

Board of Water Commissioners

Meeting Agenda

Monday, December 23, 2024 @ 7:00 PM

**AGENDA**

- Comments from the public
- Approve minutes from the meeting of 12/9
- 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
- Kelley's Corner Update

NEW BUSINESS:

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

EXECUTIVE SESSION: -- To consider the purchase, exchange, lease of real property as an open meeting may have a detrimental effect on the negotiating position of the District.

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

Members of the Public: Alissa Nicol, Ron Parenti

## **START OF MINUTES**

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

### **Comments from the public**

None at this time.

### **Approve minutes from the meeting of 12/9**

Mr. Stuntz motioned to approve the minutes of 12/9/24. Ms. Amir Lin 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. Stuntz motioned to appoint Mr. Rosen 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 reported the December sampling results to the board. North Acton remains at non-detect. South Acton increased to 19.7 ppt, and Center Acton is not contributing to the system in December. They do not anticipate using Center Acton until January.

Due to the increased concentrations in South Acton, Ms. Orciuch plans to sample raw water at the wells later this week to see if any specific well is driving that sample result. Despite the increase in South Acton results, Mr. Mostoller expects to be in compliance for the fourth quarter, but there may be concern for the first quarter of the new year if this trend continues.

Mr. Rosen asked how many samples over the MCL would trigger the public notice requirement. Mr. Mostoller said it is based on a quarterly average.

##### **Discussion of Additional PFAS Upgrades**

Mr. Mostoller reported to the board that both PFAS projects continue to make progress. Mr. Mostoller spoke with Senator Eldridge about the issue with the new plumbing code

bathroom requirement. Senator Eldridge is aware of the issue and asked for more information.

Mr. Mostoller received the final paperwork for the North Acton Bond Issuance. Ms. McCarthy will reach out to the commissioners for their signatures.

Mr. Mostoller reported that they received a letter indicating loan forgiveness for the Center and South Acton projects, which has been very fortunate. Mr. Mostoller explained that the Clean Water Trust has been very busy relative to financing drinking water projects and funding from the Trust will be tight going forward. Mr. Mostoller emphasized that the district had very good timing in acting on PFAS when they did.

### **Kelley's Corner Update**

Mr. Mostoller informed the board that the construction crew continues to make good progress on this project. There are 2-3 services left. The final piece of this project will be the connection from the new main to the existing main in the vicinity of Acton Medical. The contractor hopes to finish before the end of year but that will be dependent on weather conditions.

### **NEW BUSINESS:**

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

Mr. Mostoller shared the draft FY 26 budget document on his screen. Mr. Mostoller informed the board that there are some numbers they might not have precise estimates of until the annual meeting or closer to the new FY. Mr. Mostoller went on to highlight several key changes.

The first change was on the auto-maintenance and fuel line-item. The District has fallen behind in replacing the fleet in recent years due to pandemic scarcity and cost increases. The District has finally caught up on the outstanding appropriations for new vehicles and is now reassessing the fleet. Because the fleet is older in age the auto-maintenance and fuel items were increased to keep our operations moving and ready to provide service at any time.

The maintenance and operations line-item also changed. Mr. Mostoller expects to begin replacement of equipment in South Acton as it nears its 10<sup>th</sup> year as many minor pieces of equipment reach the end of their useful life. The treatment plants have also become more complex and have more specialized equipment which requires outside vendors to repair.

Mr. Mostoller offered an example of the recent overhaul of the boiler system at the South Acton Plant.

Mr. Mostoller then explained the start of a new meter replacement program. This replacement program would take about 4 years to implement, and each year some money in the budget would be set aside to buy and install meters. Mr. Mostoller explained that there are some other financial options for this item like borrowing the money or hiring someone to replace the meters rather than dedicating existing staff time.

The final budget item change of note was the software subscription, IT maintenance, and cybersecurity. Both the customer facing software and operations monitoring software has become a bigger component of our budget. In this draft they have moved some funds from maintenance and operations where this funding used to be categorized, into a new consolidated line item for software.

Mr. Mostoller noted that free cash is limited this year, so they are trying to alter items in the operating budget to account for the lack of free cash. They are also trying to craft the budget to avoid or lessen the need for a rate increase. Mr. Mostoller then shared his thoughts on funds for water main improvement in this budget cycle. Because the District does not have a project identified, and any water main project identified would take about 2 years before it's start, Mr. Mostoller recommended not funding the usual half a million for water main improvement. Instead we would continue to have the prior funds to apply to that future project and will determine the remaining funded needed once a project is being developed.

Mr. Rosen then asked the board for their comments and questions on this draft budget.

Ms. Amir Lin asked if the meter replacement program was a new program or a continuation of past replacements. Mr. Mostoller answered that the last meter replacement program finished a few years ago and used a similar technology design to the existing meters. Since then, technology has changed, and some meters in the system have become outdated and our reading technology is no longer supported. The District has also moved to a new vendor. The last meter replacement program ran for about 20 years from start to finish. Mr. Bob Murch, who manages our meter programs, has recommended replacing meters in under 10 years. Mr. Mostoller explained they don't want to replace all meters in 1-2 years in case there is an issue with that batch.

Ms. Amir Lin then asked how they prioritize meters for replacement. Mr. Mostoller said they prioritize the older meters, and they have paired meter replacement with the service line identification process to realize some efficiency in work.

Mr. Rosen asked if it's less money to bring in a third party to replace the meters. Mr. Mostoller said that is under consideration, but there are only a handful of companies who do that work in Massachusetts. Mr. Mostoller also recognized that they would prefer to have District employees, who have been vetted by the District, replace meters rather than having unknown third-party employees enter customers' homes. Mr. Mostoller explained it may be better to hire an employee to just do meter installations.

Mr. Rosen expressed some concern at the idea of not funding the \$500k for water main replacement as he feels it is proactive to save for the repairs given the system's age.

Mr. Mostoller agreed that the system does have pipes that are beyond their useful life, and some places are more prone to breaks than others. However, he noted they are waiting to update the master plan which will help prioritize water main projects. Mr. Mostoller added that they know there will be service lines that need replacement and pairing that with the water main work could be done as service line replacement already has appropriated funds.

Mr. Rosen asked if they had decided about who will pay for private service line replacement. Mr. Mostoller reminded Mr. Rosen the Board has not made a policy decision about that yet.

Mr. Rosen, Mr. Stuntz, and Mr. Amir Lin were satisfied with this first draft of the budget.

Mr. Mostoller moved on to the warrant articles. Mr. Mostoller projects allocating \$45,000 in free cash, knowing most of the next FY funds are on hand but not in free cash. There are some remaining funds from the previous year's warrant articles, like the new vehicle purchase they are putting through. Finally, they are setting aside \$200,000 for media replacement of various types. He noted that they are considering an authorization to borrow for this item in case the need arises and funds on hand are not adequate.

Mr. John Petersen commented that the Finance Committee met with Mr. Mostoller and Ms. McCarthy last week and he shared the highlights of that meeting. Regarding the meter replacement, the Finance Committee suggested that replacing meters over a 4 year period would be ideal. The Finance Committee had no preference whether to fund this through the operating budget or borrowing. On the point about water mains, Mr. Petersen agreed with Mr. Mostoller's point that if there is a specific project with clear need, they can make the case to fund it at a future annual meeting, but asking for funding for undefined projects may be more difficult in this budget cycle. Mr. Petersen added that the Finance Committee will meet before the next commissioners' meeting and will review the budget, and they would also like feedback on what they should present at the annual meeting.

Mr. Mostoller continued the conversation about the appropriations for water main replacement, noting that this year will be a 'breather' as they finish the Kelley's Corner project, complete the initial phase of PFAS projects, and regroup after the master plan update.

Mr. Rosen motioned to close the regular open meeting currently in session and enter executive session pursuant to General Law chapter 30A section 21a6 to consider the purchase, taking or value of real property, and to not reconvene in open session.

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

**Open Meeting Closed at 7:36 pm**