

A meeting of the Town of Barnstable's Hyannis Water Board was held on October 9, 2012 at 3:16 PM in the Selectman's Conference Room, 367 Main Street, 2nd Floor, Hyannis, MA.

In attendance were Deb Krau, Skip Simpson, Tom Holmes, David Wood and Steve O'Neil.

Staff present: Hans Keijser, Supervisor, Water Supply Division, Dale Saad, Ph.D., Senior Project Manager, Water, Sewer and Green Energy Projects and Mark Milne, Finance Department.

Also present: Mark Lavoie and John Marcin from United Water, David Hyder, Municipal & Financial Services Group and Michael Hersey, Town Councilor precinct 3 Hyannis.

A quorum being present, Chair Krau called the meeting to order at 3:16 PM.

A motion was made and seconded to approve the agenda.

VOTE: Unanimous in favor. The Agenda is approved.

A motion was made and seconded to approve 9/11/12 meeting minutes.

VOTE: Unanimous in favor. The 9/11/12 meeting minutes are approved.

Operations Report –Lavoie reports that site work grading and sloping has been completed around the tank sites. Contractor is connecting the new pipe from Hyannisport to Straightway to the distribution system at the Straightway location. United Water Pontiac Michigan has furnished the needed information for input into the CMMS program relative to the 2" and over water meters and is expected to return in mid-October to finish the remaining work for completion of this deliverable.

All required monthly reports were submitted on time. Lavoie reports on the MCC eBill system that is available to customers for bill payment through the Town of Barnstable website (handout given). He highlights that customers have the option of signing up for e-mail notification upon new bill generation. Krau inquires on the costs involved for the customers to use this option. Lavoie explains that at approximately \$.25 per customer, this would average around \$1,000.00/year, and that United Water will incur these costs. Keijser will work with United Water on how to advertise for this payment option.

Collections of past due accounts were \$33,078.00 in the month of September. Lavoie explains that receivables jumped substantially in September due to the fact that approximately \$100,000.00 more was billed out.

O'Neil and Wood will schedule and meet with Keijser and Lavoie regarding receivables.

Cross Connection Flyer Review – Wood suggests making the colors different for Commercial and Residential brochures-all in agreement. Keijser will change colors, request 3 bids for printing, have them printed and used as a bill stuffer for the spring billing cycle. This needs to be done once a year in accordance with DEP regulations.

A motion was made and seconded to approve, print and distribute the flyers as amended.

VOTE: Unanimous in favor. The flyers are approved for printing and distribution.

FY '2012 Financial Report-Water Supply Division (hand out given by Milne)-Milne explains the figures within the hand out and reports that the final audit will be conducted in December. Milne's report shows a generated \$507,826.00 net surplus for FY '2012, which is positive against its -\$96,502.00 projected budget loss. The department has a total \$1,944,268.00 total reserve (surplus funds); this number will be reported to the Department of Revenue, Milne says. Krau asks Milne how much of a reserve should the department have? Milne replies that the department should have approximately 6 months worth of operating expenses in their reserves. Krau asks Hyder if Milne's numbers are consistent with the rate model. Hyder responds with "yes, very close". Milne is comfortable with the rate model as of today.

Review of Fees/Rates –with the beginning of a 5M capital plan resulting in high expenses for the department, along with consistently decreasing water pumpage, the board elects to stay with the 7% rate increases within the rate model. Hyder adds that there has been a consistent 2% decrease in water usage, therefore 7% is wise in his opinion.

A motion was made and seconded to raise the rates and fees by 7% as originally projected.

VOTE: 4/1. The rates and fees will increase by 7%.

A motion was made and seconded to also pro-rate the water usage rate increase based on fiscal year.

VOTE: Unanimous in favor. The water usage rate increase will be pro-rated based on fiscal year.

Final Approval of FY14 Operating Budget and Capital Plan

A motion was made and seconded to approve FY '2014 Operating Budget and Capital Plan that is built into the fee schedule on the rate tool; this includes the future well exploration capital program.

VOTE: Unanimous in favor. The FY '2014 Operating Budget and Capital Plan is approved and this includes the future well exploration capital program.

Review of uncollectible accounts and FY '2012 liens –Keijser states that only the previous fiscal year's over due accounts can be liened.

A motion was made and seconded to lien the accounts as displayed on the document presented.

VOTE: Unanimous in favor. The presented accounts will be liened. All board members signed the lien document.

Follow-up on Zoning Change proposal for Storage of Commercial Fertilizer –deferred until November.

Councilor/Board Member Assignments –the board agreed to the following assignments: Wood/Rugo, Krau/Hersey, Simpson/Tinsley, O'Neil/Cullen and Canedy, and Holmes/Dagwan.

Environmental Impact Report Airport –Krau expresses her concern over the 2 huge fuel tanks that are proposed which the Cape Cod Commission already approved. Krau requests of the board to get comments in to either herself or Keijser. Krau adds that these comments need to be submitted by 10/19/12.

Meeting was adjourned at 5:30 p.m.

*Respectfully submitted,
Marcia Sellitto
DPW, Water Supply Division -Administrative Assistant*

Materials presented at meeting:

- Meeting Agenda October 9, 2012 (*presented by:* T.O.B.-DPW, Water Supply Div.)
- Meeting Minutes for approval 9/11/12 (*presented by:* T.O.B.-DPW, Water Supply Div.)
- H.W.B. Monthly Report, September 2012 with eBill printout (*presented by:* United Water)
- FY '12 Pumping and Revenue Projection spreadsheets, dated 10/5/2012 (*presented by:* Hans Keijser)
- Copy's of Cross Connections flyers (*presented by:* Hans Keijser)
- Water Supply Enterprise Fund Financial Documents (*presented by:* T.O.B. -Finance Dept.)
- Water Rate Study Model Output (*presented by:* T.O.B.-DPW, Water Supply Div.)
- Copy of Certification of Water Supply Division accounts to be liened (*presented by:* Hans Keijser)
- Copy of Letter from Cape Cod Linen Service RE: CCCLS's Damages for Water Quality Issue (*presented by:* Hans Keijser)
- Copy of email Mark Ells RE: Environmental Report Outlines Safeguards (*presented by:* Hans Keijser)
- Copy of Letter from Matthew Teague from the T.O.B.-Planning Board to Council Pres. Chirigotis RE: Proposed Zoning Amendment-Storage of Commercial Fertilizers (*presented by:* Hans Keijser)
- Newspaper clippings (*presented by:* Hans Keijser)
- Article from the AWWA Journal, October 2012: Public-Private Partnerships for Municipal Utilities (*presented by:* Hans Keijser)
- Article from the AWWA Journal, October 2012: Utility Transfers to the General Fund: What is reasonable, fair and legal? (*presented by:* Hans Keijser)