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RATE REVIEW COMMITTEE

Meeting Minutes from January 26, 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)

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 Cindy Knox, IT Director at cknox@ayer.ma.us or 978-772-8252 prior to the meeting.*

Approval of the September 29, 2020 Meeting Minutes:

The Committee reviewed the DRAFT meeting minutes from the September 29, 2020 Meeting. There were two minor edits from L. Gabree.

Motion: A motion was made by J. Livingston and seconded by R. Skoczylas to approve the September 29, 2020 Meeting Minutes as amended. 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 Wastewater Capital Requests:

M. Wetzel provided a brief presentation of the FY 2022 Water and Wastewater Capital Requests which have been approved for recommendation to the Select Board by the Capital Planning Committee.

L. Gabree advised that the DPW has secured a 0% interest, Water Trust Loan.

J. Livingston asked if there are any grants out there to cover some of these requests.

M. Wetzel stated that the DPW continued to look for grants. The grant funding year for these types of projects generally begins in August. We keep our eyes open for opportunities. It is also good to have shovel ready projects if there is a federal infrastructure stimulus bill or other opportunity.

Discussion/Review of Proposed FY 2022 Water and Wastewater Operating Budgets:

L. Gabree provided an overview of the proposed DRAFT FY 2022 Operating Budgets for the Water Enterprise, Sewer Enterprise, and Solid Waste Enterprise.

L. Gabree highlighted that there are two new proposed positions which if approved would impact the Water and Sewer Enterprise Funds. One position is the Water and Sewer Superintendent and the other is a part-time Water and Sewer Billing Assistant. She also advised that the debt service lines of the Water and Sewer Enterprise Funds will increase some as will the indirect costs lines. However, there will also be some reduction adjustments as we move forward with the process.

M. Wetzel stated with respect to the Solid Waste Enterprise Budget, the two major increases were due to a rodent management plan and repairs to the front-end loader.

L. Gabree stated that there is no significant increase in this budget, but it is a very tight budget historically. She also pointed out that various contracts for trash and recycling haulers expire in June 2021.

M. Wetzel stated that he is concerned about the expiring recycling contract in terms of costs going up. He is trying to get multiple Town to collaborate on a group purchase contract for this service.

J. Livingston asked about the status of the Devens Wastewater Contract.

R. Pontbriand advised that he and the DPW Superintendent will be coming to the Select Board in February with a recommendation for the contract negotiation team and an update. There is also funding in the DPW Budget for professional consultant services to support the negotiating team. Additionally, Town Counsel will be involved. The contract expires at the end of 2021 and the plan is to commence with the negotiations early and to provide periodic updates to the Select Board and Rate Review Committee.

R. Skoczylas asked if the Town is receiving payment for the solar array at the Transfer Station and if so, how much?

M. Wetzel advised that the Town is, and it is approximately \$30,000 a year.

Initial Discussion on Proposed FY 2022 Water and Wastewater Rates:

L. Gabree stated that the rate model needs to be updated and that her initial feeling is that both the Water and Sewer Enterprise Funds are going to need a rate increase this year to fund the operations and capital needs.

M. Wetzel advised that the PFAS treatment overall has cost the Town approximately \$12 million dollars of which we have received \$5 million in grants. The Town had done a good job in keeping rates stable. Major users have been using more water as of late. He advised that at this time he is not planning a water ban for the upcoming year due to the Grove Pond being back online with the completion of the PFAS treatment plant at Grove Pond.

L. Gabree stated that it has been a while since the Town has had the consultant review and update the rate model.

R. Pontbriand asked if it would be possible to have an initial look and discussion at the rate model at the next Rate Review Committee Meeting on February 23, 2021.

L. Gabree stated that should be possible.

Review/Discussion/Approval of Recommendation for Proposed Water and Sewer Superintendent Position and Water/Sewer Billing Position:

M. Wetzel provided a presentation on the proposal for a full-time, professional Water and Sewer Superintendent for the DPW which would report to the DPW Superintendent. The position would be at Grade 14 per the Town's Personnel Classification System with a salary range between \$85,000 to \$108,000. This salary range is consistent with Grade 14 but is also the result of comparative research of the position with other comparable Towns that have the position.

M. Wetzel further stated that the increased volume of professional work required to effectively manage and operate the water and wastewater operations and infrastructure necessitate this additional, professional position. Additionally, ongoing upgrades, new permitting requirements, new federal and state mandates, and the ongoing challenges of both critical operations required additional professional expertise.

M. Wetzel provided a presentation on the proposal for a part-time Water/Sewer Billing Position. Currently only the DPW Business Manager knows the water and sewer billing system which generates over \$6 million dollars in revenue a year. There is no back up for this. It would be in the interests of the Town to have an assistant and back-up for the water and sewer billing.

L. Gabree stated that it is crucial to have a back-up and plan for the water and sewer billing.

M. Wetzel advised that this position would be part-time and would be classified at a Grade 3 in accordance with the Town Hall Clerical Union Contract which puts the hourly rate between \$21.28 to \$27.00 per hour.

J. Livingston stated that she is for both positions. They are needed. The reality is how these new positions and specifically the costs for them are perceived by the public. The impacts to the rate payers and taxpayer's wallet are something we need to be aware of especially during these challenging times. I am not saying "no" to these positions. Whatever recommendation we make we need to be solid on us. Also, we need to be prepared for the reality that we are only able to do one of the positions this year.

R. Skoczylas asked how these positions would impact the rates?

L. Gabree stated that both positions would primarily impact the Water and Sewer Enterprise Funds and not the General Fund. She will run two scenarios: one with the positions and one without and provide that information to the Committee at its next meeting. The overall financial impact of both positions to the Water and Sewer Enterprise Funds would be minimal.

M. Smith stated that from his perspective if you have mid-level positions in the DPW it allows professional growth and for these positions to advance internally. He believes in the need for both positions and that both positions would be an investment not only in the short term but in the long term as well.

R. Pontbriand stated that in terms of next steps with these two proposed positions, that he and the DPW Superintendent will present to the Select Board and the Finance Committee to get further input. We will then be in a position for the next Rate Review Meeting on February 23 to review the input from the Select Board and Finance Committee as well as the cost impact scenarios to be prepared by L. Gabree. Ultimately the recommendation of the Rate Review Committee regarding these two positions would be part of the Committees official recommendation report to the Select Board at their Public Hearing on the rates to be scheduled to take place in March 2021.

Update on Transfer Station Revenues:

L. Gabree advised that bag revenues are caught up and that the expenses at the time remain on target.

M. Wetzel stated that we are a little behind on permit sales/revenues at this time but that is normal for this time of year.

New Business:

There was no new business.

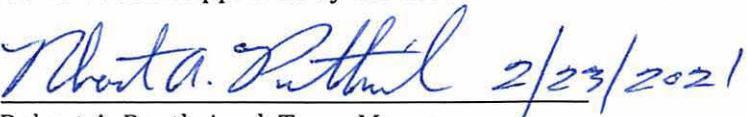
The next meeting of the Rate Review Committee will be on Tuesday, February 23, 2021 at 4pm via Zoom.

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 5:06pm.

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

Minutes reviewed and approved by the Rate Review Committee on February 23, 2021.

Signed:  2/23/2021
Robert A. Pontbriand, Town Manager