

Board of Water Commissioners

Meeting Agenda

Monday, January 13, 2025 @ 7:00 PM

AGENDA

- Comments from the public
- Approve minutes from the meeting of 12/23
- Appoint one Commissioner to sign warrants while conducting meetings virtually

OLD BUSINESS:

- Per- and Polyfluoroalkyl Substances (PFAS)
- Current sample data, if available
- Discussion of Additional PFAS Upgrades
- Bottled Water Rebate update
- Kelley's Corner Update
- Review Draft Budget for FY '26 and proposed articles for 2025 Annual District Meeting Warrant

NEW BUSINESS:

- Discuss Commissioners Annual report
- Update on the District's water conservation & efficiency programs
- Discussion of Power Purchase Options

Present at Tonight's Meeting:

Commissioners: Barry Rosen (Chair), Erika Amir Lin, Stephen Stuntz

Finance Committee: John Petersen

District Manager: Matt Mostoller

District Treasurer: Christine McCarthy

Environmental Compliance Manager: Katy Orciuch

Public: Bill Guthlein, Ron Parenti

START OF MINUTES

Mr. Rosen opened the meeting at 7:01pm.

Comments from the public

None at this point in time.

Approve minutes from the meeting of 12/23

Mr. Rosen motioned to approve the minutes from the meeting of 12/23/24. Mr. Stuntz seconded, and it was unanimously approved via a roll call vote, Ms. Amir Lin, Mr. Stuntz, Mr. Rosen.

Appoint one Commissioner to sign warrants while conducting meetings virtually

Mr. Rosen motioned to appoint Mr. Stuntz to sign warrants until the next regularly scheduled meeting. Ms. Amir Lin seconded, and it was unanimously approved via a roll call vote, Ms. Amir Lin, Mr. Stuntz, Mr. Rosen.

OLD BUSINESS:

Per- and Polyfluoroalkyl Substances (PFAS)

Current sample data, if available

Mr. Mostoller informed the board that raw water samples were collected at the end of December, and January samples had not been collected yet. As discussed in the previous meeting, sample results from South Acton have been increasing but have not yet crossed the state MCL. The raw water at South Acton suggested two specific wells, Christofferson and Scribner, driving that increase in PFAS sample results. Additional sampling will be completed in the coming weeks.

Discussion of Additional PFAS Upgrades

Mr. Mostoller shared several photos of project progress on the screen. In South Acton most of the perimeter wall is in place, and the foundation is built in a way to allow ongoing work. Mr. Mostoller shared photos of the work inside the walls, and the electrical conduit.

On the Center Acton project, he shared photos of the site, the tent the General Contractor used to continue concrete work, and work being done inside the tent. Mr. Mostoller then covered work on the bedrock wells, the meter vault, and the pitless adaptors. Mr. Mostoller estimated that the bedrock wells may be ready in May.

Mr. Mostoller then reported that at the most recent progress meeting for both the Center and South Acton projects, the filtration equipment vendor reported that they will again have to delay delivery of the vessels. The vessels were originally set to be delivered in November, which was then pushed to early January. In December that January date was then pushed to February, and during the January meeting the February date was pushed to the end of March. Mr. Mostoller will meet with both project teams to discuss the delay, how to keep the project moving, and what recourse they may have with the vendor.

Mr. Stuntz asked for the reason for the delay, and Mr. Mostoller reported that a retooling project of a factory in Florida is the cause of the delay. Mr. Mostoller noted this delay is not a big concern for South Acton, but for the Center Acton project no vertical construction can happen until the vessels are in place. They are examining possible solutions, and if the vessels may be partially shipped.

Mr. John Petersen asked if the board would update citizens on these projects in progress at the Annual Meeting. Mr. Rosen responded they have not gotten that far in planning.

Bottled Water Rebate Update

Ms. McCarthy reported that rebates for the past quarter totaled \$7,155. The program had no additional applicants and 7 people left the program because they moved, sold their home, or were no longer eligible. The majority of the rebate appeared as a credit to homeowners.

Kelley's Corner Update

Mr. Mostoller informed the board that the final connection was completed today. The water portion of this project is essentially done with only minor work, such as adjusting gate boxes during paving to remain. Mr. Mostoller thanked Charles Rouleau and Robert Dionne, as the primary District inspectors on this project. Invoicing typically lags behind the work completed, but there was only one minor change order that is currently working its way through the system. Mr. Mostoller expects this project to be in good financial shape. Mr. Mostoller then reviewed how this update fits into the larger construction project, and the benefits of this work in Kelley's Corner.

Review Draft Budget for FY '26 and proposed articles for 2025 Annual District Meeting Warrant

Mr. Mostoller presented the second iteration of the FY 26 Budget and reviewed the changes from the last iteration. The \$100,000 for media is now in the operating budget, \$60,000 is

set for the acquisition of a service truck instead of doing a separate appropriation. The projected revenue for new service connections and demand fees has been increased as Mr. Mostoller and Ms. McCarthy can confidently say they will see that minimum being reached in the coming fiscal year. The last major change reflects a 3% rate increase.

The budget is still carrying \$400,000 for meter replacement. The Finance Committee at their last meeting voted to recommend spreading the cost of meters out over a longer term. Mr. Mostoller and Ms. McCarthy do not yet know what that set up would exactly be and are asking the board for their input before they begin to investigate this recommendation.

The board then began discussion on this topic, Mr. Stuntz said such a set up would likely include borrowing of some kind. Mr. Rosen asked if this recommendation entailed only funding 25% in the first year or using a revolving fund, to which Mr. Mostoller replied with information about the installation process. The commissioners continue to hypothesize what this set up would look like and the challenges with each model.

Ms. Amir Lin asked if the rate increase is being largely driven by the meters, and if that line of thinking is driving this recommendation to spread out the meter expense. Mr. Mostoller responded that this recommendation sees the meters as a capital expense, which are usually paid over multiple years with free cash.

Mr. Petersen responded to explain the Finance Committee's insight into this recommendation, which included the service life of meters, the operating budget and free cash position, and the rate increase.

Mr. Mostoller clarified that the cost of the meter replacement is not driving the rate increase. The 3% increase is tracking for inflation, and is partially affected by the service truck acquisition, the media replacement, and the current free cash position. He added that the meter replacement could be considered a capital expenditure but because it's a routine replacement it might not be an ideal expense for borrowing as opposed to the larger capital projects.

Mr. Stuntz agreed with Ms. Amir Lin that it is likely not ideal to borrow for this kind of project. Mr. Rosen agreed with that as well and noted the consensus of the commissioners on this topic. Mr. Petersen, Mr. Mostoller and Ms. McCarthy then briefly reviewed the costs for the replacement over a 4-year span. Ms. McCarthy noted that because the meter replacement will take several years, they can choose a hybrid option down the road and revisit the borrowing proposal at a later phase if desired.

Mr. Rosen then asked if they knew how many units the yearly meter line item would cover, which Mr. Mostoller reported they are still working through. The board and Mr. Mostoller then continued to discuss how the cost could be broken up over four years, issues that may delay the process like a lag in customer response, and comparing the meter replacement costs with the water main replacement costs.

The board then changed over to review the proposed warrant articles for the upcoming annual meeting. Mr. Rosen reviewed the proposed articles. Mr. Mostoller noted that the media replacement as it's set up will provide preauthorization to borrow money, which would enable them to act more quickly, should we need to access additional money for filtration media. The board had no issues over the warrant articles as currently drafted.

Mr. Rosen commented that last year he received feedback that people wanted more explanation on warrant articles, and he wanted to ask the board for their thoughts on how to approach this feedback. The board began their discussion. Ms. Amir Lin noted that some articles are straightforward enough that they may not need explanation, and Mr. Mostoller noted that the commissioners provide extra information when the article is presented. The board continued to discuss how to approach this, noting that an additional booklet is likely not necessary, but articles about mitigation or revolving funds are confusing and could use some explanation.

Mr. Petersen commented that he would be in favor of more information in multiple formats, text and spoken out loud not unlike what was done for the special meeting this year. The board wrapped up their discussion on this item.

NEW BUSINESS:

Discuss Commissioners Annual Report

Mr. Rosen and Mr. Mostoller were pleased with the current draft of the Commissioners Annual Report. Ms. Amir Lin and Mr. Stuntz did share their feedback on several clarifying points but felt the report was in good shape. Mr. Rosen and Mr. Mostoller will continue to coordinate to finalize this report.

Mr. Rosen returned to Mr. Petersen's earlier question about providing project updates at the annual meeting. The board discussed this idea, covering how the annual report does summarize the year, and project updates are done every two weeks at the regular meetings. Mr. Stuntz suggested displaying the photos Mr. Mostoller shared tonight so people could more easily see the progress. Mr. Petersen agreed with this suggestion and added that a poster with a small article on it could be very impactful at the annual meeting.

Mr. Petersen and the board then discussed the finance committee's draft letter.

Update on the District's Water Conservation & Efficiency Programs

Ms. Orciuch shared that this year's rebate programs totaled \$6,009. An additional \$1,500 was provided in rain barrel incentives. Applications for toilet rebates increased, while applications for washing machines and fixtures both decreased; applications are coming in on a regular basis.

Mr. Rosen asked about the flushometer program, which Mr. Mostoller reported is open but had no applications since its inception. Mr. Mostoller then went into their goals to ramp up programs for commercial and industrial customers. The overall program has not reached the traditional \$10,000 cap.

Mr. Rosen motioned to continue the rebate and incentive program up to a ceiling of \$10,000 per calendar year for 2025. Ms. Amir Lin seconded, and it was unanimously approved via a roll call vote, Ms. Amir Lin, Mr. Stuntz, Mr. Rosen.

Discussion of Power Purchase Options

Mr. Mostoller updated the board on their previous discussion of joining the Acton Power Choice program. They are now in a position where they are close to getting caught up on their solar program credits. Staff recently spoke with the Acton Sustainability Office, who informed them that the town uses a third-party energy contractor instead of the Acton Power Choice program. Ms. Orciuch and other staff are looking for other energy alternatives that could provide additional cost savings, they have received a proposal that they will begin to evaluate and present at a future meeting.

Mr. Mostoller then informed the board how their direction to balance cost savings with renewable energy contribution informed their proposal evaluation metrics. Mr. Mostoller then briefly went over some of the early conversations in the proposal process. Mr. Mostoller and Ms. Orciuch continue to make progress on exploring energy alternatives to lower the District's costs, improve the predictability of their energy costs, and to better understand their energy portfolio.

Mr. Stuntz motioned to adjourn the meeting. Ms. Amir Lin seconded, and it was unanimously approved via a roll call vote, Ms. Amir Lin, Mr. Stuntz, Mr. Rosen.

Meeting Closed at 8:23 pm.