

**Town of Ayer**

**RATE REVIEW COMMITTEE**

**Meeting Minutes from February 18, 2020**

**Attendance:** Jannice Livingston (Chair); Pam Martin (DPW Business Manager); Rick Skoczylas; Mark Wetzel (DPW Superintendent); Lisa Gabree (Finance Manager); Robert Pontbriand (Town Manager)

**Absent:** Mary Spinner; Mark Smith (Fin Com Rep)

**Call to Order:** The meeting was called to order in the First Floor Meeting Room of the Ayer Town Hall at 4:03pm by J. Livingston.

**Approval of the February 4, 2020 Meeting Minutes:**

The Committee reviewed the DRAFT February 4, 2020 Meeting Minutes.

**Motion:** A motion was made by R. Skoczylas and seconded by J. Livingston to approve the meeting minutes from February 4, 2020. **Motion passed 6-0.**

**Discussion/Review/Approval of the Proposed FY 2021 Water and Sewer Rate Recommendations to the Board of Selectmen:**

L. Gabree presented the recommended water rates for FY 2021 as follows:

- Step 1: \$0.26 increase for FY 2021
- Step 2: \$0.32 increase for FY 2021
- Step 3: \$0.38 increase for FY 2021

L. Gabree presented her revised sewer rates as follows:

- Step 1: \$0.26 increase for FY 2021
- Step 2: \$0.29 increase for FY 2021
- Step 3: \$0.33 increase for FY 2021

L. Gabree stated that she was conservative in using approximately \$200,000 from retained earnings to cover the costs from the short-term costs from the Army grant for the Grove Pond PFAS Plant.

L. Gabree stated that the proposed water rates as presented to the Committee on February 4, 2020 would leave a \$572,258 buffer in retained water earnings.

L. Gabree stated that the proposed sewer rates would leave a \$496,354 buffer in retained sewer earnings.

**Motion:** A motion was made by R. Skoczylas and seconded by J. Livingston to approve the following recommendation to the Board of Selectmen for the FY 2021 Water and Sewer Rates as follows:

**Step 1: \$0.26 increase for FY 2021**  
**Step 2: \$0.32 increase for FY 2021**  
**Step 3: \$0.38 increase for FY 2021**  
**Conservation Rate: \$0.38 increase for FY 2021**

**Step 1: \$0.26 increase for FY 2021**  
**Step 2: \$0.29 increase for FY 2021**  
**Step 3: \$0.33 increase for FY 2021**  
**Conservation Rate: \$0.33 for FY 2021**

**Motion passed 6-0.**

**Discussion/Review of Potential Recommendations for Water and Sewer Connection Fee Increases to the Board of Selectmen:**

M. Wetzel presented a recommendation for the increase of water and sewer connection fees for FY 2021. He advised that he uses a model to calculate the connection fees and the fees have not been increases for some time and need to take into consideration the increased costs of the connections. He further stated that the costs for PFAS removal and I/I removal were factored into these proposed recommendations.

M. Wetzel recommends that the connection fees for FY 2021 be increased as follows:

	Current	Proposed
Connection Fee – 1-inch service:	\$3,600	\$4,500
Connection Fee – 1 ½ inch service:	\$3,600	\$4,500
Connection Fee – 2-inch service:	\$3,600	\$4,500
Connection Fee – Second meter:	\$1,080	\$1,350
Annual Fire Sprinkler Fee:	\$200	\$250
Sewer connection Fee:	\$4,800	\$5,400

**Motion:** A motion was made by J. Livingston and seconded R. Pontbriand to approve the recommendation for the FY 2021 water and sewer connection fees as presented by the DPW Superintendent to the Board of Selectmen. **Motion passed 6-0.**

**Discussion on Recommending a Date to the Board of Selectmen for the FY 2021 Water and Sewer Rate Public Hearing:**

J. Livingston advised that the presentation should be in “layman’s terms” and “tells a story” of how the rates are developed.

M. Wetzel stated that he will provide a general overview of how infrastructure drives the rates.

P. Martin suggested that we focus on the wastewater process and the costs involved.

J. Livingston stated that the meeting should take place in March.

R. Pontbriand stated that he will coordinate with the Board of Selectmen in setting a date, notify the Committee, and handle the public outreach for the meeting.

**Review of the Proposed/DRAFT FY 2021 Solid Waste Enterprise Budget:**

L. Gabree advised that waste removal costs and recycling fees have both increased which are the main budget drivers.

M. Wetzel stated that a 3-year average is looked at in developing the rates.

L. Gabree advised that sticker fees had been increased back in November; the solar lease provides some revenue; and there has been a \$15,000 decrease in the General Fund subsidy of the Solid Waste Enterprise.

J. Livingston stated that she wanted it to be clear that .5% of the General Fund, funds 40% of the Solid Waste Enterprise Fund.

**New Business:**

J. Livingston proposed the idea of meeting on a regular schedule.

L. Gabree agreed and stated that we need to meet more regularly besides just quarterly.

**Scheduling of Next Committee Meeting:**

The Committee scheduled the next Committee Meeting for April 28, 2020 at 4pm in the First Floor Meeting Room of the Ayer Town Hall.

**Motion:** A motion was made by J. Livingston and seconded by R. Skoczylas to adjourn the meeting at 5:03pm. **Motion passed 6-0.**

Minutes recorded and submitted by Robert A. Pontbriand, Town Manager.

Minutes reviewed and approved by the Rate Review Committee on September 29, 2020.

Signed:   
Robert A. Pontbriand, Town Manager

Date: Sept. 29, 2020

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TOWN CLERK

