perkins, Mr. Lexander, and Mr. Phillips voted Aye.  
Motion passed unanimously.

## **Financials and Warrant**

### Treasurer's Report

Ms. Donoghue confirmed the warrants were sent to the Commissioners - Warrants 7-12 for activity from January 23rd to February 7th, with large expenses noted, including Warrant 8 for the White Lodge feed pump.

Mr. Kustwan joined the meeting remotely.

The Treasurer's Monthly Cash Flow Report for December 2024 and January 2025 was forwarded to the Commissioners. Ms. Donoghue highlighted cash receipts:

- Unreconciled cash balance at January 31, 2025, decreased from December 31, 2024, the majority from spending down band funds for specific projects;
- Reconciled cash balance to December 31, 2024, decreased from November;
- Reconciled cash receipts and disbursements for year-end December 31, 2024;
- Reconciled cash receipts and disbursements for prior year-end December 31, 2023.

### Action on Signers for Bank Accounts

The narrative has been attached regarding designated Commissioners as signers with the Executive Director and Treasurer on District operating and payroll accounts for Dedham Savings Bank and South Shore Bank, adding that one Commissioner along with the Executive Director or Treasurer must sign for checks of more than \$25K. South Shore Bank accounts were opened in August to have parallel systems for payroll and operating. Mr. Merithew offered to act as an account signer, and Mr. Lexander confirmed he is able to continue as such. Mr. Lukis requested the two Commissioners sign the necessary paperwork, including to remove Mr. Yessaillian as a signer.

## **Business Manager Report**

### Business Operating Reports

Mr. Marsh has nothing to report while he continues working hard on the audit, to present several items at the next meeting.

## **Operations Manager Report**

Mr. Locke confirmed the report has been forwarded in advance, and relayed:

### Pumping and Operational Report

Pumpage – Readings have been at approximately 3.9 the last three weeks, higher than historically for this time of year, by 400-500K gallons.

Main & Service Break – Bids were received, and New England Water Distribution Systems, who provided leak detection last year, was the lowest bidder, anticipating to being April 1st.

A leak was found on Bonney Lane in Dedham last night.

A Dedham house fire made news, where the Fire Chief mentioned low water pressure at the end of a cul-de-sac on high elevation; the system never lost pressure during the fire.

#### Update on New & Existing Projects

- Epoxy floor covering  
The job has not been started because it is temperature-dependent.
- Air Towers Media Replacement  
Slated to start again February 24th.  
Corroded ducting has been replaced.  
Messrs. Lexander and Locke discussed details.
- Production Supervisor  
After a medical leave, the Supervisor has returned to his position.
- Water Main Replacement on East Street  
41% completed.  
The line was described, where a leak is being sought.
- Sensors  
A grant was applied for, for 550 sensors, to cover the whole system. Qualification will be determined February 24th.

Mr. Phillips asked about yesterday's call regarding a leak; Mr. Locke described the process in finding the leak. Mr. Lexander described a similar prior situation.

- Burgess Avenue Booster Station  
Met with the Land Use Committee regarding setbacks, which are being discussed with the homeowner.

Mr. Lukis informed that the easement has been agreed upon, with no signatures yet. A letter stating preliminary easement compensation will be executed once final permitting is received. The owner requested a non-refundable deposit for signing the initial agreement since a portion of their land will be tied up during the process. Commissioners were asked their thoughts, and Counsel has been consulted; Mr. Lukis recommended offering the homeowner 10%.

Discussion took place regarding the requested deposit, increased attorney fees, easement location, and refuting non-compliance with planning/zoning bylaws.

- The DEP has approved the PFAS resin filter design.  
Bidding begins April 30<sup>th</sup>.
- Garage Construction  
A 6-inch level spreader will be used for the focus drain issue.  
The Building Commissioner is reviewing for approval.

Mr. Merithew asked if the schedule will be impacted. Mr. Lukis stated the site readying must start by the end of February to accept the building delivery on time. The structural tabulations from the building manufacturer are needed for the permit process; then, the two-month work schedule will begin. Some points could impact the schedule.

Mr. Merithew asked if plans are in place for operations without that area; Mr. Lukis reiterated that parking across the street will be utilized. Mr. Merithew asked if bay access will be available; Mr. Lukis informed that no bay access will be available for a period of time. Mr. Merithew asked about the timing for the front modifications; Mr. Lukis confirmed that work will be done at the end of the Project, and described additional plans.

Mr. Locke informed that State regulations regarding accessory dwelling units will soon be in place. Counsel is reviewing the municipality regulation. Currently, each ADU must have an independent line.

Discussion took place regarding details of ADU installation, current regulations, business/residential zoning lines, and when a charge is assessed.

Mr. Phillips asked how it is known that pumpage is at least 400K higher now; Mr. Locke answered that he has kept historical records, and the recent increase has been consistent. A survey will take place in the spring to find below-surface leaks. Mr. Lukis added that more water was sold this January than prior year.

Regarding distribution, Mr. Merithew asked if sector meters might be placed; Mr. Lukis listed the possible locations for placement of a few. Mr. Locke further described the data with details to finding leaks. Letters have been sent to Schoolmaster Lane residents regarding zones. For Ms. Perkins, Mr. Locke described the Project requiring easement.

## **Executive Director Report**

### **Contracts Signed by ED**

No contracts have been signed by the Executive Director since the last Board meeting.

A point on his own agenda, Mr. Lukis confirmed discussion of 1446 High Street has been held.

Mr. Lukis reminded that 2023 was the last time the Governor extended having a quorum for a remote meeting. Unless the Open Meeting Law remote meeting option is extended, this format will expire at the end of March; thereafter, hybrid meetings may lawfully be held when a quorum is present at the meeting location.

### **Executive Session**

Mr. Merithew motioned to end the public meeting session to move to Executive Session - pursuant to MGL c.30A Sec. 21(a)(2) to discuss strategy for negotiations with non-union personnel, Executive Director – to then return to public session. Mr. Alexander seconded the motion.

Roll-Call: Mr. Merithew, Mr. Kustwan, Ms. Perkins, Mr. Alexander, and Mr. Phillips voted Aye. Motion passed unanimously.

Mr. Merithew thanked the public attendees for their presence, and Mr. Lukis requested public participants exit the meeting.

### **Action on Personnel Items**

Take any action resulting from the Executive Session and approval of 2024 bonus allocations  
Open session was reentered.

Mr. Merithew motioned to approve a 3.5% merit increase and \$6K car allowance for Executive Director Blake Lukis. Mr. Alexander seconded the motion.

Roll-Call: Mr. Merithew, Mr. Kustwan, Ms. Perkins, Mr. Alexander, and Mr. Phillips voted Aye. Motion passed unanimously.

Mr. Lukis outlined the current employee bonus structure, giving an example of how one team deserves an increase.

Mr. Merithew motioned to approve the District bonus recommendations of February 12, 2025 as outlined by the Executive Director. Mr. Alexander seconded the motion.

Mr. Lukis confirmed salary expense is still under-budget, as accrued funds are used without impact to the 2025 budget; extra cash will then be unallocated.

Roll-Call: Mr. Merithew, Mr. Kustwan, Ms. Perkins, Mr. Alexander, and Mr. Phillips voted Aye. Motion passed unanimously.

Discussion was held regarding the merit increase and bonus structure.

Mr. Kustwan exited the meeting.

### **\*Old/New Business\***

No new Business was brought before the Board.

### **Next Meeting**

The next District Board hybrid meeting is scheduled for Monday, March 17<sup>th</sup>, at 6:30pm.

Mr. Phillips asked if a Bridge Street Project update is available. Mr. Lukis with Mr. Locke reported that the Project is on-hold until tomorrow's sample results are received; then, the

consultant's report will be expected. Mr. Phillips asked if an economic analysis justification will be performed; Mr. Lukis confirmed the cost will be determined and an analysis run.

Mr. Merithew motioned to adjourn the meeting; the motion was seconded by Mr. Lexander, and a roll-call vote was taken.

Roll-Call: Mr. Merithew, Ms. Perkins, Mr. Lexander, and Mr. Phillips voted Aye.

Motion passed unanimously.

The meeting was adjourned at 9:10p.m.

Respectfully Submitted,  
Kathy Travers Reynolds  
Recording Secretary

Attachments:

- Dedham-Westwood Water District Water Rate Structure Analysis