

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

February 18, 2009 Minutes

Present were members Robby Brown, Ann Cunningham, Jason Howarth, Frank Leslie, Rally Migliaccio and District Clerk Janet Ziegler.

Absent were members Sandra Finizia, Bob Pokraka

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

Absent was Public Works Director Nancy Dodge.

R. Migliaccio called the meeting to order at 4:30 P.M

1. Approval of Minutes January 21, February 11.

MOTION: by A. Cunningham to approve the minutes as distributed. The motion was seconded and the motion was approved unanimously by all members present.

2. Reports from Officials.

SEWER COMMISSION

- Report on DEM Meeting – Recommendations for Consent Agreement.

J. Geremia and D. Simmons met with the engineering staff of RI Department of Environmental Management (DEM) regarding withdrawing its stay of RIPDES (RI Pollution Discharge Elimination System) Permit conditions. It was mutually agreed that if the Block Island Water Company (BIWC) could not meet the RIPDES conditions for TSS (total suspended solids), it would divert the concentrate stream from the outfall to the sewer treatment plant. The letter, dictated by DEM and to be signed by the Sewer Chair, acknowledges and attests to the verbal agreement.

E. Taubman reported that neither he nor N. Dodge thought that the situation was clear and would prefer that DEM respond in kind to the letter.

- Response to RIDEM Regarding Consent Agreement.

R. Migliaccio signed the 'Stay of permit withdrawal for RIPDES No. 0100196' (discussed above).

- Report/Act on Management Agreement Worksession.

MOTION: by J. Howarth to adopt the final changes made at the February 11 workshop and forward the signed Management Agreement to the Town Council for adoption. The motion was seconded, a quorum was present and the vote to forward was:

AYE: 5 (Brown, Cunningham, Howarth, Leslie, Migliaccio,). NAY: Ø. ABSTAIN: Ø.

The motion carried.

- Tree Management at Sewer Plant.

A letter of interest was received to remove and transplant trees from the sewer plant. Sewer superintendent R. Boucher has testified that the twelve trees by the aeration tanks are an operational nuisance (11/12/08) and a local landscaper suggested that five of the trees were worth saving. The Commission was concerned that the interested party may not realize the difficulty or expense involved in moving the trees and does not want to incur expenses for the project. R. Boucher will make contact and qualify the offer.

Finance Director A. Lewis reminded the Commission that the trees are an asset of the Sewer Commission and any disposal of assets must follow proper accounting procedures.

DIRECTOR OF PUBLIC WORKS AND ENGINEERING.

- Review and Act on Responses to Water/Sewer RFB: Roadwork, Fuel, Sludge.

SLUDGE.

R. Migliaccio suggested that Commissioner R. Brown recused himself since his business is hauling wastewater and there may be construed association. Although attorney E. Taubman responded that he did not feel that there was a conflict of interest, R. Brown recused himself from discussion and voting. One bid was received from BIRM (Block Island Recycling Management) for the two-year sludge hauling contract. The bid of \$1,800 includes providing, emptying and transporting sludge containers to the RI Resource Recovery facility in Johnson. The Sewer plant pays for the dumping fees.

MOTION: by Cunningham to accept the bid by BIRM for \$1,800 per trip. The motion was seconded, a quorum was present and the vote to award was:

AYE: 4 (Cunningham, Howarth, Leslie, Migliaccio). NAY: Ø. ABSTAIN: 1 (Brown).

The motion carried.

ROADWORK.

Commissioner R. Brown recused himself from discussion and voting since he has a working relationship with one of the bidder's family – he hires a family member to babysit.

With input from both superintendents, the two bids received were analyzed as being very close in price over all with a noted exception of excavator costs.

MOTION: by A. Cunningham, to award the two-year bid to the existing provider A. Transue since past service has been acceptable by both superintendents. The motion was seconded, a quorum was present and the vote to award was:

AYE: 4 (Cunningham, Howarth, Leslie, Migliaccio). NAY: Ø. ABSTAIN: 1 (Brown).

The motion carried.

FUEL.

The Commission/Board did not receive any specific information; the RFB is being handled by the Town Manager for the Town and will be reported at the next meeting.

Responding to an inquiry as to why the sewer plant doesn't turn on its generators in order to avoid BIPCO's cost of electricity, R. Boucher responded that the price of fuel oil was still too high (@ \$3./gallon) to affect any savings.

E. Taubman, noting a technical point, that the Federal 'Stimulus Plan' has a grant provision to provide for current state-of-the-art metering. The sewer and water plants are one of the best load factors that BIPCO has; if BIPCO would install a time-of-day demand meter we may receive reduced rates. The sewer plant is a major user in the winter, but when BIPCO's demand is high in the summer, the sewer plant goes onto its own power.

FINANCE.

- Financial Reports December & January; Aging Reports.

The January 31 Financials were distributed, no Aging Report.

SEWER

Revenues collected are 49% of budget (compared to 56% end of last January) while expenses are 41% of budget (in line with last year's figures). Noted was that Septic revenues were well off. The high supply line figure, which covers equipment repairs, is balanced by less being spent on the system maintenance line (manholes).

R. Boucher said that both line items had just completed a three-year cycle and would be reduced for the next two years.

WATER

Since there is a significant budgeted reserve revenue line, it was unfair to compare relative figures. The user fee revenue stream continues to be a concern and is starting to add up. The expense side is much closer;

there is still one USDA loan to budgeted to be paid off before the end of the fiscal year.

- Mid-Fiscal Year Review.

A. Lewis stated that at the Town level, finances were reviewed in much more detail than here. Revenues have fallen short of expectations this year and the Town Council has declared a financial policy of restraint and austerity on all further expenses. There is essentially a hold on all spending.

The Commission/Board can continue on as it has and take a wait and see what happens demeanor, or it can be proactive and set its own financial policy to scale back. During the next several months, as we put together the next budgets, you'll have 'iron-fist approach' or 'let them work themselves out' decisions to make.

- Schedule for Financial Meeting, Performance Reviews.

A. Lewis acknowledge that the FY 2010 budgets needed to be adopted for posting before Memorial weekend and suggested setting the May 18th meeting date to adopt the final draft. Working backwards from this date, the first draft of the sewer and water budgets would be ready by the April 20 meeting; an interim meeting should be scheduled after that, but before May 18. Wage information needs to be submitted to her office by April 15.

- Progress on Energy Surcharge Implementation (*May*).

A. Lewis's suggestion that this project be removed from consideration was not contested by any member.

- Utility Software and Rate Design.

The Finance office has been understaffed most of the winter. The Utility package is slated to be installed next week, however, it won't be ready to be used for a while until implemented and tested. At this time, she would not commit to having the software up and running by July 1st and estimated that it was a 50:50 shot under the circumstances. Cost of the AccuFund Utility software, which will be borne by sewer and water, was not available.

(A. Land leaves at 5:18PM)

WATER PLANT OPERATIONS.

- Proposal for "Water-Sewer Discharge and Testing Agreement".

In his monthly report, D. Simmons proposed to the Commission that the BIWC cease ocean discharge between October 31 and May 1 (6 months) when flows were small. The two superintendents tentatively worked out that BIWC would annually pay sewer \$4.76K to perform Permit analysis for BOD₅ (biological oxygen demand) and TSS (total suspended solids) tests required by the RIPDES permit on the concentrate discharge (the rates are 50% of mainland commercial rates). Changing to a 6-month discharge saves half of the lab fees. During the 6-month off-season, proposed charges to BIWC would be \$5.8K, or 50% of the prevailing user rates, to treat the concentrate flow to the sewer plant. Water, likewise, would charge sewer 50% of prevailing rates for its municipal water use. R. Boucher said that the arrangement saves BIWC money and is a source of revenue for sewer. Since the information on the utility's cross-charging each other was new, the subject was tabled until the next meeting.

R. Boucher stated that the combined RIPDES permit was delayed last spring, that BIWC discharged to the sewer plant during July, August and September and that he feels BIWC owes \$35K for the treatment services. The situation was not anticipated and does not appear in either sewer's budget as revenue or in water's budget as an expense. He asked that the money be taken from reserves. The announcement was a surprise to the Commission who tabled the discussion until the next meeting.

SEWER PLANT OPERATIONS.

- Annual Inflow and Infiltration Report. The bi-annual report hadn't been submitted during the last 3 years because of the RIPDES stay. Infiltration remains a problem in the collection system. The manhole inserts have

a gap that still allows flow into the system during rain events, however, the manhole repairs did cutout ~ 25% of infiltration. Smoke testing of the collection system will be budgeted and scheduled for next fall to look for unwarranted accesses.

WASTEWATER MANAGEMENT ORDINANCE – STATEMENT.

A. Cunningham said that she had prepared a statement regarding the Wastewater Management Office.

“This is a new commission and we want to go on record supporting the wastewater inspector. We support getting compliance in OWTS (on-site wastewater treatment systems) function using all means including fines. Potential contamination of the aquifer and related surface waters poses a serious threat to the health, safety, and financial well being of the town.

E. Taubman said that he supported the statement. One of the early objections to the fines was that people were unaware of the Ordinance and the law; the situation has changed and the public is more aware. Everyone is entitled to a hearing.

3. Service Building Renovations and Addendums.

R. Boucher reported that the contractors were mostly up to date and should be finished in ~ two months. He reminded the Commission that it has not discussed providing basic appliances for the apartments.

E. Taubman stressed that the term affordable did not include income designation (low-moderate etc.), but that year-round residency was required by the Ordinance. R. Migliaccio stated that the apartments were jointly owned by both Sewer and Water and that they would set rental parameters when the time came.

4. Correspondence.

- January 23, BI Times request to produce private Agreement.
- January 28, E. Taubman response to BI Times and copy of Agreement.
- January 29, P. Trahanas’s interest in trees available for transplant.
- January 30, J. Geremia re: stay of RI 0100196 Permit Conditions with RIDEM.
- February 3, Sewer Superintendent’s letter to Island Enterprises regarding requirement to install separate sewer line on Spring Street. R. Boucher noted that he had been in contact with Island Enterprises since the letter was sent and that they are in the process of making plans to comply.
- February 9, N. Dodge Application for RI DoH Project Priority List. N. Dodge and J. Geremia have applied to refinance some of the water loans with lower interest rates and seek funding to redevelop well #4.

5. Announcements and Public Comment.

Adjourn.

MOTION: by J. Howarth to adjourn the meeting was seconded, a quorum was present and the vote to adjourn was unanimously approved by all members present.

The meeting adjourned at 6:00 P.M.

Respectfully submitted,

Janet Ziegler

District Clerk Approved: March 16, 2009

<http://www.blockislandwater.org/minutes.html>

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