

BOARD OF WATER COMMISSIONERS
REGULAR MEETING OF JANUARY 4, 2023

REGULAR MEETING: The regular meeting of the Board of Water Commissioners was held at the 438 Granby Road on Wednesday, January 4, 2023. Chairman Brian S. McClafin called the meeting to order at 5:30 p.m.

ATTENDANCE:	Chairman	Brian S. McClafin
	Clerk	R. Scott Williams
	Associate Member	William L. Schenker
	Superintendent	Jeffrey A. Cyr
	Office Manager	Jennifer Fernandes
	Office Billing Clerk	Kari Scytkowski
	Foreman	Jeffrey Levreault
	Maintenance Worker	Sam Bernash
	Resident	Al Zuffoletti

APPROVAL OF MINUTES: William L. Schenker made a motion to approve the minutes of October 17, 2022 and November 14, 2022. This motion was seconded by Scott Williams.
Motion Carried.

The minutes from November 28, 2022 will be approved when the Board has reviewed them.

REPEATER UPDATE
AT NASH HILL:

Jeff Cyr updated the Board that the antennae on the Nash Hill Water tank has been installed by Marcus Communications and Jeff Cyr and Sam Bernash went up to connect it just before Christmas. Jeff reminded the Board that Ludlow Fire was paying for a brand-new tower at the Nash Hill water tank and offered to help upgrade our antennae on the tower which the Board approved in a previous meeting. It did take some time for Marcus Communications to install but it is complete. Jeff noted that there was a hiccup last night, communication was lost for about 6 hours. It is a mystery if it was a backup in our cabinet or something else. Jeff said they will have to keep a close eye on it and if it happens again then they may have to proceed with the second proposal from ITS to install a programmable logic controller in the cabinet. Scott asked when we last replaced the batteries in that. Jeff responded that he took out the UPS (uninterruptable power supply) today as Ludlow installed a new generator to run everything including our antennae in the event of a power outage. Jeff said someday he can take the Board on another tour to see how everything is run. Jeff did thank Marcus Communications for help in the install and run a new cable as it was no cost to us. Marcus Communications does a sweep test afterward to be sure all the connections are solid, so the only cost was the \$1000 for the antennae.

PRELIMINARY BUDGET
DISCUSSION:

Brian McClafin opened up the discussion by saying that Jeff had sent the Board members some information to review before the meeting and Jeff had requested the water surplus, aggregate report, Treasurer salary and other information from the Treasurer for this meeting and the email replying back had our old surplus numbers from last year. Brian also made note that the accounting software that the

Treasurer manages and puts figures into from our annual meeting and carryovers has a few numbers missing in a couple of accounts. Jeff Cyr noted that because he does not have the numbers, he was looking for he is unable to provide accurate figures for what we need to fund for fiscal year 2023/2024. Jeff Cyr said this budget will definitely be different this year, he suspects health insurance will increase as the investments were down and in previous years Hampshire County has infused the health insurance increases with investment gains. Jeff predicts the increase on health insurance to be 5 or 6%, which will equate to about \$12,000 additionally for Water. Jeff also requested from the Treasurer both active and retired employees on the health insurance for Water and Evelyn Mikuszewski is back on the list. Jeff noted he is not sure why and when it happened but has asked the Treasurer for an explanation. Moving forward we still do not know what our water rate is going to be, but Jeff reached out to Leo Norton of the MWRA via email for that figure. Last year our figure was \$820,000 and this year Jeff is expecting an increase of 2 or 3% increase over last year. Jeff does have some solid numbers for other accounts; our Ludlow debt is \$60,593 and interest is \$3,167 and we only have 3 years left to pay. Our Newton Street zero interest loan is \$203,800 and we are in our 5th year paying that. Bill Schenker asked what we have left to spend on the Newton Street zero percent Loan. Jeff replied that there is approximately \$106,400 if you add the interest along with the balance in those accounts. Upon getting our surplus figure from the Treasurer Jeff would like to fund the Install New Mains account to continue updating our infrastructure. Jeff noted that water supplies have increased significantly and recently they had to purchase 30 MJ field lock kits for water pipe repairs at a cost of \$5200. Jeff heard from EJ Prescott that they have some 8" PVC pipe at a decent price, so he may purchase some of that before the prices go up again. Jeff noted that when we started using PVC it was \$6/ft and now its \$22/ft but compared to ductile iron that is around \$35-\$40/ft it is still a savings. Jeff noted that ordering ductile iron is 6-8 months out and PVC is a 3 week wait for delivery. Jeff showed the Board our monthly expenditure spreadsheet that Jennifer produces for he and the Board (See Note 2) and it shows what we have expended and what we have left. On that report Jennifer has noted on far-right column the discrepancies between what we have and what the Treasurer has put into in the Softright accounting system. It seems that the Treasurer has not transferred what was voted on at the annual meeting in a few accounts. So, we do not have true balances for what we have in the various accounts. Jeff showed the Board the accounting Softright Expenditure report (See Note 3) which shows these account balances with the negative amounts because the figures haven't been entered properly yet. Scott asked what we had left over from last year to use for this 2022/2023 budget. Jeff responded that we used \$919,000 for this budget, but we had 1.1 million for surplus. Scott replied we should not have any problem with our accounts. Hypothetically thinking Jeff said if we are going to fund Newton Street, Retirement and Health Insurance that alone is about \$600,000 that doesn't include funding of any capital, so maybe the we need to consider a rate increase. Bill Schenker said he is never a fan of a rate increase but it has been 6 years since our last increase. Brian noted that if we need to fund these accounts the board might want to think about a rate increase, pending what we have for a surplus figure. Jeff noted that maybe a board member could reach out to the Clerk/Treasurer about our investments as they all have taken a big hit in the market. Jeff asked the Board to look at our Water Tank Stabilization account that has \$787,218.69 in it and we will need \$1.2-\$1.5 million

in the next 1-2 years to paint one water tank, so we have to either start chunking some money toward that or partially borrow when we need to paint the tanks. Brian referred the Board to a new line item for legal expenses. Scott asked how much time does the Board have if a rate hike would happen. Jeff responded that typically we would notify customers with their April water bill that a rate increase would be happening with their next July water bill. Bill Schenker said until we have accurate figures, we can't talk about anything yet. Speaking of infrastructure, Jeff noted that there will be some updates to other things too, the office building roof is over 40 years old and he has reached out to get a price on replacement and the Maintenance roof is a 20-year roof and it has been over 26 years so there is some upkeep costs coming. Jeff said with our water main projects we have been very fortunate that DPW has allowed us to do trench patches because we are getting in there prior to resurfacing the road. Jeff said if we have to do Pittroff Ave water main replacement, we may need to do a complete overlay, he would ask DPW if we could resurface half of the road to save money. Jeff reminded Bill that back long ago they were required to resurface the whole road when doing a water main replacement. Jeff said another thing we should consider is having the Clerk/Treasurer at a meeting to iron out the details of the percentage share of her salary. What the responsibilities are and what changes have happened from the last administration to this one. One example is that we are now bringing our own deposits to the bank instead of the Treasurer scanning them in her office and does the Board want to do a flat amount instead of percentage share. This may help to eliminate the percentage raise issue and waiting for Prudential to solidify their budget to get the water budget complete. Jeff noted prior to the percentage split established the Water Dept share of the Treasurer salary was flat \$10,000 a year. This would also help to clean up the dissension going on. Brian said he tried to meet with the Prudential Chair Bruce Perron, but Bruce couldn't meet with him until Jan 12th or 13th. Brian can bring up this to the Prudential Chair when they meet. Jeff reminded the Board that there is still \$11,210 in the Backhoe account left to purchase a hammer for frost in the winter months, but the winters have been so mild so that money the Board could use toward the office roof. If the Board wants, they could vote at the next meeting to transfer those funds back to water available surplus. Bill asked how old the backhoe is, Jeff responded 3 years old. Jeff Cyr said another project for the Maintenance Crew is to take the floor out of W4 and replace it, again another savings by doing the work themselves.

CELL PHONE DISCUSSION:

Brian McClaflin attended the last Prudential meeting and the Chair, Bruce Perron held up the Verizon checks they have been holding for payment and said that he was going to take care of them and mail them out. Brian suggested getting rid of a couple of phones to reduce the bill even further. Brian said the Clerk/Treasurer has been taking out \$120.60/month out of the Water Communications account to pay for T-Mobile phones. Water does not have those phones and the Water Board or Superintendent has NOT authorized payment. The total taken out so far is \$644.06. Our current Verizon cell phone bill is \$129.96 and T-Mobile is \$120.60 a difference of \$9.36. Brian said the Superintendent and Foreman currently don't even use the District cell phones to conduct business. So, eliminating 2 phones would cut about \$60 from the bill. Brian said we really only need an emergency phone and the tablet to do backflow business. Jeff Cyr added that having old phone numbers and new phone numbers is not working in town. The police station

has an updated list but they are still calling Jeff Levreault instead of call guy. It just took the whole notification system to another level and confused everyone. At tank sites Jeff will post phone numbers to call, because now if a tech shows up at a water tank, they have no idea who to call and don't have the right numbers anymore. Thank goodness for the intrusion alarm on the tanks because techs are trying to enter the tanks if they can't contact anyone. Jeff said Sunday am he got an intrusion alarm at Industrial Dr. water tank because he linked it to his personal cell phone and when he went out there, he was told they just don't know who to call anymore. Jeff Cyr thinks its not fair to the Police Station or to Jeff Levreault to have to navigate these calls. Bill said he thinks it is something that needs to be cleared up in house and is in favor of eliminating the 2 phones, Scott agreed to eliminate the Superintendent and Foreman District cell phones. Jeff Cyr said unfortunately the call person will have to go out to the tanks more often which will increase the overtime, its unfortunate that this has happened. In the past he would go out and take care of the issue eliminating overtime for the Department.

RESIDENT QUESTIONS:

Al Zuffoletti said he amazed that water is paying for T-Mobile cell phones that they don't even have. Brian said it is unfortunate and we are going to have to resolve that and it's the rate/tax payers that are paying for it including the amount in Attorney fees that have been incurred along the way. Al asked if the Clerk/Treasurer is on vacation and Brian responded that he has no idea, she has not told anyone if she is away. Al asked if the assistant could take over if the Treasurer is away and Brian stated he can't comment on that as the position was just recently made. Brian said the information Jeff Cyr received for the budget was from the Assistant and not from the Treasurer.

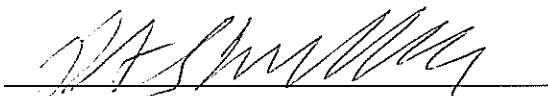
MOTION TO ADJOURN:

R. Scott Williams made a motion to adjourn, which was seconded by William L. Schenker. Motion carried

ADJOURNMENT:

Meeting adjourned at 6:13 p.m.

BOARD OF WATER COMMISSIONERS


R. Scott Williams, Clerk

Water Department - Fire District No.1

As of December

	Expended FY22	Current balances FY23	Proposed Fy23/24 Budget
Wages	\$ 495,980.56	\$ 410,834.18	\$ 625,647.00
Maint. And Operations			
Office Expense	\$ 32,546.18	\$ 25,898.04	\$ 43,000.00
Communication	\$ 4,784.13	\$ 9,634.02	\$ 12,000.00
Insurance	\$ 42,407.00	\$ 1,612.00	\$ 40,000.00
Materials	\$ 41,355.19	\$ 53,863.70	\$ 80,000.00
Vehicle Expense	\$ 24,239.09	\$ 8,712.22	\$ 30,000.00
Heat + Light	\$ 10,195.88	\$ 13,492.13	\$ 17,000.00
Water Purchase	\$ 766,608.00	\$ 417,267.50	\$ 820,000.00
Legal Expenses			\$ 10,000.00
Water Purification and pumping	\$ 33,195.21	\$ 57,986.65	\$ 62,000.00
Miscellaneous	\$ 41,589.44	\$ 36,637.05	\$ 45,000.00
Corrosion Control	\$ 25,571.70	\$ 27,082.00	\$ 40,000.00
Total	\$ 1,022,491.82	\$ 652,185.31	\$ 1,199,000.00
Other Expenses			
Retirement	\$ 142,357.00	\$ (782.23)	\$ 164,347.00
Health, Dental, Life	\$ 145,227.65	\$ 124,770.13	\$ 240,000.00
Treasurer's Salary	\$ 16,546.00	\$ 9,763.81	\$ 16,954.00
Reserve Fund	\$ -	\$ 10,000.00	\$ 10,000.00
Amortization of Debt Ludlow Facility	\$ 58,217.00	\$ -	\$ 60,593.00
Amortization of Debt Newton St.	\$ 203,000.00	\$ -	\$ 203,800.00
Travel Expense	\$ -	\$ 3,000.00	\$ 3,000.00
Audit Expense	\$ 3,500.00	\$ 7,000.00	\$ 3,500.00
Interest on Debt	\$ 6,767.00	\$ 1,892.85	\$ 3,167.00
Compensation Acct.	\$ -	\$ 5,000.00	\$ 5,000.00
Loan Fees	\$ 508.00	\$ 142.64	\$ 238.00
Total	\$ 576,122.65	\$ 160,787.20	\$ 710,599.00
Capital Expenses	Balances		
Computer Equipmt. And Software	\$ 9,587.73	\$ 6,740.73	
Gate house Account	\$ 337.41	\$ 337.41	
Maps Water system	\$ 4,349.23	\$ 2,349.23	
Meter Replacement Acct.	\$ 3,478.35	\$ 8,649.09	
Replacement & Installation of New Mains	\$ 131,432.75	\$ 106,773.17	
Shop Repair and Improvements	\$ 2,414.66	\$ 1,816.49	
Computer Meter Reading and Equipmt. Account	\$ 3,712.51	\$ 3,712.51	
Water Tank Upkeep and Repair	\$ 1,742.86	\$ 1,118.99	
Watermain Leak Detection	\$ 3,590.00	\$ 9,490.00	
SCADA System Equipmt. & Maintenance account	\$ 4,856.14	\$ 5,539.30	
Leaping Wells Watershed Acct.	\$ 2,394.18	\$ 1,994.18	
Water Tank Painting Account	\$ 2,494.17	\$ 1,335.07	
Newton St. Water Main Improvement Account	\$ 219,455.78	\$ 106,404.46	
New Backhoe Account	\$ 11,210.67	\$ 11,210.67	
New Utility Truck		\$ 70,000.00	
OPEB Trust Fund		\$ 260,570.28	
Critical Infrastructure Stabilization		\$ 156,315.43	
Water Tank Stabilization		\$ 679,213.56	
Total			\$ -
Total Budget			\$ 2,535,246.00
Funding Sources			
Water Rents	\$ 1,851,185.00	\$ 1,900,170.64	\$ 1,615,506.00
Funds from Surplus			\$ 919,740.00
Funds from Stabilization Fund			\$ -
Total Budget	\$ 2,671,342.00	\$ 2,707,331.22	\$ 2,535,246.00

Note 1 1/4/2023