

JOINT MONTHLY MEETING OF THE  
NEW SHOREHAM SEWER COMMISSION and BOARD OF WATER COMMISSIONERS

April 8, 2008 Minutes

Present were members Ann Cunningham, Frank Leslie, Cliff McGinnes, Rally Migliaccio, Howie Rice, Don Thimble and District Clerk Janet Ziegler.

Absent was members Steve McQueeny.

Also present were Finance Director Amy Lewis, Superintendents Dave Simmons and Ray Boucher and Counsel Elliot Taubman.

Absent was Public Works Director Nancy Dodge.

C. McGinnes called the meeting to order at 4:30 P.M. F. Leslie will not be voting.

1. Changes to Water Rules & Regulations Regarding Mandatory Water Hookup. E. Taubman & M. Tillson. E. Taubman reported that M. Tillson would respond to specific questions about building codes presented to him. C. McGinnes suggested tabling the discussion of changes until the Water Chair returns from vacation.

2. Reports from Officials.

DIRECTOR OF PUBLIC WORKS AND ENGINEERING.

- Adopt TNS Utility Standards, January 2008 Revised Section A and B, New Table of Contents.

Changes to the water and sewer utility standards, discussed in 2006 through March of 2007, were not officially adopted by vote.

**MOTION:** by A. Cunningham to that the NS Sewer Commission and the NS Water Board formally adopt the revisions to section A and B, including the Table of Contents, in the "Town of New Shoreham Utility Standards" dated January 2007 and prepared by James J. Geremia & Associates. The motion was seconded, a quorum was present and the vote to adopt was:

AYE: 5 (Cunningham, McGinnes, Migliaccio, Rice, Thimble). NAY: Ø. ABSTAIN: Ø.

Motion carried.

- DEM Priority List FY 2009

The Town's Project Priority List was submitted to RIDEM for State funding in FY 2009. The projects include providing financial assistance to homeowners with failed on-site wastewater treatment systems (OWTS) connecting to the municipal sewers and also to provide low interest loans for septic repairs and replacements.

- DEM Permit Applications Signed.

The RIPDES (Rhode Island Pollutant Discharge Elimination System to Discharge) Permit for the sewer and water treatment has been signed by the Town Manager and submitted to DEM (Department of Environmental Management).

- CDGB Grant Status.

The Planning Board is meeting on April 9 to consider the Sewer Commission's application for State grant funds to construct their affordable apartments. C. McGinnes reported that he was advised at last night's Town Council meeting that all CDGB funds would be going to the New Shoreham Housing Board.

- Location of Meetings.

Although the Town has requested that monthly meetings be held at the Town Hall, C. McGinnes stated that there are plans to renovate a large unused room at the sewer plant for Board meetings.

## FINANCE.

- Financial Reports March 2008, Aging Report.

SEWER. A. Lewis reported that energy costs remain a concern, but if the sewer plant switches over to its generators in May, the electricity line would only be ~\$20K over. Other line items are generally on target.

WATER. Penalties fees have been very strong this year, and have offsets user fees which are down. Last week the water loan was paid off as was voted at the Special Financial Meeting on March 25. Expectations are that the year-end would look all right as a deposit of USDA funds are expected and will offset operating shortfalls, again in the fuel oil & electricity lines.

- Act on Adding Fuel Adjustment Charge (FAC) To Utility Bills.

In E. Taubman memo's of April 8, regarding implementing a FAC to sewer and water bills, he neither recommended nor opposed them as they are well recognized. C. McGinnes, COO of BIPCO, said that they calculate fuel consumption on a rolling average of 12 months; the figures must be approved by the State PUC (Public Utility Commission) and after accepted, it is added as a flat energy charge per unit consumed.

A. Lewis stated that the current software could handle the additional charge and suggested that she would work on the implementation calculations and report at next meeting. The Commission agreed that adding a fuel charge might be more palatable to customers than increasing user fees.

C. McGinnes suggested that the superintendents seriously look into alternate energy as a method to reduce operating fuel/electric charges and that they contact J. Geremia to find out what funds might be available. Although he favored wind generation in the long run, musing that solar had earlier payback, a windmill at the Water Company may conflict with the Town's Agreement with Sands Pond Lane Homeowners (for access to well #6), unless the Association signed off.

D. Simmons reported that the Block Island Water Company applied for the USDA 'High Energy Cost Grant'. Included would be \$270K for a photovoltaic array and \$7K for a small vertical access wind turbine.

- Rate Design.

A. Lewis reported that the BI School is going through State mandated changes of their financial software. She will be meeting with representatives of new software packages and would inquire whether they can perform the operations requested by the Rate Design group.

- FY 2009 Annual Financial Meeting of the Sewer District and Water District.

A schedule calendar with public hearings and deadline times was distributed prior to the meeting.

**MOTION:** by H. Rice to adopt the schedule for the Annual Financial Meetings to be held on June 17, 2008.

The motion was seconded, a quorum was present and the vote for meeting date was:

AYE: 5 (Cunningham, McGinnes, Migliaccio, Rice, Thimble). NAY: Ø. ABSTAIN: Ø.

Motion carried.

- Consider Draft Sewer and Water Budgets.

SEWER. A. Lewis noted that the draft budget had a 4.4% increase in user fees; however, if fuel adjustment charges could be implemented, then the fees could be held. Also noted was that since BI Water now had a discharge line, sewer would be losing annual revenues of \$45K. The Contribution from Reserves is a large number, but includes spending for the affordable apartments approved at the special financial meeting.

Expenses include an additional employee budgeted at \$50K. Health insurance is up only 3.5%. Noted was that electricity would be up 67%, but this can be moderated if a "fuel charge" is added. Overall expenditures are up 11%. Capital expenses are being worked out with Geremia; there were some other "wants" but the spending is already high out of reserves.

WATER. A. Lewis noted that user rates would remain unchanged. Reserves are a large revenue item and contain funds approved by the voters at the special financial meeting to pay off a USDA loan; this is noted in debt service expense. Expenses on fuel oil and electricity are not nearly the drain as it is on sewer. Other increased expense items noted were that lab fees would be up responding to the new RIPDES (RI Pollutant Discharge Elimination System) permit and that training was up 20% due to additional water licensing.

A. Lewis stated that the Budgets numbers are waiting for a final decision on wages at the end of this meeting.

D. Thimble inquired about how much money was involved with the Commission volunteering sewer and water laboratories to help with the testing of The Great Salt Pond this summer, noting that rate payers might not agree with user fees being used as donations. The sewer superintendent responded that the tests are run weekly in the normal course of lab work; adding several additional samples would be a minor cost.

(A. Lewis leaves at 5:40 PM)

#### WATER/SEWER PLANTS OPERATIONS.

WATER.

D. Simmons stated that the wastewater discharge pipe is expected to be operational by May 1; there has been very positive progress. Plans are to jet the entire system in the next several weeks; this will be the first time with our new jetter. To the report that plant's sprinkler system should be finalized by end of month, D. Thimble reported the installers business is for sale which may be a problem for future services of system.

Avista Technologies, a company who formulates water treatment chemicals for reverse osmosis systems, has been on-island working on cleaning the RO membranes in order to prolong their working life.

Two other items noted were that the state did not pull permits to repair a water line while installing sidewalks in two New Harbor and that the Sullivan House has applied to the Department Of Health to become a PWS (public water supply) because of their catering business.

SEWER.

Waterline Industries began upgrades to the aeration system, part of the 2001 USDA grant/loan.

(H. Rice leaves at 5:55 PM; F. Leslie will be voting.)

#### WASTEWATER INSPECTOR'S REPORT.

D. Thimble reported a high percentage of failures during routine inspections; most of the week's are weep holes. The tanks need to be pumped, plugged and re-inspected. The Town's Solicitors Office is completing revisions to the WWMO (wastewater management ordinance) and Zoning Section 506.

Circulated was a final report of the U.S. EPA Demonstration Project by B. Healy reviewing the 7 ½ years of the Island Steering Committee, it's accomplishments and recommendations for the future.

3. Recommendations to Town Council for Appointments to Sewer Commission and to Water Board.

**MOTION:** by A. Cunningham to recommend re-appointments of member R. Migliaccio and alternates A. Cunningham and F. Leslie. The motion was seconded, a quorum was present and the vote to recommend was:

AYE: 5 (Cunningham, Leslie, McGinnes, Migliaccio, Thimble). NAY: Ø. ABSTAIN: Ø.

Motion carried.

4. Service Building Project. Funds from reserves were secured to complete the renovations at the Special Financial Meeting March 25. R. Boucher reported that Valee Plumbing quoted on a boiler with zone heating and window air units - \$4,500 for all - instead of central heat and air. A majority of members voiced the directive to have the air conditioning units installed through the wall, not windows, as the installations are more efficient for the long term.

## 5. Parking Lot Project, 2008 Permit Sales.

The Commission reported that because of the new sidewalks installed by the State, approximately 26 parking spaces in the downtown area will be lost. A request for temporary parking was received from the US Post Office. Post Master F. Leeder will be asked to attend in May or June when sales of parking Permit is better known.

## 6. Approve Monthly Minutes of March 11, Sewer District Special Financial Meeting March 25 and Water District Special Financial Meeting March 25.

**MOTION:** by A. Cunningham to approve, as submitted, the minutes of March 11 and the two Special Financial meetings of March 25. E. Taubman stated that he has rewritten the hearing from the Doyles on March 11 to include legal discussions; a copy of his changes was distributed. The motion was withdrawn and the adoption was tabled for next meeting.

**MOTION:** by A. Cunningham to approve the submitted minutes for the March 11 Special Sewer Financial meeting and the March 11 Special Water Financial meeting. The motion was seconded, a quorum was present and the vote was unanimous to affirm approval.

## 7. Correspondence and Public Comment.

- March 14 from Wastewater Management Inspector to Greene & Associates regarding incorrect repair.
- March 20 notice that Town Council designated new Rescue Building as public facility.
- March 28 notice of increased fees for septage to Town officials.
- April 14 Effective Date of Ethics Commission Regulation exception to allow vote of self for officer.

(E. Taubman leaves 6:40 PM)

**MOTION:** by A. Cunningham to go into Closed Session to consider the next two items regarding compensation and evaluations of staff and both superintendents. Superintendents R. Boucher and D. Simmons stated that they were notified of their rights under the RI Open Meeting Laws and that they wished to proceed in Closed Session. The motion was seconded, a quorum was present and the vote to Close was:

AYE: 5 (Cunningham, Leslie, McGinnes, Migliaccio, Thimble). NAY: Ø. ABSTAIN: Ø.

Motion carried.

The regular monthly meeting went into Closed Session at 6:40 PM

Open session of the regular monthly meeting was called to order and resumed at 7:43 PM.

C. McGinnes reported that there were two motions in closed session which approved 4% annual raises for six operators, including the two superintendents, and a 3% raise for one operator. Additionally, the Sewer Chair was authorized to complete an evaluation and compensation of one remaining staff member.

**MOTION:** and by F. Leslie to seal the minutes of the April 8 Closed Session. The motion was seconded a quorum was present and the vote to seal was unanimously approved.

**MOTION:** and by F. Leslie to adjourn the meeting. The motion was seconded, a quorum was present and the vote to adjourn was unanimously approved.

The meeting adjourned at 7:48 P.M.

Respectfully submitted,

Janet Ziegler,

Approved: May 13, 2008

The New Shoreham Sewer Commission and Water Board are an equal opportunity providers and employers.