



Town of Ayer

RATE REVIEW COMMITTEE

Meeting Minutes from February 23, 2021

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

Also in Attendance: Carly Antonellis, Assistant Town Manager; Dan Van Schalkwyk, Town Engineer

Call to Order: The meeting was called to order at 4:00pm on the Town's remote Zoom meeting platform by J. Livingston.

J. Livingston read the following into the record: *Due to the ongoing COVID-19 Pandemic, Governor Baker issued an Emergency Order Temporarily Suspending Certain Provisions of the Open Meeting Law. Public bodies otherwise governed by the OML are temporarily relieved from the requirement that meetings be held in public places, open and physically accessible to the public, so long as measures are taken to ensure public access to the bodies' deliberations "through adequate, alternative means." This meeting will be broadcast live on Channel 8, and on Zoom. The public may participate remotely by following the call-in information on the bottom of the live broadcast screen.) For the Zoom meeting information relating to remote participation, please contact Carly Antonellis, Assistant Town Manager, at cantonellis@ayer.ma.us or 978-772-8220 prior to the meeting.*

Approval of the January 26, 2021 Meeting Minutes:

The Committee reviewed the DRAFT meeting minutes from the January 26, 2021 Meeting.

Motion: A motion was made by R. Skoczylas and seconded by M. Smith to approve the February 23, 2021 Meeting Minutes. Roll Call Vote: J. Livingston, Y; M. Smith, Y; P. Martin, Y; R. Skoczylas, Y; M. Wetzel, Y; L. Gabree Y; R. Pontbriand, Y. **Motion Passed 7-0.**

Discussion/Review of the Proposed FY 2022 Water and Sewer Rates:

L. Gabree presented an overview of the proposed FY 2022 water and sewer rates as follows:

FY 2022 Water Proposed Rates:

	Current	Proposed	\$ Increase
Step 1	\$2.88	\$2.95	\$.07
Step 2	\$3.56	\$3.65	\$.09
Step 3	\$4.22	\$4.33	\$.11

L. Gabree further advised that these rates are calculate at per 100 cubic feet of usage. The current and proposed rate steps increase at 3000 cubic feet. The FY 2022 rates are less than previously projected due to the Mass Clean Water Trust interest free loan applied for by the DPW. These proposed rates include the two new proposed positions (Water and Sewer Superintendent and Part-Time Water and Sewer Billing Clerk). The two new proposed positions add \$.01 to each of the rates.

FY 2022 Sewer Proposed Rates:

	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>
Step 1	\$8.16	\$8.57	\$.41
Step 2	\$9.34	\$9.81	\$.47
Step 3	\$10.36	\$11.16	\$.53

L. Gabree further advised that these rates are calculated per 100 cubic feet of usage. The current and proposed rate steps increase at 3,000 cubic feet. FY 2022 rates are more than previously projected due to over \$10 million dollars in future capital upgrades to the Wastewater Treatment Plant. The rate increases are supplemented with \$1.8 million of sewer retained earnings. The proposed rates include the two new positions Water and Sewer Superintendent and Part-Time Water and Sewer Billing Clerk) which adds \$.02 to the rates.

L. Gabree stated that the total rate impact (water and sewer) for the two new proposed positions would be a \$.03 increase. She further advised that she had to use the current Devens Wastewater Agreement Matrix for the rates but with the contract expiring in December 21 and the negotiations of a new agreement with more favorable terms would be beneficial to the sewer rates.

R. Pontbriand thanked L. Gabree for all her hard work in preparing the proposed rates. He stated that though no one likes an increase of any sort, these increases are minimal and reasonable. Additionally, they are necessary to keep the water and sewer systems and infrastructure functioning effectively.

J. Livingston stated that the rate increases seemed reasonable. She also stated that no one likes a rate increase, but these are minimal and reasonable.

Motion: A motion was made by M. Smith and seconded by R. Skoczylas to recommend the FY 2022 Water and Sewer Rates as presented to the Select Board for final approval. Roll Call Vote: J. Livingston, Y; M. Smith, Y; P. Martin, Y; R. Skoczylas, Y; M. Wetzel, Y; L. Gabree Y; R. Pontbriand, Y. **Motion Passed 7-0.**

Vote Recommendation for the Proposed Water and Sewer Superintendent Position and the Part-Time Water/Sewer Billing Clerk Position:

R. Pontbriand advised that both proposed positions have been presented to the Select Board and Fin Com. At this time, the Select Board would be looking for a formal recommendation from this Committee regarding the two positions.

L. Gabree stated that the two positions would be charged to the Water and Sewer Enterprise Funds.

There was consensus among the Committee that the positions are needed and will greatly benefit the Town.

Motion: A motion was made by M. Smith and seconded by R. Skoczylas to recommend the position of Water and Sewer Superintendent and the part-time position of Water and Sewer Billing Clerk to the Select Board for final approval and inclusion in the FY 2022 Omnibus Budget to be approved by Town Meeting. Roll Call Vote: J. Livingston, Y; M. Smith, Y; P. Martin, Y; R. Skoczylas, Y; M. Wetzel, Y; L. Gabree Y; R. Pontbriand, Y. **Motion Passed 7-0.**

Discussion and Scheduling of the FY 2022 Water and Sewer Rate Public Presentation and Recommendation to the Select Board:

J. Livingston stated that the Select Board is prepared for the FY 2022 Water and Sewer Rate Public Presentation to be part of their March 16, 2021 meeting agenda starting at 6pm. She advised that in preparing the times on the agenda, plenty of time should be given for the public presentation.

There was consensus among the Committee that the FY 2022 Water and Sewer Rate Public Presentation will take place on Tuesday, March 16, 2021 as part of the Select Board Meeting.

Update on Transfer Station Revenues and Rates:

L. Gabree provided an updated on the Transfer Station revenues. She advised that based on current trends, the Solid Waste Enterprise Fund is looking at an approximate shortfall of \$42,000. She further advised that the Committee should look at recommending using half of the retained earnings of the Solid Waste Enterprise and the other half from increasing the Transfer Station stickers to make up this shortfall. She advised that she is concerned that the Solid Waste Enterprise is very tight with no real cushion.

J. Livingston stated that she is concerned about increase rates as this is not a good time with not only COVID but the COVID impacts to the Transfer Station with the swap shed being closed.

L. Gabree stated that an increase would not need to be made right now but perhaps in July or October of this year. However, with out an increase to cover the shortfall, before the Annual Town Meeting, I cannot roll anything into the budget for Town Meeting.

P. Martin stated that Transfer Station sticker sales are down now which is normal this time of year. It would make sense to do a what we are going to do in the Fall and a sticker increase is more efficient than increasing the price of bags.

M. Wetzel state that we can raise prices anytime but not stickers after the majority are sold.

There was consensus among the Committee that to effectively address the shortfall, the Committee will hold a special meeting on Monday, March 15, 2021 at 4pm on Zoom. At that meeting if a recommendation for an increase is made, it can then be considered by the Select Board at their meeting on March 16, 2021 at 6pm as part of the overall FY 2022 Rate Recommendations by the Committee.

R. Pontbriand stated that the advertisement for the Public Presentation on the Rates for March 16 will reflect that in addition to recommendations for the FY 2022 Water and Sewer Rates there will be a recommendation regarding the FY 2022 Transfer Station rates.

New Business:

M. Wetzel stated that the renegotiation of the Devens Wastewater Agreement between the Town and Devens is a priority and the negotiation team will be assembled shortly, and the process will begin to renegotiate this contract with Devens which expires in December 2021.

Scheduling of Next Meeting:

The Committee will hold a special meeting on Monday, March 15, 2021 at 4pm on Zoom for the purposes of considering a recommendation regarding the FY 2022 Rates for the Transfer Station. The FY 2022 Rate Recommendation Public Presentation will take place on Tuesday, March 16, 2021 at 6pm as part of the Select Board Meeting. The next regularly scheduled meeting of the Committee will take place on Tuesday, March 23, 2021 at 4pm on Zoom.

Motion: A motion was made by R. Skoczylas and seconded by M. Smith to adjourn the meeting. Roll Call Vote: J. Livingston, Y; M. Smith, Y; P. Martin, Y; R. Skoczylas, Y; M. Wetzel, Y; L. Gabree Y; R. Pontbriand, Y. **Motion Passed 7-0.**

The meeting adjourned at 4:45pm.

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

Minutes reviewed and approved by the Rate Review Committee on March 15, 2021

Signed:  3/15/2021
Robert A. Pontbriand, Town Manager