

## Minutes of 2/07/23 Sewer Commission Budget Workshop– via Zoom (Video Conference)

**Attendees:** Chair- John Reynolds, Vice-Chair- Brett Ramsden, Member: Mike Nault, DPW Director- Bill Bernard, Business Manager-Barb Lefebvre, Assistant Business Manager- Paula Bertram and Minutes Clerk- Jane Ranley

**Absent:** Mike Deveikis and Dave MacDonald

John opened the meeting at 6:02 pm. and did a roll call of attendees. The Commission began the meeting by saying the Pledge of Allegiance.

**PUBLIC COMMENT-** John stated that he'd put in a deduct/irrigation meter this week. He noted that the Commission requires a copy of the plumbing permit be submitted to the Sewer Department when the sign-off of the plumbing inspector is submitted, which does not make sense. The plumbing inspector would not sign-off if he did not have a permit. He suggested the Commission discuss it at the next meeting.

### **CURRENT BUSINESS-**

**FY24 Budget discussion-** Barb screen-shared the FY24 Budget draft and John clarified they will be reviewing the individual line items for the budget. Barb went over the figures for **Revenues**, explaining her formulas for calculation. Expected user charges are \$1.2M. (927 users), Deduct meters - \$2,800 for 54 users, Connection Fees - \$17K (assuming 6 new connections), Sewer Bank and Drain Layer fees. **Grease Trap permit fees** – Commission discussed not charging any fees to those compliant, however Barb noted even compliant accounts involve administrative time. She proposed charging \$50 for internal traps and \$100 for external interceptors if compliant. They are not allowed to budget for non-compliant fees, as they are unpredictable. Barb clarified that the Reserve Capacity fees are collected on an expanded use and put aside for any future expense for capacity by Fitchburg or Leominster. The **Reserve Capacity Fund** transfer for the John Fitch Highway debt is fully-funded this year but will need to pull from funds for next year. **Sewer bank-** \$9,900 was collected last year and put in stabilization. We are required to spend money every year on I/I remediation and for this budget we've estimated spending \$10K. The **Capital Reserve Fund** transfer is for unplanned expenses. The 3 ARPA funding requests that are included in revenues are spent in Capital Expenditures, so they are 'a wash'. Barb will talk with the Town Manager regarding having these funds included in this budget.

**Payroll** – has largely estimated figures as there will be changes in the department and there is also a Cost Of Living (COLA) increase of 3.5%.

**Purchase of Service – Infrastructure – Pump station repairs** – for \$20K. Paula noted that she'd reviewed the Sewer Maintenance Report and asked Bill to clarify what the \$20K addresses. Bill replied the system is getting older and they have been upgrading certain systems. In 2020, they spent \$47K, so he bumped it up to \$20K from \$10K last year. Paula asked if safety issues at the pump stations in the report have been addressed. Bill agreed that it needs to be looked at and Barb added that Al Packard(pump station contractor) may have addressed some of the issues. Paula asked about money in the budget for a tracking system activity. Barb replied they keep logs for pump station activity in Excel worksheets. John noted the Commission used to get Excel spreadsheets almost every meeting and Barb replied Al is working on getting us the electronic reports. John suggested looking into formalizing it and consider adding it to the CTE contract. Paula suggested that they look at issues at Dana St., Francis Ave., Leominster Rd., Twin City, Mass Ave #1, and West St. Bill said the safety issues would be for laypersons entering the station and he will discuss this with Al. Barb noted a 3-year O&M contract will need to be renegotiated for the coming fiscal year and will need to go out to bid. **Sewer lines-**Jetting increased to \$15K. **Manhole repairs** - \$10K. **Meter pits/flow meters** – \$5,400 for lease of the meters. **I/I Remediation** - \$10K. **Outsourcing** – was increased to \$120K for the new O&M contract because it will be a new contract. Generator Maintenance Contract with Weld- \$7K. **Administration consulting services** – Paula noted this item is to fund having Barb come in to consult and/or cover the office as needed after she retires. John pointed out it is a new line for \$12K and all agreed. **Billing outsourcing** – Barb stated that this item had been for outsourcing the bill print and stuffing process but she has taken it off since they are not actively pursuing this option. Paula added Munis offers a bill and stuff services which they could explore in future years. Barb added that Munis offers emailing for billing with the cloud-based upgrade and Paula will look into it. Barb noted that they have been using the classic version of Munis but will eventually be on the cloud with Munis. **Meter reading licensing**-is the Northern Data contract. **Sewer stub installation** – to pay for locating a stub that cannot be located by an as-built or ties. **Legal** – budgeted yearly at \$5K. Barb stated the IMA with Leominster is

expiring the end of June 2024 and they may want Town Counsel to be involved. If so, they may want to increase the figure. **Engineering services** – was increased to \$30K because of the 40B questions and pump station upgrades, plus \$5K for flow meter data and calibration, for a total of \$35K.

**Utilities** – are projected estimates for water, electricity, postage, phone, and diesel fuel.

**Other Departmental Expenses**- Barb stated these are nominal amounts for Advertising (posting hearings in the Ledger), Office and Field supplies and Subscription to the Ledger. **Capital plan** -was set at \$96K in case the ARPA Funds are not received (\$56K for planned pump station upgrades and \$40K manhole maintenance). If ARPA funds become available, they will track them under Capital. Bill noted the manhole repair involves patching the inside for I/I. Paula asked if they would add manhole inspection to the RFP for the new O&M contract and Bill replied it would be better to use a consultant. John noted Wright Pierce did an inspection of every manhole. Paula stated the 2020 Maintenance Plan noted they inspected 392 manholes in 2014 and recommended corrective actions. Capital also includes **Leominster Debt Service** (increased to \$56K for FY24 for additional debt coming due) and **Fitchburg Debt** (JF Highway improvement). **Leominster Usage** is projected as \$520K and **Fitchburg Usage** as \$220K.

**Leominster connections** – Barb noted they pay \$750 for every connection and is based on 5 residential connections. **Fitchburg connections** estimate is set at 1 connection for \$2000. **Indirect costs** – come from the town accountant and again, they are estimated with personnel changes and cover fringe benefits and health insurance. Barb noted the transfer is \$87K and includes 15% of Bill's time. John summarized by saying that there is nothing to reduce or eliminate in this operating budget, but they may need more money for some items. **Town Meeting transfers** - Barb stated they historically transfer 3% of revenue to Capital Reserve/Stabilization Fund for emergencies of substantial nature. **OPEB funding**- usually put \$656 since FY19 but Barb suggested increasing to \$1K and will discuss with the Town Accountant. **Reserve capacity transfer** – Barb noted that per the notes from last year, the plan was to transfer 20% of the Stabilization Fund balance for the next 5 years to defray the JF Highway costs and Leominster debt service. She re-stated that the ARPA money, if received, will appear in revenues and spent as expenses.

**Total Expenses**- \$2.1 million and **Total revenues**- \$ 1.9 million. Barb added the deficit of \$183K will be adjusted after she works through the betterments and debt service. The Commission does not need to balance it now as this is just a preliminary operating budget draft for the Town Manager. The Commission will discuss the budget in future meetings. Paula noted the Wright Pierce 2014 report showed 5 manholes needing significant improvements and 42 needing moderate. Barb said they have been working on them and John suggested using the original report noting the 392 manholes inspected to track work done. Barb noted that there is a manholes spreadsheet that should indicate when work has been done.

**Public Comment** – none

**UPCOMING SCHEDULED SEWER COMMISSION ACTIVITIES:**

February 14, 2023 @ 6pm – Regular Meeting, Remote Participation

**Motion:** Brett R.  
To adjourn at 7:30pm

**Second:** Mike N.  
**Roll Call Vote:** Brett-aye, Mike N.-aye, and John-aye.

Respectfully submitted,



Jane L. Ranley  
Minutes Clerk

**Handouts:** FY24 Budget draft was screen-shared.