

**Attendees**

***Water and Sewerage Board Members***

Clair Meehan  
 Christian Carpenter  
 Bill Harvey  
 Dave Pucci - Associate Member

***Town***

Frank Gervasio – Town

***Water & Sewerage Board Meeting***

**Agenda**

1. Public Hearing - Water and Sewerage Fee Rate Setting
  - a. Presentation on rate setting methodology
  - b. Water and sewerage financials
  - c. Rate setting model and parameters
  - d. Rate setting model and parameters
  - e. Rate recommended by Enterprise Committee
  - f. Questions from the public
2. Medfield Board of Water and Sewerage Meeting
  - a. Vote to promulgate new water and sewerage rates
  - b. Approval of outstanding meeting minutes 03 May 2023 and 10 July 2023
  - c. Holdover actions update
  - d. Review expenses year to date
  - e. Filtration project - Opening Ceremony date
  - f. Liaison updates

**New Action Items during This Meeting**

#	Item	Responsible	Due
1.	F. Gervasio to post rate hearing presentation to Town website	F. Gervasio	September 2023
2.	Follow up on status of meeting minutes to be posted to Town website	F. Gervasio	September 2023
3.	Follow up on ARPA funding availability for Harding Street infiltration and inflow infrastructure improvement project	F. Gervasio	September 2023
4.	Meeting with Town Counsel regarding betterments and special assessment limits and best practices	B. Harvey/F. Gervasio	September 2023
5.	Confirm eligibility of ARPA funding for Harding Street infiltration and inflow infrastructure project	M. Goulet/F. Gervasio	September 2023
6.	Follow up with Select Board regarding ribbon cutting for the water treatment plant	F. Gervasio	September 2023

7.	Present topic of emergency service agreements with neighboring towns to Select Board	F. Gervasio	September 2023
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**Holdover Action Items**

#	Item	Responsible	Due
1.	Send Environmental Partners Elm Street sewerage line extension report to Conservation Commission and Board of Health	C. Meehan/D. Pucci	September 2023
2.	Provide additional analysis on water and sewer connection fees of neighboring towns	M. Goulet	September 2023
3.	Follow up on betterment and special assessment process	F. Gervasio	September 2023

The Board Meeting was called to order at 10:00am.

**1. Public Hearing - Water and Sewerage Fee Rate Setting**

B. Harvey opened the public hearing on rate setting for water and sewerage usage for Fiscal Year 2024, which would be effective April 1, 2023. He proceeded with a prepared presentation that initially covered the scope of the water and sewerage services available and provided to residents as well as how these services are funded and managed as enterprise funds separate from the Town’s General Fund. He then provided a summary of the rate setting process, which began with the approval of the water and sewer funds’ operating and capital projects for FY2024 at the Annual Town Meeting in May 2023. The approved budget and capital project financial data was then input into a financial model, which assists the Board in determining recommended rates for the upcoming fiscal year.

The next step in the process is for the Enterprise Fund Committee to review the recommendations, which is then followed by the current public hearing. B. Harvey noted that following the conclusion of the public hearing, the Board would hold a vote on promulgating new rates for FY 2024. When determining rate levels, the Board considers the operational and capital investment needs anticipated for the next five years, not just the upcoming year. The Board has the state priority of maintaining \$1 million in retained earnings, also referred to as free cash, for each of the funds. B. Harvey noted various challenges and revenue restraints faced by each of the departments, including that revenue streams are tied to customer behavior, and limits on how much water the Town is permitted to pump. In addition, federal and state regulators can determine if capital investments may be required for water or wastewater treatment.

B. Harvey presented a slide showing Medfield’s annual water pumping data from 2014 to date. The year-to-date data through July 2023 showed pumping totals in line with prior year activity despite early drought prompting Tier 3 water restrictions in the spring.

In terms of water operations, B. Harvey expected that steady demand would be seen through July. Additionally, the new water filtration plan is now online. Bond proceeds originally intended for the project remain and funds unused by the filter project that are available to be allocated towards water main capital projects. He noted that it was expected that the billing cycle for water and sewerage would be shifted from twice a year to quarterly in calendar year 2024. Customers can also expect to have real-time visibility of their consumption and the ability to be notified if they are using more water than usual.

PFAS levels in Medfield's are below action levels currently, however, federal and state regulations governing these levels are under review and may be updated towards the end of calendar year 2023.

The sewerage department managed a number of required upgrades in fall 2022, and these have continued into 2023. The focus for FY 2024 will be inflow and infiltration improvements for sewer mains. The Board may look to a low-interest loan from the EPA Clean Water Act State Revolving Fund or American Rescue Plan Act (ARPA) funds for these projects. A list of sewerage projects already funded through ARPA was also presented, totaling \$1,107,104. This reduces the need for the Board to use the fund's retaining earnings for capital purposes.

B. Harvey then presented an analysis of the total cash on hand for both funds, noting that in addition to retained earnings the funds have funds already committed for specific purposes, such as for emergency reserves or an individual capital project. The following slides of the presentation showed prior years' balances of retained earnings as well as projected balances for upcoming years based on the rate model's current assumptions. The charts also included actual and projected expenditures and revenues. Around \$866,000 in available retained earnings was projected for Fiscal Year 2024, and around \$895,000 in available retained earnings.

B. Harvey then covered a slide showing both funds' prior years' rate increases as well as projected increases in the financial model's current assumptions. The chart showed a higher increase in rates to pay for the new filtration project and other improvements. The current year's proposed increases of 4% for water and 3% for sewer were lower than anticipated. The rate model now projects annual rate increases of 3% for water and 2% for sewer from FY 2025 through FY2028. The current year proposed increases have been approved by the Enterprise Committee.

B. Harvey then opened the floor to fellow Board members and members of the public for comments and questions. There were none.

On a motion by C. Meehan and seconded by C. Carpenter, the Board voted unanimously to close the public hearing.

## **2. Medfield Board of Water and Sewerage Meeting**

- a. B. Harvey called the Board's regularly scheduled meeting to order. F. Gervasio added that a question had come up from Christine McCue-Potts of 7 Curve Street about whether anyone was attending the meeting in person, and a follow up question about those joining the meeting via Zoom. There were no other members of the general public attending the meeting virtually or in person. F. Gervasio was assigned the task of posting the public hearing presentation to the Town website.

On a motion by C. Carpenter and seconded by C. Meehan, the Board unanimously approved a water rate increase of 4% across all tiers effective April 1st, 2023.

On a motion C. Meehan and seconded C. Carpenter, the Board unanimously approved a sewer rate increase of 3% across all tiers effective April 1st, 2023.

- b. The Board then moved on to outstanding meeting minutes. For the 03 May 2023 meeting minutes, F. Gervasio is to note that the acronym "RE" included in the minutes refers to retained earnings.

On the 10 July meeting minutes, F. Gervasio is to change the time the Enterprise Committee meeting started at 3:00pm. In addition, there is an extra period on item number 6.

On a motion by C. Meehan and second by C. Carpenter, the Board unanimously approved the meeting minutes for 03 May and 10 July as amended.

F. Gervasio was also to follow up on the status of meeting minutes being posted on the Town's website.

- c. B. Harvey began a review of holdover actions:
  - i. Send Environmental Partners Elm Street sewerage line extension report to Conservation Commission and Board of Health: C. Meehan had sent this to the Conservation Commission, and D. Pucci was working to receive all of the materials from C. Meehan and would then send them to the Board of Health.
  - ii. Follow up on betterment and special assessment process: B. Harvey noted that F. Gervasio had confirmed with Town Counsel that there is no established limit on the amount of a betterment or special assessment to be calculated. However, there could be significant consequences from setting the precedent that the Town would undertake a large financial burden to benefit a single resident. F. Gervasio and B. Harvey are to meet with Town Counsel in mid-September.
  - iii. Follow up on ARPA funding availability for Harding Street infiltration and inflow infrastructure improvement project: F. Gervasio stated that the Town has around \$600,000 in ARPA funding remaining, but could not confirm to what extent the total amount would be available for this project. Any use of the funds would require the approval by the Select Board to request Norfolk County for use of the funds. It remains unclear if the Town could use both ARPA funding and State

Revolving Funds for this project.. F. Gervasio and M. Goulet are to confirm with Woodard & Curran and others as needed.

- iv. Follow up on on presentation materials for rate setting public hearing: Complete.
  - v. Provide additional analysis on water and sewer connection fees of neighboring towns: M. Goulet was unable to attend the meeting, and an update will be provided at the next meeting.
- d. B. Harvey distributed a summary of year-to-date expenses for the water and sewer funds that M. Goulet had sent him. The summary showed 18.8% of the water budget expended, and 17.5% of the sewer budget expended.
- e. B. Harvey stated that Mike Quinlan was to provide potential dates for a ribbon cutting ceremony for the new water filtration plant. It was discussed how Board members were not aware of any recent updates regarding the project or any status update meetings for involved parties that had previously been held. He also noted that the Board had asked Tom Erb of the Permanent Building and Planning Committee for clarity on how an impending claim regarding the location of new pipe constructed onsite will be handled. The dollar figure for this claim has not been communicated to the Board. B. Harvey would like clarity on if the issue were to be brought to court, if the enterprise fund would pay for the associated legal costs.
- B. Harvey asked if there was a plan for the building to be dedicated to anyone, to which F. Gervasio replied that he was not aware of one. F. Gervasio was to follow up by requesting the discussion be added to the Select Board's meeting agenda for their next meeting on September 12th.
- f. B. Harvey stated that he would be speaking with the Select Board about emergency service agreements with neighboring towns to assist in the case of a catastrophic failure of Medfield's infrastructure. He will recommend the establishment of such a mutual aid agreement at their next meeting.

**The Board agreed to hold its next meeting at 8:00 am on September 29, 2023.**

C. Carpenter, motioned to adjourn the meeting, C. Meehan seconded. The Board voted to adjourn unanimously.

The meeting adjourned at 8:15pm.