

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

January 8, 2008 Minutes

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

Absent were members Steve McQueeny, Howie Rice and Don Thimble

Also present were Public Works Director Nancy Dodge, Finance Director Amy Lewis, Superintendents Ray Boucher and Dave Simmons, Counsel Elliot Taubman, Sewer Operator Chris Blane, First Warden Kim Gaffett and RCAP Solutions Consultant Robert Morency.

C. McGinnes called the meeting to order at 4:33 P.M.

MOTION: by R. Migliaccio to amend the agenda to first consider item 2 while waiting for A. Lewis to arrive. The motion was seconded, a quorum was present and the motion to amend was unanimously approved by all members.

2. Request for waiver of sewer use charges; Atlantic Inn.

Owner Brad Marthens was present to explain that an underground leak from his well was discovered, but the water did not enter the sewer. Since his sewer meter measures water from his wellhead, he was seeking relief from sewer charges attributed to the leak. A letter from John Tripler Plumbing was submitted testifying to the circumstances. Mr. Marthens thanked the water superintendent who first noticed the unusual usage and was responsible for bringing the matter to his attention.

The Inn's usage records showed an increase in November's metered use of 95,000 gallons, whereas an average November usage was only 15,000 gallons.

MOTION: by R. Migliaccio to credit 80K gallons sewer use to the Atlantic Inn's November invoice, based on a three year average use for November and verification by Tripler Plumbing. The motion was seconded, a quorum was present and the vote to credit was:

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

The motion carried.

MOTION: by R. Migliaccio to amend the agenda and continue with item 3 to wait for A. Lewis.

The motion was seconded, a quorum was present and the motion to amend was unanimously approved by all members.

3. S. Govern Sewer Lateral Connection to Manhole on Old Town Road, Responsibility and Costs.

R. Boucher reported that what started out as a simple blocked line has turned out to be more serious. The collection line was eventually excavated; the transite pipe flowed backward toward the buildings instead of the manhole and was also cracked. His recommendation was to replace the line from the manhole to the property line; the main collection lines on the property have been replaced. The garage has an E-One system and the other four buildings use a single line to the manhole.

The water superintendent express concern for any further excavation as the Block Island Water Company's new main water line was installed over the very large storm drain at that corner; he suggested shooting a preliminary test pit.

S. Govern presented an invoice from plumber B. Valee for \$2,335.63 and asked the Sewer Commission to share the cost. R. Boucher agreed that a major problem was in the angle of the street pipe as originally installed.

MOTION: by A. Cunningham to split the plumber's bill of \$2,335.63 based on the recommendation of the sewer superintendent. The motion was seconded, a quorum was present and the vote to provide half the cost was:

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

The motion carried.

MOTION: by A. Cunningham that the sewer department schedule the replacement of Govern's sewer lateral from the property line to the manhole before the State begins work at Bridgegate Square. The motion was seconded, a quorum was present and the vote to replace was:

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

The motion carried.

(A. Lewis arrives)

MOTION: by R. Migliaccio to amend the agenda and return to item 1. The motion was seconded, a quorum was present and the motion to amend was unanimously approved by all members.

1. Request for waiver of sewer & water penalty charges and payment plan; Hill @ Mill Pond.

C. McGinnes read the request for adjustments to Hill at Mill Pond's sewer bill. D. Simmons said that the owners were first notified in June, then several times over the summer, that their flows were unusually high. The water leak was not fixed until sometime in September.

A. Lewis said that the customer has been in contact with finance regarding overdue bills and has continued to make monthly payments on the account. Noting that several questions could not be answered, C. McGinnes inquired whether someone from the family could be present at the next meeting.

MOTION: by R. Migliaccio to continue the hearing to the following month in order to accommodate the presence of one of the owners who could explain their situation; also a letter from a licensed plumber would need to be submitted as testimony that the water leak went to ground, not sewer. There could not be any waivers on the water used. The motion was seconded, a quorum was present and the vote to continue was:

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

The motion carried.

4. Request of C. Blane for a written policy to clarify use of sick time.

C. Blane said that his reading of the 'sick time' policy was ambiguous and asked for a written clarification.

N. Dodge said that the town was in the process of creating a personnel manual, however, any absence in excess of three days needs a written doctor's excuse. C. McGinnes instructed the superintendents to meet with the Town Manager for clarification of the policy for the next meeting.

5. Reports from Officials.

DIRECTOR OF PUBLIC WORKS AND ENGINEERING.

- USDA to Fund Purchase of Water Meters.

N. Dodge announced that USDA had approved the requested \$44.9K upgrades to the metering system.

D. Simmons said that the remaining funds from the 2006 Water grant would be used for the purchase and installation of a SCADA system and for monitoring.

- League of Cities Position on RI Septage Disposal Fee.

N. Dodge reported that communications were received from the RI League of Cities and Towns, reporting that the recently enacted laws (Public Law 07 073), requiring towns to collect State fees for septage disposal, constitute an unfunded mandates on towns and they have filed a protest. A Hearing is schedule for January 10.

Other items.

- J. Geremia is negotiating with DEM to get the Block Island Water Company's RIPDES (RI Pollutant Discharge Elimination System) in effect by May.
- The first CDBG grant meeting is January 17. R. Boucher will be responsible for the application.
- The Town has sent out the Wastewater Management Ordinance and the 506 Zoning Rule for legal review.

FINANCE.

- Summary of FY 2007 Exit Audit.

A. Lewis reported that the summary, given by Lefkowitz, Garfinkel, Champi & DeRienzo, was very positive for both enterprises. Water's position has always been stellar and sewer is gaining in position.

- Financial Reports November and December (FY 6 mo).

The November and December balance sheets were distributed and December's was reviewed. Responding to a question regarding \$142K cash in sewer's account, A. Lewis explained that the Commission needs higher revenues on hand than water for both operating funds and for staff payroll.

As far as funding renovations to the service building for two apartments, the Commission either has the choice of putting the project in the next budget (July 1) or they could ask the rate payers at a special financial meeting to spend reserves for the project.

- Aging. *Not available.*
- Recommendations to Discharge USDA Water Loans.

The question of what is a reasonable amount of reserves to keep on hand was discussed. Both utilities must balance paying off loans, but not putting themselves in financial jeopardy. E. Taubman cautioned that, although USDA grants have funded a major portion of capital expenses to date, there may come a time that grant funds are no longer available. A. Lewis will discuss the subject with J. Geremia for both utilities.

- Special Financial Sewer/Water District Meeting to Allocate Reserves for Capital Projects.

R. Boucher's said that \$150K would complete the renovations for two affordable apartments over the service building; he will verify those figures for the next meeting.

MOTION: by R. Migliaccio to set March 25 for a Special Financial Meeting of the Sewer and Water Districts to ask the rate payers to allocate reserves for capital improvements and to consider paying down existing loans. The motion was seconded, a quorum was present and the vote for a Special Financial Meeting was:

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

The motion carried.

- Rate Design Project.

B. Morency from RCAP Solutions (Rural Community Assistance Program) reviewed the task to date. The Rate Committee met last winter, January through May, but the upcoming summer season put an end to the work session. The committee is starting up again and has come up with a criterion to define year-around users. The rate design quest was to see if an equitable break could be provided to customers that used the sewer and water facilities year round, the base customers that did not impact the plant in the summer season. The other quest was to implement a monthly customer charge that would offset fixed costs; there is no revenue from close to fifty-percent of the customer base, for both utilities, and who are considered high impact users.

A. Lewis volunteered that she had reservations about implementing a new billing system, but would be open to work with the group.

C. McGinnes also suggested that if we could convince more people to go on the systems, especially water, it would go a long way towards increasing revenues. The Commission discussed performing a survey of non-water customers to find out where the resistance was or what would encourage well users to switch to municipal water.

(E. Taubman and A. Lewis leaves at 6:30 AM)

WATER/SEWER PLANTS OPERATIONS.

WATER.

A one-week search for a remarkable distribution leak ended at Cottle's house on Corn Neck Road. The new owner drained down the house, but the live connection to the street remained on, and the water pipe inside the cement-block foundation burst and the wall eventually collapsed. Over 100,000 gallons was lost. A discussion followed on whether the new owner could be billed for the lost water. F. Leslie said that his daughter in Wisconsin had to pay for water lost due to a leak.

MOTION: by C. McGinnes, that since the water company has not billed for lost water before, only metered water, it would be inappropriate to start at this time and suggested that the situation should be covered in the regulations. The motion was seconded, a quorum was present and the vote to not bill was:

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

The motion carried.

Ebbit Hollow Homeowner's Water Main. The leak near High Street of the private water line to Ebbit Hollow was repaired by A. Transue. The cost was divided among the users and billed out with January's invoices.

SEWER.

The mid-December problem with S. Govern's sewer lateral had been already discussed. The compromised lateral needs to be completely replaced. Boucher mused that the high coliform count from the Ocean Avenue trib into Harbor Pond may improve after the line is replaced.

New inserts for the manholes have been ordered and the replacements should be finished by spring. Manholes at Bridgegate Square, Chapel Street and Smuggler's will have sealed and locked manholes as they are in flood prone areas.

WASTEWATER INSPECTOR'S REPORT. *not present.*

6. Comprehensive Plan Update – S. McQueeney. n/a

7. Changes to The Management Agreement.

E. Taubman and C. McGinnes distributed a draft of changes for consideration by the Commission. Although it is an interim draft at this time, the final will be prepared for the next meeting.

8. Committee to Develop Mission Statement for The Sewer District and for The Water District. n/a
The committee has not set a meeting date.

9. Approve Minutes of December 11 and 13.

MOTION: by A. Cunningham that the minutes, which were personally reviewed by herself, be approved as distributed. The motion was seconded a quorum was present and the vote to adopt was:

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

The motion carried.

10. Adopt 2008 Meeting Schedule.

A draft schedule of monthly meetings had been distributed to all members. The regular monthly meetings were scheduled for the second Tuesday, with the exception of July, August (which were moved away from holidays in considerations with production demands) and November in respect of Veterans Day.

MOTION: by R. Migliaccio to accept the 2008 meeting schedule as presented. The motion was seconded a quorum was present and the vote to accept was:

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

The motion carried.

11. Correspondence and Public Comment.

- December 7, 2007. From Jim Geremia, a project report from the Pre-Construction Conference with USDA and Waterline Industries regarding improvements to the sewer plant's aeration system.
- December 10, 2007. Copy of letter from Geremia to USDA Steere regarding oversight personnel for the Aerations process improvement project (2001 USDA Sewer).
- December 12, 2007. Copy of letter from Geremia to USDA requesting funds from 2006 USDA Water grant for upgrades to metering system.

Adjourn.

MOTION: by R. Migliaccio to adjourn the meeting and that the time period for the filing of the minutes be extended to 75 days from today's date. The motion was seconded, a quorum was present and the vote to adjourn was approved unanimously by all members present.

The meeting adjourned at 7:02 P.M.

Respectfully submitted,

Janet Ziegler

District Clerk

Approved: March 11, 2008

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