

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

October 11, 2007 Minutes

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

Also present were Public Works Director Nancy Dodge, Finance Director Amy Lewis, Superintendents Ray Boucher and Dave Simmons.

Absent was Counsel Elliot Taubman.

Also present were 1st Warden Kim Gaffett, 2nd Warden Ray Torrey, Dick Martin and Ken LaCoste.

C. McGinnes called the meeting to order at 4:32 P.M. A. Cunningham and F. Leslie will not be voting.

1. Request to Forgive 2006 Sewer and Water Penalties, Plat 6 Lot 33, M. Simonelli

M. Simonelli purchased the property after the 2005 summer and was not aware that accounts had associated allocation limits or that penalties were involved. The property was put into seasonal rental, which was also a change of use from the previous owner. C. McGinnes stated that he was aware that the conservation issues can be confusing for new customers and recommended leniency.

MOTION: by H. Rice to credit M. Simonelli's 2006 and 2007 penalties on the condition that the money would be applied to the purchase of additional allocation to cover current usage. The motion was seconded, a quorum was present and the vote to credit was:

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

The motion carried.

2. Reports from Officials.

DIRECTOR OF PUBLIC WORKS AND ENGINEERING.

N. Dodge said that the RI DEM (Department of Environmental Management) issued a draft report in August 2006 and that Elizabeth Scott would like to meet and discuss remediation of Sands Pond. Consistent with Federal Clean Water Act requirements, the RI DEM's Office of Water Resources identified those waters not meeting water quality standards (based upon the most recent assessment of water quality conditions completed) as part of the state's 305(b) report; Sands Pond was included in their list. Early December was agreed to be opportune time. N. Dodge will coordinate the meeting.

Other announcements were:

- D. Steere has given a go-ahead to redirect the remaining 2001 USDA (US Department of Agriculture) grant funds for improvements to the sewer aeration tanks; Geremia's office has published the 'Request for Bids' which are due back by October 23.
- The final paving on High Street will begin next week.

FINANCE.

- FY 2007 END FINANCIALS.

A. Lewis presented the year-end unadjusted financials.

SEWER. Revenues for the year, if the budget line for spending reserves was removed, looks good. Expenditures were 94% of budget, wages were on target, however benefits were a little high.

WATER. Water's financial position has been a little stronger than sewer's the last couple of years. Cash position is ~\$550K.

- Aging Report. n/a
- Wastewater Collection Policy. The Tax Collector has suggested hiring a collection organization to process fines levied by the wastewater inspector for non-compliance. Fines may be considered a lien on the property, but might not be collected until the property sells or is re-mortgaged. The Commission stated that the issue was not collecting the fines, but providing impetus for action to correct septic systems in default. The subject will be agended for the next meeting when cost of third party collections would be available.

(A. Lewis leaves at 5:00 PM)

WATER/SEWER PLANT SEPTEMBER OPERATIONS.

SEWER. R. Boucher read the sewer operations report. Sewer and water manholes on High Street are in the process of being raised in preparation of the street being asphalted. Rocks and mud were found in a water manhole which could indicate a collapsed line; it is essential that this be corrected before the final asphalt is laid.

WATER. D. Simmons read the water operations report. Sands Pond is down 2.5 feet from last year's very high level. The water plant has applied for a RIPDES (RI pollution discharge elimination system) permit to discharge water concentrate into the sewer outfall; this would allow the flows to bypass the sewer treatment plant and save 30K gpd of treatment capacity.

WASTEWATER MANAGEMENT INSPECTOR'S REPORT.

D. Thimble reported that a letter is expected shortly authorizing \$300K, at 2% loans, to be available to people needing upgrades to their septic system, ~ 50 systems. Installers are responsible for the system's air-tight reliability; before tanks are buried they must demonstrate its integrity. Most leaking tanks are concrete weep holes that are easy to fill. There are still unknown septic systems; locations are unknown and/or some people will not allow the inspections.

New Business.

3. 5-Year Update to TNS Comprehensive Plan. A request was received from the Town's Land Use office to submit updates to the Comprehensive Plan by December. S. McQueeney and A. Cunningham volunteered to bring the sewer, water and wastewater sections up to date for the next meeting in November.

4. Allocation: New Priorities, Available Capacity for the Next Year, Determination of Contribution-in Aid of Construction (CAC).

In a memorandum dated October 5, the Commission's engineer J. Geremia reviewed the sewer and water flows over the past several years. Since flows were off this summer, he recommended a conservative approach, by averaging summer flow numbers, to determine how much capacity would be available for the next year. Noted was that sewer's flow figures came from the new effluent meter installed the previous year.

The cost of Contribution in Aid of Construction (CAC) is determined by the debt carried by the utility divided by its treatment/production capacity. The debt load is proportioned to customers who require new or increase demand loads on the utility; the payment is often referred to as an 'impact fee' on the mainland.

WATER. Water superintendent D. Simmons recommended using a design capacity of 80% and using the summer 2007 flow figures, without averaging.

MOTION: by H. Rice to set the available water allocation for the upcoming year to 25,097 gallons as recommended by water superintendent. The motion was seconded, a quorum was present and the vote to credit was:

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

The motion carried.

MOTION: by H. Rice, based on the recommendation of the engineer, to set the CAC for new or increased use to \$15.56 per gallons per day (gpd). S. McQueeney objected that the impact charge was too high for new customers; one potential customer was lost when they drilled a well instead. D. Simmons responded that he could decrease the CAC figure if he increases the plant's production capacity, in the denominator, to 250,000 from 200,000 gallons. The 250K figure could, theoretically, be supported by adding the non-working WaterBoy to the equation and if the three reverse osmosis units were operating with new membranes. H. Rice withdrew his motion.

MOTION: by D. Thimble, based on the recommendation of D. Simmons, to set the cost of water CAC to \$12.73/gpd. The motion was seconded, a quorum was present and the vote to credit was:

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

The motion carried.

SEWER. Sewer superintendent R. Boucher recommended using a design capacity of 85% and averaging flows over two years as recommended by the engineer.

MOTION: by H. Rice, based on the recommendation of the engineer and superintendent, to set available allocation capacity to 25,683 gpd and the cost of CAC to \$7.17. The motion was seconded, a quorum was present and the vote to credit was:

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

The motion carried.

MOTION: by D. Thimble to set the sewer CAC to \$7.17/gpd as recommended by the engineer and superintendent. The motion was seconded, a quorum was present and the vote to credit was:

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

The motion carried.

E. Taubman stated his legal opinion that if the Commission/Board wished to make changes in the annual calculations, or to the formulas, they should be posted.

Rate Design. The first fall worksession will be held October 24.

5. Management Agreement with Town of New Shoreham.

C. McGinnes noted to the Town Council that the Commission was entertaining changes to the annual agreement between the two parties. First Warden K. Gaffett agreed that several items needed to be updated. The Commission is planning a retreat in December and the Agreement is to be discussed then. E. Taubman noted that the Commission's role in the Wastewater Management plan should be included.

6. Discussion with Town Council.

C. McGinnes asked the superintendents to bring the Town Council up to date on the status of the plants.

R. Boucher said that major renovations to the sewer plant started ~five years ago when all the pump stations received new pumps and valves. The collection system is being sealed against infiltration by rebuilding the street manholes. The treatment plant processes have been upgraded with a new anoxic treatment area which is especially good for marine waste. Both clarifiers have been renovated and we are in the process in replacing the aerating basins. The Narragansett Water Pollution Control Association presented the plant with its "Most Efficient Treatment Plant" award this year.

The Commission was depending on the CDBG (Community Development Building Grant) to complete its construction of two affordable housing units over the service building. The Finance Director stated that other grants are available and will advise. Housing is a priority for employees; we can't pay \$20/hr for labor and not offer affordable housing.

The Parking Lot project is under-utilized. A discussion on the downtown parking problem ensued: enforcement is deficient - cars are permitted to park long-term on the streets and zoning is not requiring new businesses to provide parking for employees or customer when needed.

(N. Dodge leaves at 5:30 pm)

D. Simmons said that in 2001, Block Island Water started reverse osmosis treatment of brackish well water in the deepest aquifer. Two other units have been added since then and we are looking to drill some of the other shallower wells to the same depth as a fail-safe backup. A new force main was installed throughout the downtown area providing more water which in turned encouraged the installation of multiple municipal sprinkler systems. Current projects include installing emergency switches, generators and a sprinkler system. Financially, the company is doing great.

K. Gaffett offered that the web site was fantastic.

Future projects included rebuilding the outfall off Spring Street which has suffered through many storms over the last 30 years, investigating the natural surface flows in the Sands Pond area, and alternate energy applications at both plants.

K. Gaffett asked for input from the Council members. As to expanding the Water District, K. LaCoste suggested that the Board survey for potential customers; although, as a seasonal business owner, he said it would be hard to justify the cost for using municipal water.

The Commission and Board are actively looking for new members.

K. Gaffett thanked the Commission/Board for meeting with them and asked that if that the Council be contacted if they could be of service to their goals.

7. Correspondence, Announcements and Public Comment.

October 24, Water & Sewer Rate Design Workshop – R. Morency. Discussed earlier.

Adjourn.

MOTION: by H. Rice 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: 05 p.m.

Respectfully submitted,
Janet Ziegler
District Clerk

Approved: December 11, 2007

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