

Foxboro Board of Water and Sewer Commissioners

Open Meeting Minutes

March 16, 2021

Members in Attendance: Mike Stanton, Chairman; Richard Pacella, Vice Chairman; and Robert Garber, Secretary

Others in Attendance: Bob Worthley, Superintendent (Remote); Chris Gallagher, DPW Director

The meeting was called to order at 7:00 p.m. by Chairman Stanton.

Discuss Rate Increase

The water and sewer rate study was revised from 10 days prior. Clarification was made on Reserves/Free Cash. The revision updated the ending fiscal year free cash balance, and the amount to be used to offset an increase in budget, while maintaining the rate increase at 6%. Discussions were held with George Samia, Finance Director, regarding what the operating reserve should be, based upon our annual budget and the financial policies previously adopted by the Town and Water and Sewer Commission. Conservative numbers were given on FY22 revenue, projecting a significant return to free cash on the current (FY21) budget.

Mike Stanton wondered if there were any projected staffing changes for FY22. Chris Gallagher said that the Department is fully staffed. The salary budget is based on the current staff, and salary increases are budgeted per the union contracts.

Mike Stanton discussed the intent of the Reserve Fund. Going forward, there will be \$1 million per year budgeted as rate-funded capital. Beginning in FY25, the Board's policy will be to budget \$1 million for capital/infrastructure upgrades. Rich Pacella said that he always understand that major upgrades were needed, and at some point that would level out to annual pipe replacements projects.

Mike Stanton asked Bob Worthley if he was satisfied with \$1 Million per year to make improvements on the system. Bob Worthley explained that \$1 Million per year equates to approximately one mile of pipe, and that this is a good way to make infrastructure upgrades on an annual basis.

Bob Garber motioned to advertise the water rate hearing with an increase not to exceed 6%. Mike Stanton seconded the motion. Rich Pacella stated the he would like to consider advertising an increase of up to 8%, with the current intention of approving 6% at the rate hearing. Doing this will allow additional time to review the rate study, to make sure that the FY23 budget and beyond can be maintained with similar rate increases. Mike Stanton said that a motion was made and seconded for the rates not to exceed 6%. Bob Garber made a motion to amend the original motion to advertise an increase not to exceed 8%. Rich Pacella seconded the motion. The amended motion passed three in favor; zero against.

Rich Pacella made a motion to advertise the sewer rate hearing with an increase not to exceed 8%. Bob Garber seconded the motion. The motion was approved with three in favor; zero against. Mike Stanton said that the Board will continue to look at future years prior to the rate hearing.

Rich Pacella asked if the Department was also building the reserves for sewer as it is for water. Mike Stanton noted that the sewer capacity is being sold to fund the MFN plant expansion. The funding came in with 0% interest. Chris Gallagher also noted that the majority of the sewer system is relatively new, within the last 30 years. Maintenance on the sewer mains are not at their life span, and will not be for

another 20-30 years. The sewer rate study shows the same reserve fund as water, and after FY25, the study shows \$1 Million.

Superintendent's Report

Recent leak detection is showing services with breaks on the homeowner side of the curb stop. The Commission is in full support of implementing a shut-off procedure in order to get the leaks fixed by the property owner.

Mike Stanton asked if the department is satisfied with work being done toward reducing UAW. Bob Worthley responded that meters are all electronically read, and that the Department is working on an update for the Itron reading hardware/software system, along with completing the Munis Utility Billing upgrade.

Upon motion duly made by Robert Garber and seconded by Richard Pacella, it was voted to adjourn at 7:45 p.m.

These minutes of March 16, 2021 were approved on September 14, 2021.



Robert T. Garber, Clerk