



LYNNFIELD CENTER WATER DISTRICT WARRANT
The Commonwealth of Massachusetts
Regular Board Meeting
7:00 pm February 8, 2021

Date, time, place: The regular meeting of the Board was held on Monday February 8, 2021 at 7:00 PM via Virtual Zoom Meeting.

Present via Virtual: Commissioners Anders Youngren, Joseph Maney, Jack Adelson, Superintendent John Scenna, Treasurer James Alexander and Clerk of the Board, Christine Smallenberger

Absent: none

Also attending virtual: Walt Pavlo and Stefan Taschner

Additional attachments: Agenda, incorporated into the minutes hereto.

Next Regular Meeting: Wednesday February 24, 2021 at 7:00 PM - Virtual

Adjourn: 7:55 PM

The meeting was called to order at 7:00 pm and is being recorded for the purpose of taking notes.

Chairman Maney read the following statement:

Pursuant to Governor Baker's March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c.30A, §18, and the Governor's March 15, 2020 Order imposing strict limitation on the number of people that may gather in one place, this meeting of the LCWD Board of Commissioners will be conducted via remote participation. Specific information and the general guidelines for remote participation by members of the public and/or parties with a right and/or requirement to attend this meeting can be found within this posting below. No in-person attendance of members of the public will be permitted, but every effort will be made to ensure that the public can adequately access the proceedings in

real time, via technological means. In the event that we are unable to do so, despite best efforts, we will post minutes of proceedings as soon as possible after the meeting.

1. Superintendent's Update

- a. General Update on ongoing Operations and Administrative Tasks: Weston and Sampson (W&S) is working at well #7 at station 3 today with W&S and hoping to get the well back in operation because we are relying more on water from the Ipswich River Watershed. Most of the mechanical work was done today. The electrical group has to complete the wiring and hope to be back by Thursday to test the pump next week to have the well back up and running next week. We will be meeting with CMD for the tank rehabilitation tank project that includes painting the exterior of Knoll Road tank and emptying and cleaning and lining the inside of the Wing Road tank. This project will be going out to bid in March with a real cost in April to bring to the annual meeting for funding. The successful bidder will be awarded the contract in June with a start no earlier than September 15th. We have already spoken with a few contractors to see how much time these projects will take. Painting the exterior is temperature driven. The bid will be in the central register and Massachusetts comm buys and advertised everywhere. We hope to draw from other states as well. CDM will contact everyone qualified that may be interested in bidding for this project. We are ready to start a 2nd section of flushing in the spring. We tested the accessibility of hydrants in the Glen Meadow area to see if we can get on them. It is likely we will be flushing Glen Meadow along with the Apple Hill area in April. We want to work out any changes in operations to help the flushing go smoother. Over the summer, we will develop another section to be flushed in the fall with the Apple Hill section. The Apple Hill area will be flushed in the spring with one section and also in the fall with another section to cover the whole town; this will be repeated the following year. This Friday is the kick-off meeting with CDM for the risk and resiliency project. CDM will meet with us and run through several internal drills for emergency preparedness to include natural disasters, storms, hazardous situations, and mitigation impacts to be prepared in the event of issues. We will look at our communications system and IT to make sure it is protected from the outside. This is required from the DEP, EPA and American Waterworks. This will also roll into meetings with other agencies such as Reading Municipal Light, town fire and police departments and some of our neighboring water districts. This project will finetune our emergency plan. Our next billing cycle is in March (winter cycle). We have been reading with our Neptune upgraded software; this upgrade was necessary for our

WaterSmart portal. We had some issues and discovered that North Reading was actually reading some of our meters with the same software. As of today, the issue has been resolved. We had a 2 full months to read on the new system and figure out where the problems could be and hope to issue bills on the 15th or 16th of March. As stated in an email from Friday, the March invoice will have a newsletter that will feature items we are working on: the capital program plan, Annual District Meeting date, and information on the new WaterSmart portal. There are no updates regarding the leases. In February, will have update on procurement on services we need for the spring.

2. New Business

- a. Meeting results from Joint Meeting: Motions were made and accepted to set the rates for the upcoming fiscal year for the clerk and the town assessors. The assessor wants to know the defined role of the chief assessor; Treasurer Alexander will speak with the assessor and we will give her something in writing if necessary.
- b. Schedule of Upcoming Meetings including
 - i. Rate Setting Process: Superintendent Scenna share a visual with the board to discuss the water rates. Last year we voted on the new rates in February and the rate went into effect on March 1, 2020. Members of the District were informed of the new rates and didn't see the increase until the June bill. In the March bill, on the final bill with the old rates, we included a notice of the new rates. This year we could follow the same approach, or we can try to start incorporating the rate into the cost of projects. The complication is the projects haven't been approved yet. Superintendent Scenna's thoughts are two-fold. We can continue to set a rate yearly or we could set a rate at a different month each year or look at an option to set a rate every year set by the board in March. The visual shows a projection for 3 years. The 20-25% rate increase could be spread over 3 years. Chairman Maney inquired if we can borrow in 3 installments or borrow all at once. Treasurer Alexander spoke with Hilltop on Friday and is waiting on the package and yes, we can borrow in installments. Dave Fox, from Raftelis, will join us at our Wednesday February 24th board meeting to propose a presentation on the rates followed by a vote of the board. Superintendent Scenna will provide this information before the February 24th meeting to the board. We will advertise this meeting to the public. Mr. Fox can speak to 1 rate increase a year, a dual-increase, and what it would cost to borrow money and project cash flow over 3 years. Mr. Fox is

also preparing to look at increasing the consumption allowed in the tier 2 range to give people more consumption in tier 2 and a flat tier 1 increase if that is what we so choose. If the intent is to keep the existing structure, we won't need to vote on the 24th. This would be our last opportunity to vote on new rates as Monday is the 1st of March.

- ii. Capital Programming Public Presentations. At the March 15th meeting, we will be ready with the capital program with all the costs associated to place on a warrant for the Annual District Meeting. The rest is contingent on an Annual District Meeting of May 10th. The charter says we are supposed to have the Annual District Meeting on the 1st Monday of April but cannot due to the pandemic restrictions. We have to have this meeting likely outdoors and in person. The board is okay with this approach. Commissioner Youngren favors more smaller rate increases rather than fewer larger increases. He agrees not to put increases in for capital projects that aren't approved yet. To do this correctly, people in the district need to know the capital program costs. We have to do our due diligence to spread the costs out more. Will Hilltop set the rate and lock us in a rate if we don't borrow it all upfront? Treasurer Alexander replied the rate would change from year-to-year. Commissioner Adelson would like to know what it would cost to put a hedge on it, do they recommend it as a viable option and what would be the impact. Treasurer Alexander reminded the board we also have cash revenue to use for some of these projects. The term for borrowing is 20 years and right now we have to worry about year 3.

3. Supplemental Water Program Study

- a. Update on Wakefield Intermunicipal Agreement: we had joint meeting with the DEP last week on how we would interconnect, wheel water, and the inter-basin act. They explained the requirements and how we would operate the system with 3 different sources. With Wakefield, there is minimal change and from our perspective the only thing that is still somewhat uncertain is the level of restrictions we can lift when we can bring in MWRA water. We will have a follow-up conversation to confirm so we can tell people at the Annual District Meeting. CDM is working on the final numbers and we should have them soon.

4. Continued Business

- i. Update on WaterSmart Launch: the only piece we are still working on is Paymentus for the online bill option. We hope to have a trial run

open for people to use the week of the 22nd. By the time the March bills go out it will be up and running for people to start setting up their account. It is important to be consistent with the monthly information and we are working on this internally.

- ii. **Mid-Year Financial Reports:** Superintendent Scenna provided an email to the board with summarized information of year-to-date percentages for each budget line item. We are 60% through the fiscal year. Some expenses are not linear, some line items are slightly over budget and a couple line items had issues as well. Superintendent Scenna also included overtime reports for November, December and January. Commissioner Youngren asked if we have seen a year-to-year decrease in overtime since the SCADA had been repaired. Superintendent Scenna confirmed there has been a huge drop and this is identified in the overtime summary; the SCADA project was completed on Veterans Day weekend. Superintendent Scenna wants to bring 2 line items to the board's attention and needs action from the board tonight. The first one is for the filter rebate line item. We have 3 rebates that are pending; 2 came in before we closed the program on December 8th and the third is postmarked on December 7th. From a location perspective, all three applications meet the requirements, but the dates are controversial. If we approve all of them, we would be short \$3,726 in that account. If the board is so inclined, the board could transfer money from the reserves account to allow all 3 applications to be paid. Superintendent Scenna had waited to see if there were any more applications but we have not received anymore.

Motion: a motion was made to transfer \$3,726 from the 7030 Reserves Account to 7106 Residential Filter Rebate Account to pay these applications and close out the filter rebate program.

Seconded: the motion was seconded, and the motion was passed with all saying aye by a unanimous vote.

The last line-item discussion doesn't require a vote from the board. This concerns line item 7015 that was originally passed at the April 2019 Annual District Meeting. Superintendent Scenna wants the board to review and look at the options presented to determine how the board wants to proceed. No vote is needed tonight. This was discussed with the auditor and the auditor is in favor for his preferred method which is option #1.

Treasurer Alexander is in the process of opening a stabilization account with Everett Bank. To utilize these funds from the stabilization account, we would have to get a vote of the district. We also need to track the interest separately.

Other Board Items:

- a. Approve Prior Meeting Minutes. None at this time.
- b. Approve A/P and Payroll and Payment Plans, if applicable. The Payment plans that have been accepted were sent to the board. We will keep the account information on file.
- c. Approve Abatements as Recommended by the Abatement Committee. No abatements needed to be approved.
- d. Approve and Discuss Filter Rebate Program as Required. Previously Discussed above.
- e. Any other unanticipated items by the Board. None at this time.
- f. Executive Session for legal and personnel purposes if required. No need for executive session tonight.

A motion was made to adjourn at 7:55 pm.

Respectfully submitted,