



Town of Provincetown
Meeting of the
WATER & SEWER BOARD
Thursday, October 30, 2014

Veterans Memorial Community Center, 2 Mayflower Street, Provincetown, MA

Board Members Present: Jonathan Sinaiko (chair), Kathleen Meads, Bill Worthington, and Sacha Richter

Board Members Absent: Moe Van Dereck, Mark Collins, Kevin Kuechler, and Shannon Corea.

Other attendees: DPW Staff Sherry Prada, Anna Michaud, Cody Salisbury and Rich Waldo; members of the public

Recorder: Susan Leonard

Call to Order: Mr. Sinaiko, acting as chair, called the meeting to order at 3:10 p.m.

Agenda Item 1 – Commitment of Fall Water & Sewer Bills

Discussion:

Ms. Michaud: There are four commitments to review. The first is for water in the amount of \$1,566,648.40. Everyone can sign this one. Please sign all three sheets. We are pretty much flat in terms of revenue. It is just a little more than last year.

Motion: *To accept the water commitment as presented by staff.*

Motion: Jonathan Sinaiko Seconded: Bill Worthington Vote: 4 – 0 - 0

Ms. Michaud: The next one is an adjustment commitment in the amount of \$3,761.60. This is primarily adjustments such as back flow tests and damaged meters.

Motion: *To accept the water adjustment commitment as presented by staff.*

Motion: Jonathan Sinaiko Seconded: Sacha Richter Vote: 4 – 0 - 0

Ms. Michaud: The next one is sewer charges in the amount of \$908,438.45. Since this is for sewer Bill Worthington does not have to sign this.

Motion: *To accept the sewer commitment as presented by staff.*

Motion: Jonathan Sinaiko Seconded: Sacha Richter Vote: 4 – 0 - 0

Ms. Michaud: The next one is sewer adjustments. It is a negative adjustment of \$6,622.90. The reason this is a negative adjustment is that these sewer accounts were added mid-cycle. They don't owe for the full cycle. Since this is for sewer, Bill Worthington does not have to sign this.

Motion: *To accept the sewer adjustment commitment as presented by staff.*

Motion: Jonathan Sinaiko Seconded: Sacha Richter Vote: 4 – 0 - 0

Ms. Michaud: There is also an abatement for the pier. We always back out the separate users such as all the floats, the comfort station and the Whydah from the master meter.

Motion: *To accept the water abatement as presented by staff.*

Motion: Jonathan Sinaiko Seconded: Sacha Richter Vote: 4 – 0 – 0

Agenda Item 2 – 41C Elderly Water Bill Exemptions

Discussion:

Ms. Michaud: It is the amount of \$2,812.40. This is an exemption of 50% of the water charges for 41C eligible elderly.

Motion: *To accept the 41C exemptions as presented by staff.*

Motion: Jonathan Sinaiko Seconded: Sacha Richter Vote: 4 – 0 – 0

Agenda Item 3 – 41A Elderly Water Bill Deferrals

Discussion:

Ms. Michaud: The next is for 41A deferrals. These deferrals are done after the exemptions are taken. We check for folks in Truro who may be eligible. So far, there are none. There are three water deferrals.

Motion: *To accept the 41A deferrals as presented by staff.*

Motion: Jonathan Sinaiko Seconded: Sacha Richter Vote: 4 – 0 – 0

Agenda Item 4 – 41A Elderly Sewer Bill Deferrals

Discussion:

Ms. Michaud: There is one sewer deferral. Bill Worthington does not sign the sewer deferrals.

Motion: *To accept the 41A sewer deferrals as presented by staff.*

Motion: Jonathan Sinaiko Seconded: Sacha Richter Vote: 3 – 0 – 1

Ms. Michaud asked for and received permission to take **Agenda Item 6 - Approval of Minutes** out of order.

Agenda Item 6 – Approval of Minutes

Discussion:

Ms. Michaud: We have three sets of minutes to review for July 17, 2014; August 14, 2014; and September 17, 2014.

Motion: *To accept the minutes of July 17, 2014; August 14, 2014; and September 17, 2014 as written.*

Motion: Jonathan Sinaiko Seconded: Sacha Richter Vote: 4 – 0 – 0

Mr. Sinaiko suggested that the Board take Agenda Item 9 – Sewer Flow Revisions out of order. The Board agreed to do this.

Agenda Item 9 – Sewer Flow Revisions

Discussion:

Ms. Prada: The first one is for 344 Commercial Street for the addition of an historic bedroom. This is for an increase of 110 gallons for \$4,950. This was done through Brian Carlson. The other one is for 16 Court Street. Mr. Carlson was requested to do a walk – through. At sometime between owners, it was discovered that there was a decrease by 1 bedroom.

Map & Parcel	Address	Orig. Flow	Rev. Flow	Net Chg	Orig. Betmt	Rev. Betmt	Net Betmt.	Reason
07-2-150	16 Court St	440	330	-110	\$19,800.00	\$14,850.00	(\$4,950.00)	Bed Count Reduction
12-1-149	344 Commercial St	65	175	110	\$2,189.20	\$7,139.20	\$4,950.00	Historic Bedroom

Motion: To accept the sewer flow revisions as presented by staff.

Motion: Jonathan Sinaiko

Seconded: Sacha Richter

Vote: 3 – 0 - 1

Agenda Item 5 – Discussion of Proposed Changes to Miscellaneous Water-related Fees

Discussion:

Mr. Salisbury: These were not included in the September work session. This is a rough draft; it has not gone before Town Counsel yet. I am looking for your comments and feelings on this. We are proposing a System Development Fee that would assign future capital costs to new users. I included a fee structure form other towns. Our withdrawal permit is for 850,000 gallons per day. Our annual average withdrawal has been 625,000 to 650,000 gallons per day. We have a remaining future capacity of an additional 200,000 gallons a day. With our current 18% unaccounted for water, we know that our 3,600 accounts are eating up the 75% capacity. The remaining hypothetical 25% can serve an additional 900 accounts. If we assume we have future capital costs of \$1.5 million then a system demand fee would be assessed dependent on the size of the meter. These fees are common throughout the country. The idea is to generate revenue for capital expenditures by the department that is borne by new users, rather than current rate-payers.

Mr. Sinaiko: As it is now you just pay for the cost of the meter? If I want a meter I just pay the cost of the meter.

Mr. Salisbury: In this case you would be the System Development Fee based on each meter. It does not assess current rate payers.

Ms. Meads: I have a few questions about how this is going to work. Will the Town of Truro be assessed as well? If it is an affordable housing project will it be exempt from all of this? Everyone should play by the same rules.

Mr. Salisbury: That is something we would have to discuss. It could be worked out. Private development pays its way for infrastructure.

Ms. Meads: I don't know how you are going to estimate the huge future costs? This is based on a hypothetical figure that no one knows and doesn't take into consideration grants that we might get.

Mr. Sinaiko: Your argument is that as a long term user, I have been supporting a system that benefits someone who comes in and has not paid anything for what is existing? They are getting the benefit of the infrastructure.

Mr. Salisbury: Since 2003 we have added 600 accounts If this had been in effect in the 1980s when the Town was under mandate for a redundant water source we would have had \$750,000.

Ms. Meads: We had \$900,000 dollars in a water enterprise fund in 1978 that the Town usurped in order to reduce the tax rate. That is another danger, the Town can vote to remove it. On the surface, I would like to know what the projection is for the \$1.5 million is for the future. I have reservations about the burden of this.

Mr. Salisbury: This is not ground breaking. These are common charges of water utilities. We are facing aging infrastructure. For us we are trying to be proactive to get revenue that can not be borne by the present users for future capital improvements.

Ms. Meads: Perhaps we can look to see what is on the horizon and nail down a future projection for projects over the next 10 to 15 years and take into account that Growth Management has a certain percentage it is allowed to take each year. It would help me feel more comfortable.

Mr. Sinaiko: \$1.5 million does not seem like a lot of money to me for future projects.

Mr. Waldo: There are a lot more steps involved in this. We need to talk to Town Counsel to find out what we need to develop this type of fee. We don't want it to be considered a retained earning that can taken from or put into the General Fund. It may be set up as a revolving fund for capital improvement only.

Mr. Salisbury: On the next page I have included just some small proposed revisions. I kept our current tap fee structure, but I would like to see a \$250 inspection fee for fire services. The other is for back flow testing. The town now has three certified people. We can now do it in house. It takes time and the fees should come up to \$75, not dependent on the size of the device. There are no fees for shut off and turn of service. Staff has recommended me to not charge for this in order to encourage seasonal users to have us present when this is done. Maybe we can schedule a final review sometime in December for the regulation revisions. Perhaps I will have more information for projections at that time.

Agenda Item 7 – Statements From the Board

Discussion:

There were no statements by the Board members.

Agenda Item 8 – Unanticipated Business That May Legally Come Before the Board Requiring Immediate Action

Discussion:

Mr. Salisbury: Perhaps you have seen in the paper that the State has issued a drought advisory. I issued a notice on the website. It is nothing to be alarmed about at this point. Monitoring wells are lower. We are encouraging conservation and advising against non-essential water use.

Perhaps someone can educate us. At one time there was a regulation against restaurants automatically serving water? Was this in the Provincetown rules and regulations? We wanted clarification of this. It is being asked for again.

Ms. Meads: I don't believe it was in the rules and regulations. We had a card for restaurants and one about washing towels. Under the terms of a water grant we distributed the cards to restaurants and guest houses. We did it through the licensing agent. It was endorsed by all the departments. It was a big push. The grade school did some of the posters advertising this also.

Mr. Sinaiko: Do we need to initiate a policy endorsing this?

Mr. Waldo: We are discussing it now and trying to figure out the best way to do it.

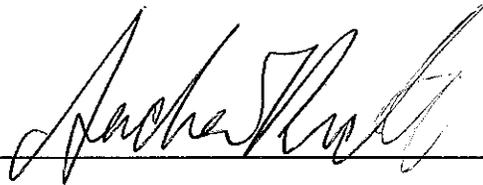
Adjournment:

There being further business, Mr. Sinaiko adjourned the meeting at 3:57 pm.

Respectfully submitted,

Susan Leonard

Approved by



on

12/11/14

2014