

BOARD OF WATER COMMISSIONERS
REGULAR MEETING OF OCTOBER 26, 2023

REGULAR MEETING: The regular meeting of the Board of Water Commissioners was held at the 438 Granby Road on Thursday, October 26, 2023. Chair Eden DuPerier called the meeting to order at 5:09 p.m.

ATTENDANCE:

Chair	Eden DuPerier
Clerk	R. Scott Williams
Associate Member	William L. Schenker
Superintendent	Jeffrey Cyr
Office Manager	Jennifer Fernandes
Foreman	Jeffrey Levreault
Resident	Pauline McClaflin
Resident	Brian McClaflin
Resident	Al Zuffoletti
2 Gentlemen Residents	

APPROVAL OF MINUTES: William L. Schenker made a motion to approve the minutes of September 20, 2023. This motion was seconded by Scott Williams. Motion Carried.

BARTHOLEMEW
MEETING DATES: Jeff Cyr stated Bartholemew & Company manages the Districts Stabilization and OPEB funds. Jeff reached out to them for tentative dates to come out and talk to the Water Board about the Water Department investments in detail. November 15th at 5:00 p.m. works for all Board members. Jeff will contact Bartholemew about this date.

OFFICE ROOF UPDATE: Jeff Cyr notified the Board that the plan and specs for the new office roof were available yesterday, the bid opening will be on November 8th at 2:00 p.m., and the Board can award the bid winner at the November 15th meeting. Jeff noted that one company has inquired so far. The advertisement is on the Mass. State Central Register and in the two local newspapers. Jeff stated that the budget is \$35,000 because we need to pay prevailing wage and the bid packet is so large because the bid has to include all the information on the prevailing wage, which is about 30 pages. Eden DuPerier asked how old the roof is and Jeff replied it is original to the building in 1988.

PFAS SETTLEMENT
DISCUSSION: Jeff Cyr informed the Board that PFAS (polyfluoroalkyl substances) settlement has been in the news lately. PFAS are chemicals found in many different consumer and industrial products like Teflon coating, firefighting foam, and scotch guard. Studies have shown that exposure to some PFAS in the environment may be linked to harmful health effects in humans and animals. The MWRA Advisory Board sent out an advisory letter to all water communities (See Note 1) stating there is a pending settlement with DuPont & 3M related to PFAS in drinking water. Luckily, we are not affected as there are no traces of PFAS in the drinking water and it is a very expensive process to treat for it.

The MWRA Advisory Board recommended reaching out to legal counsel to review the proposed settlements and to draft a letter if we are going to opt out of the settlement. Attorney Mark Beauregard has drafted a letter on our behalf to opt out of the settlement (See Note 2).

RATES/REVENUE DISCUSSION:

Jeff Cyr sent information to the Board prior to tonight's meeting to show what our future Capital needs are versus where things are (See Note 3). Jeff showed an overhead presentation, in addition to handouts for everyone showing our commitment of \$1,986,052.00 and what we have billed so far. Jeff noted that the second quarter we just billed (Oct) is quite a bit lower than in previous years. So far, we have billed 57% of our budget. Jeff noted that the purpose of tonight's discussion is to talk about rates for our Capital needs based on what Jeff had laid out at the last meeting. We are looking at 3 million to paint the water tanks, continue our charge on replacing water mains, replace aging vehicles and equipment, as well as the increasing costs of materials. Jeff noted that we have not raised our rates in quite some time (6 ½ years; March 2017). Jeff showed a chart of how our water rates have evolved and increased (See Notes 4). Since our last rate increase and leftover money from the Newton Street water main project, the Water Department has done a lot of good work in water main, meter replacement and SCADA improvements. Per the request of Chair Eden DuPerier Jeff reached out to other communities to gather rate information. Jeff has some responses from other communities (See Note 5). Our current rate is at \$3.92 per 100 cubic feet, which is an annual cost of \$518 inclusive of a \$48 family unit charge. District 2 water department has a residential and non-owner rate (rentals) which is an annual cost of \$728 and they bill \$20 per bill in addition to water usage. They bill every 2 months. Eden asked about the annual cost. Jeff explained that the annual amount is based on average water usage and the industry average of 120 cubic feet or 90,000 gallons. Jeff also provided the Board with the MWRA water rate survey from 2022, as 2023 was not available yet. In the MWRA report the average cubic foot cost in 2019 was \$4.59, in 2020 it was \$4.87, in 2021 it was \$4.97, and in 2022 it was \$5.12. After a lengthy discussion about rates and where we need to be to start saving for Capital needs, William Schenker made a motion to increase our water rates by 8% a cost of \$4.23 per cubic foot. This would result in an increase of \$38.00 per year on the average water bill. This motion was seconded by Scott Williams. Motion Carried

As in years past we will provide the water community a notice in the next water bill that the rates will increase for the April 2024 bill, giving them advanced notice.

HOLIDAY SCHEDULE:

Jeff Cyr opened up the discussion that in the past the Board has given the Water Department employees the day after Thanksgiving off, and a half day off Christmas Eve and New Years Eve per the employment handbook. After a brief discussion, R. Scott Williams made a motion to grant the staff the day after Thanksgiving off, and a half day on December 22nd and 29th. This motion was seconded by William L. Schenker. Motion Carried

MEETING ACCESSIBILITY
CONCERN UPDATE:

Eden DuPerier followed up from the last Board meeting about capacity and ADA compliancy for Board meetings at the Fire Department. Eden has been in touch with the state and the town of South Hadley ADA Coordinator regarding meetings held at the Fire Station not being ADA compliant. Eden was told that the state is aware of it and the town is also looking into it. If she hears anything further, she will let the Board and residents know. Eden stated we also discussed having some of the Water Board meetings at the library for better accessibility for residents and to show by example. Per the direction of Chair Eden DuPerier, Jeff Cyr reached out to Joe Rodio, Library Director, who said the third Monday of every month the meeting room is available to use for our Board meetings. The Board agreed that this would work for them. Scott Williams asked if we had additional, or other meetings, would we still be able to use the Water Department location and Jeff said, yes absolutely. Jeff Cyr suggested we reach out to the Prudential Committee and offer the monthly Monday time to them as a shared destination, where one month we would have our meeting there and another month the Prudential could use the facility. Eden DuPerier said she would reach out to Prudential about this proposal to share the library meeting room and asked if Jeff will contact Joe Rodio about the decision to use the meeting room.

PUBLIC COMMENT OR
QUESTIONS:

Chair Eden DuPerier thanked the residents for being so patient during the rate discussion and thanked them for their input and questions. Pauline McClaflin asked who was the point person at the Town of South Hadley Eden had spoke to about ADA compliancy at the Fire Department. Eden said she did not get the gentlemen's name as the connection was not good, but it was the ADA compliant coordinator.


MOTION TO ADJOURN:

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

ADJOURNMENT:

Meeting adjourned at 6:11 p.m.

BOARD OF WATER COMMISSIONERS



R. Scott Williams, Clerk



Advocacy & Accountability

Representing over 3 million people in Massachusetts since 1985

TO: MWRA Water Community Contacts
(via electronic mail)

October 4, 2023

Dear MWRA Water Communities,

I hope this letter finds you well. We are writing to make sure you are aware of a legal development meriting your attention as a member of the MWRA's waterworks system.

A Federal Judge in South Carolina has preliminarily approved settlements between both DuPont and related entities and 3M and public drinking water systems in the United States to address the presence of per- and polyfluoroalkyl substances (PFAS) in drinking water. It is possible that your community has already received a notice regarding these proposed settlements.

One key aspect of these proposed settlements is that they require public water systems to affirmatively opt out if they do not wish to participate. In other words, if your community takes no action, it will automatically become a party to the settlement. We want to ensure that all MWRA communities are well-informed about their options.

The deadlines for objecting to and opting out of the proposed settlements are fast approaching. The deadlines are: (i) for objecting to the proposed Dupont settlement - November 4th, 2023; (ii) for objecting to the proposed 3M settlement - November 11, 2023; (iii) for opting out of the proposed Dupont settlement - December 4, 2023; and (iv) for opting out of the proposed 3M settlement - December 11, 2023. It is important that you are aware of these deadlines as you assess your options and take any necessary steps promptly.

To provide you with additional information about these settlements, a website has been set up as a comprehensive resource: www.pfaswatersettlement.com. Please visit this website to access detailed information regarding the proposed settlements and their implications for your community.

Each of the communities may have rights under the proposed settlements, and rights may differ for partially supplied communities.

We highly encourage you to engage your community's legal counsel to thoroughly review the details of these proposed settlements. Your legal counsel can help you make an informed decision about whether your community wishes to participate in the settlements, participate while submitting objections, or affirmatively opt-out.

If your counsel has any questions on these settlements, MWRA's Law Department has generously offered to share what information MWRA has available about the proposed settlements. Your counsel can reach MWRA's General Counsel Carolyn Francisco Murphy by email at Carolyn.Francisco-Murphy@mwra.com or by phone at (617) 788-2011 or Assistant General Counsel Kristen Schuler-Scammon by email at Kristen.Schuler-Scammon@mwra.com or by phone at (617)-788-1115.

Because these proposed settlements could have significant implications for your community your active participation in this process is crucial to making a well-informed decision in the best interests of your community. We appreciate your attention to this important issue and look forward to providing what further support we can in the coming weeks.

Sincerely,

Matthew A. Romero
Executive Director
MWRA Advisory Board

Note 1 Minutes 10/26/2023

RESNIC, BEAUREGARD, WAITE AND DRISCOLL

ATTORNEYS AND COUNSELORS AT LAW

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C. BARRY WAITE
MARK A. BEAUREGARD
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THOMAS G. GRIFFIN*

**Also Member of New York Bar*

GEORGE N. BEAUREGARD
BURTON S. RESNIC
SUSAN R. TAYLOR
OF COUNSEL

SAMUEL RESNIC
(1899-1988)

October 13, 2023

Matthew Garretson
Wolf/Garretson LLC
P.O. Box 2806
Park City, UT 84060

AFFF Public Water System Claims
Attn: Dustin Mire
P.O. Box 4466
Baton Rouge, LA 70821

Michael A. London
Douglas & London
59 Maiden Lane, 6th Floor
New York, NY 10038

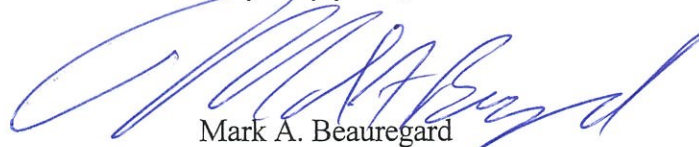
Dear Sirs:

Please be advised this office represents the Water Department, Fire District No. 1 South Hadley, Hampshire County, Massachusetts. Said Water Department is a member of the MWRA Water Communities of Massachusetts.

As per our instructions in a letter from Matthew A. Romero Executive Director of the MWRA Advisory Board, we hereby notify you that the Water Department, Fire District No. 1 South Hadley, Massachusetts wishes to "opt out" of both the proposed Dupont settlement and the proposed 3M settlement.

Thank you for your anticipated cooperation and please contact me if you have any questions.

Very truly yours,



Mark A. Beauregard

MB/kms

cc: Jeffrey Cyr, Superintendent
Water Department, Fire District No. 1
South Hadley, MA

Note 2 Minutes 10/26/2023

Hypothetical discussion
(Water Rents to be collected) FY24
\$1,986,052.00

Table 2	Current Rate per 100 cu.ft.	Increase Amt. in cents	Need to Bill (Cu.ft.)
	3.92		50,664,592
		New Rates	
	3%	0.12	49,188,924
	4%	0.16	48,715,954
	5%	0.20	48,251,992
	6%	0.24	47,796,785
	7%	0.27	47,350,086
	8%	0.31	46,911,659
	9%	0.35	46,481,277
	10%	0.39	46,058,720
	11%	0.43	45,643,776
	15%	0.59	44,056,167
	20%	0.78	42,220,493
	25%	0.98	40,531,673
	30%	1.18	38,972,763
	35%	1.37	37,529,327
	40%	1.57	36,188,994
	45%	1.76	34,941,098

	Commitment(water rents)	Actual collections	Surplus Amount
FY18	\$ 1,835,751.12	\$ 2,101,784.02	\$ 266,032.90 Min. Chrg.\$12
FY19	\$ 1,831,322.00	\$ 2,080,467.00	\$ 249,145.00
FY20	\$ 1,854,996.00	\$ 2,114,934.00	\$ 259,938.00
FY21	\$ 1,851,185.00	\$ 2,311,512.00	\$ 460,327.00 COVID
FY22	\$ 1,900,170.52	\$ 2,086,252.30	\$ 186,081.78
FY23	\$ 1,903,822.00	\$ 2,206,395.80	\$ 302,573.80

	Customers	Quarter 1 (cu. Ft.)	Quarter 2 (Cu. Ft.)	Quarter 3 (Cu. Ft.)	Quarter 4 (Cu. Ft.)	Totals
FY18	4,835	9,753,100	16,104,600	10,890,300	8,174,200	44,922,200
FY19	4,858	10,614,200	15,886,800	9,436,900	8,511,600	44,449,500
FY20	4,860	9,351,900	16,745,800	10,469,800	8,336,900	44,904,400
FY21	4,874	10,801,400	19,584,900	12,337,300	8,256,100	50,979,700
FY22	4,914	10,741,700	15,593,500	10,178,600	8,487,600	45,001,400
FY23	4,919	10,937,300	18,256,800	9,468,100	8,411,700	47,073,900
5yr. Avg.	4,868	10,252,460	16,783,120	10,662,580	8,363,017	46,051,440

COVID

Capital projects timeline	FY 23	FY24	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	FY 33	FY 34	FY 35	FY 36	FY 37	FY 38	FY 39
Ludlow Facility	\$ 65,314.00	\$ 65,225.00	\$ 65,127.56	\$ 65,031.56													
Newton st.	\$ 203,800.00	\$ 203,800.00	\$ 203,800.00	\$ 203,800.00	\$ 203,800.00	\$ 203,800.00	\$ 203,800.00										
Alvord St. Tank			\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
Industrial Drive Tank								\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00

Note 3 Minutes 10/26/2023

WATER DEPARTMENT - FIRE DISTRICT NO. 1 RATE SETTING MATERIAL FOR FY24

Rates Presentation for FY 23/24 Budget						
Fiscal Year	Total Customers	Cubic Feet Billed Historically				
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Totals
FY03	4,521	15,274,960	20,902,463	14,874,947	13,276,774	64,329,144
FY04	4,535	13,599,306	19,847,265	14,509,539	11,949,545	59,905,655
FY05	4,608	14,207,107	17,671,843	14,049,790	11,628,850	57,557,590
FY06	4,654	13,208,028	20,688,687	13,169,430	10,687,007	57,753,152
FY07	4,679	14,510,786	18,197,442	12,848,912	12,524,115	58,081,255
FY08	4,729	14,065,900	19,231,700	13,441,000	11,522,600	58,261,200
FY09	4,717	12,804,600	16,132,000	11,600,700	11,179,200	51,716,500
FY10	4,723	11,945,916	14,789,013	12,850,600	9,661,000	49,246,529
FY11	4,731	12,852,800	18,988,500	13,288,200	10,289,800	55,419,300
FY12	4,742	12,072,800	15,653,500	12,487,000	9,181,700	49,395,000
FY13	4,766	12,986,900	18,378,600	10,838,900	9,433,300	51,637,700
FY14	4,778	11,444,000	15,611,000	10,952,000	9,620,600	47,627,600
FY15	4,790	9,633,000	15,661,300	10,633,600	9,171,900	45,099,800
FY16	4,808	11,922,800	16,112,900	11,339,200	9,162,200	48,537,100
FY17	4,831	11,753,400	18,698,300	11,770,200	8,761,700	50,983,600
FY18	4,835	9,753,100	16,104,600	10,890,300	8,174,200	44,922,200
FY19	4,858	10,614,200	15,886,800	9,436,900	8,511,600	44,449,500
FY20	4,860	9,351,900	16,745,800	10,469,800	8,336,900	44,904,400
FY21	4,874	10,801,400	19,584,900	12,337,300	8,256,100	50,979,700
FY22	4,914	10,741,700	15,593,500	10,178,600	8,487,600	45,001,400
FY23	4,919	10,937,300	18,256,800	9,468,100	8,411,700	47,073,900
FY24	4,928	10,836,600	14,280,600			
5yr. Avg.	4,885	10,489,300	17,213,560	10,378,140	8,400,780	46,481,780

Hypothetical discussion (Water Rents to be collected)			
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	35%	1.37	37,529,327
	40%	1.57	36,188,994
	45%	1.76	34,941,098

Avg. use	\$	3.92	\$	4.12	Average	2019	\$	4.59
120 Cu Ft.	\$	518.40	\$	542.40	MWRA	2020	\$	4.87
						2021	\$	4.97
						2022	\$	5.12

Conclusion using 5 yr. average consumption figures

Potential revenue from water receipts using new rates w/o miscellaneous billing

FY24 x 3.92	\$ 1,822,085.78	FY24 x 4.12	\$ 1,915,049.34
FY24 x 4.04	\$ 1,877,863.91	FY24 x 4.16	\$ 1,933,642.05
FY24 x 4.08	\$ 1,896,456.62	FY24 x 4.19	\$ 1,947,586.58
		FY24 x 4.23	\$ 1,966,179.29
		FY24 x 4.27	\$ 1,984,772.01
		FY24 x 4.31	\$ 2,003,364.72

Historical collections by fiscal year

	Commitment	Actual	Surplus
FY03	\$ 1,634,642.00	\$ 1,761,594.15	\$ 126,952.15
FY04	\$ 1,584,811.00	\$ 1,651,415.48	\$ 66,604.48
FY05	\$ 1,580,910.00	\$ 1,665,542.95	\$ 84,632.95
FY06	\$ 1,592,334.00	\$ 1,696,646.36	\$ 104,312.36
FY07	\$ 1,595,296.00	\$ 1,714,591.91	\$ 119,295.91
FY08	\$ 1,599,230.00	\$ 1,728,547.00	\$ 129,317.00
FY09	\$ 1,669,231.00	\$ 1,638,144.48	\$ (31,086.52)
FY10	\$ 1,651,502.76	\$ 1,621,332.14	\$ (30,170.62)
FY11	\$ 1,664,014.97	\$ 1,888,917.71	\$ 224,902.74
FY12	\$ 1,763,507.22	\$ 1,705,618.28	\$ (57,888.94)
FY13	\$ 1,718,913.41	\$ 1,848,248.16	\$ 129,334.75
FY14	\$ 1,703,899.03	\$ 1,767,826.74	\$ 63,927.71
FY15	\$ 1,754,084.02	\$ 1,766,960.47	\$ 12,876.45
FY16	\$ 1,766,926.56	\$ 1,971,487.33	\$ 204,560.77
FY17	\$ 1,809,609.22	\$ 2,135,152.12	\$ 325,542.90
FY18	\$ 1,835,751.12	\$ 2,101,784.02	\$ 266,032.90
FY19	\$ 1,831,322.00	\$ 2,080,467.00	\$ 249,145.00
FY20	\$ 1,854,996.00	\$ 2,114,934.00	\$ 259,938.00
FY21	\$ 1,851,185.00	\$ 2,311,512.00	\$ 460,327.00
FY22	\$ 1,900,170.52	\$ 2,086,252.30	\$ 186,081.78
FY23	\$ 1,903,822.00	\$ 2,169,077.88	\$ 265,255.88

Note 4 Minutes 10/26/2023

