



Town of Rockland

SEWER COMMISSION

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Charles Heshion, *Commissioner*
Daniel E. Duross, *Commissioner*
Keith Nastasia, *Superintendent*

Remote Teleconference
Recorded for Public Playback on WRPS
(local cable access tv)
www.wrpsrockland.com

Rockland Sewer Commissioners Meeting
August 19, 2021

In Attendance: Charles Heshion, Dan Duross, Keith Nastasia, Robyn Day, Rick Kotouch, Ed McAuliffe, Elizabeth Zaleski, Attorney Bob Galvin, various members of the public: Paul Bowen, Maureen, Gary Quan, Jack Manchini, Derek DelPrete and Mary Parsons

Motion made by Chuck Heshion, 2nd by Dan Duross to begin the meeting at 7:00 pm, August 19, 2021. All in favor 2-0.

Introductory Remarks

Chuck Heshion, Commissioner.

Approve Minutes of Previous Meetings

Dan Duross agreed to review the RFI response to the EPA.

There was a brief discussion regarding additional costs/additional work associated with the Wright-Pierce contract. The bench test will be removed and the not-to-exceed amount will be added. The Wright-Pierce contract is with the Town Attorney for review.

Motion made by Chuck Heshion, 2nd by Dan Duross, to accept minutes of July 15, 2021 meeting. All in favor 2-0.

Old Business

– Elizabeth Zaleski, Town Accountant

Elizabeth provided an analysis of the sewer system accounting and fund balances from 2010 to present.

To clarify, \$451,022.92 mentioned during our last meeting is not found money but is actually an amount in our fund balance betterments for the sewer department.

The analysis includes cash and operations over the last 11 years; actual revenues vs. actual expenses.

2010 actual revenues \$1,788,308 vs. 2010 actual expenses \$2,226,398; expenses exceeded revenues by \$438,000.

2018 actual revenues vs. actual expenses resulted in a net loss of \$84,000

2019 actual revenues vs. actual expenses resulted in a net loss of \$105,000

2020 actual revenues vs. actual expenses resulted in a net income of \$108,000

2021 actual revenues vs. actual expenses resulted in a projected net loss of \$219,000

Over the course of 2010 – 2021 the overall net loss is \$968,000.

Fund balances definitions/explanations:

encumbrances – expenses before June 30 that you pay in July of the next fiscal year

betterments – (\$451,022.92) paid by residents for hook-ups to the sewer system

expenditures – current articles that are outstanding over the past several years

articles for appropriation – articles voted on in the May town meeting (\$400,000)

unreserved fund balance – estimated undesignated (\$548,000) has been going down and raises concern regarding financial stability in the coming years.

Net loss of \$968,000

Elizabeth's interpretation of the loss is attributed to historically low sewer rates. Without an increase to rates we will continue to go into steeper deficits. Until we start bringing in more profitable enterprise, we will not have funds to cover projects, operations and maintenance.

Her concern is that the sewer rates are too low. The new superintendent and Elizabeth have been discussing the value of conducting a rate study. Her advice is to conduct a rate study to address the downward trend of our net income in order to sustain ourselves and start planning for the future. We need to build revenue to offset the cost of capital improvements, infrastructure in and around the plant, and continued I&I.

She further advises that we should have I&I and the clarifier as budget line items as they are both on-going expenses. We should also look at licensing costs, permit costs, etc. to lower the burden on the rate payers.

Chuck mentioned that moratoriums restrict our revenues; but how do we balance that without getting into problems with the regulators? Biz responded that it is extremely important to get a rate study which we haven't done over the past 15 or so years. Each year our costs increase but our revenues are level. For example, if our contractor goes up 10% and our rates remain level, we have a disparity in what we spend and what we're collecting. The rate study will help to address those disparities.

The biggest trend is the decrease in unreserved fund balance. The more that drops, the less we have to operate.

Biz recommended that future revenue in sewer development charges be moved to a "capital stabilization fund." The vote for a "capital stabilization fund" will take place next May.

An Enterprise fund was created in May. Retained earnings will be for sewer only. Sewer will be independent and accounted for in the Sewer Enterprise Fund only. The DOR will provide a retained earnings statement to the Town Accountant at the end of each fiscal year.

In an emergency situation, any request of funds from the Enterprise fund would need to be voted on at town meeting.

Special Town Meeting articles are already finalized on the warrant for the September 13 meeting.

Article #8 from the Sewer Department, requests that existing articles with unspent balances be repurposed/reallocated to help cover the cost of the digester boiler (estimated close-out of the articles is \$290,000). Articles to be reallocated include Article 15, Article 16, Article 18, Article 71, Article 74 and Article 26.

Accounting is working with Water, Sewer and Highway to build a comprehensive infra-structure plan.

Motion made by Chuck Heshion, 2nd by Dan Duross, to approve Article 8 as Elizabeth explained it. All in favor 2-0.

– **Moratorium**

A vote was passed previously to rescind (2) permits (Beechwood and 365 Concord) that Chuck now feels should not have been rescinded. Since the original vote to rescind was not valid, no vote is required to reverse the previous vote.

Attorney Galvin suggests inviting both developers to a future Sewer Commission meeting to discuss their respective projects.

Keith agrees to reach out to both developers, to come before the Sewer Board in October or November.

– **EPA Update**

Keith provided the EPA with a summary of all data for years 2006 – 2021.

– **CWMP (Comprehensive Wastewater Management Plan)**

Tabled.

– **Senior Discount**

It was decided that without a rate study, it is not prudent to offer a senior discount at this time.

Superintendent Update

– **SSES (Sewer System Evaluation Study)**

The Superintendent, working with Suez personnel, has identified and repaired several areas of I&I recently. Keith has put together a document identifying work that David Taylor and Keith have done over the last couple of years, resulting in approximately 300,000 gallons of flow being removed. Kathy Corrigan vs. the new baseball camp went from 132,000 gallons down to 23,000, removing 109,000

gallons on this project alone. The analysis does not include work being done at the elementary school project. Keith used actual consumption data (meter usage) for the report. Keith will share the report with Chuck and Dan. Going forward, Keith will continue to track I&I using consumption data.

Chuck states that we may be able to lift the moratorium based on this data.

When AECOM has their report ready, Chuck would like them to appear before the Board to present the data and explain how they gathered the data.

The Rate Study is underway with Weston & Sampson. No bid was necessary; they provided a proposal. Chuck advises that Tighe & Bond may have done a previous regional rate study in 2018/2019, not specific to Rockland. Keith feels that any data from that analysis may not be relevant to today. The current rate study looks at Rockland only and takes into account operating costs, revenue and future capital projects; \$54M treatment plant, \$20M I&I, Operational Costs and revenues brought in. Projections can be spread over 10, 20 and 30 years to determine the rate.

Chuck agrees that the \$38,000 fee for the study is money well spent. Keith will forward the Weston & Sampson proposal to the Commissioners.

Keith is looking into adding a P/T clerical (union) position to the sewer staff. During a meeting with water, sewer, trash and the Town Accountant it was noted that the same person should not be billing, applying payments, processing refunds and abatements. The other utilities have separation of duties and sewer should, as well. Keith will provide a job description and memo detailing the need for a P/T person.

Butternut Ejector Station project is out for bid with a deadline of August 31. Two vendors, Ardent Group and Weston & Sampson Operational Services, participated in the mandatory walk-through this past Tuesday.

Suez Update

We exceeded the flow at 3.4 MGD; we also had over 8" of rain during July. We also exceeded our bio-toxicity. We haven't exceeded our bio-toxicity since last April. Both events were due to high flow.

For 2021, we have not bypassed any flow; we've treated every gallon that has come through the plant. When the flow gets high, we use the Godwin pump to (shave) the flow, protecting the facility from processing upsets. Our capacity is designed for 2.5 MGD; but with 3.4 MGD coming through every day we've shaved 1.75 MGD with zero discharge to the receiving stream. It looks like we're going to violate in August also, as we have had over 6" of rain already this month and more rain is expected.

The facility is running excellent in spite of the abnormally high flows this summer. The rolling average has been trending upward and is currently about 2.6 MGD.

Ed will forward a copy of the monthly Suez report to the Commissioners.

Biochar Now is proposing to conduct a free phosphorous study at the plant. This pilot program is expected to remove almost all of the phosphorous down to a non-detect level. The process is for us to suspend bags of their material in our wastewater tanks which, in theory, will remove the phosphorous. We would be the first wastewater plant to test their product. Participation in the study is free.

We were selected by the US Government Health and Human Services to participate in a Covid-19 Surveillance Program with Biobot Analytics out of Cambridge. They have been testing the raw influent at the plant over the past (3) weeks for Covid-19. We've supplied them with (5) samples for testing. Rick is awaiting their final report.

Chuck has been speaking with Northeastern University on a joint venture with Boston University where they would use students to sample/test influent. Chuck will share details as they become available.

Public Forum

Resident Mary Parsons shared that she has contacted David Turin of the EPA who confirmed that they have received the information requested from the Sewer Department and they are reviewing it.

She asked for clarification on who makes decisions for the Sewer Department and Chuck clarified that it is the Board of Sewer Commissioners.

Mary Parsons sent Chuck the Special Articles from the town website. Chuck requested that Keith share a copy of the Articles with Dan Duross.

Next Meeting is scheduled for 7:00 PM on September 16. Keith suggested changing the time back to 4:00 PM as he may have a conflict with the 7:00 PM time slot. Chuck prefers 7:00 PM and tells Keith if he has any conflicts with a specific date in the future to bring it to Chuck's attention.

Motion made by Chuck Heshion, 2nd by Dan Duross, to adjourn at 8:20 pm. All in favor 2-0.

