

Finance Committee Meeting
Acton Water District
693 Massachusetts Avenue
Acton, MA 01720

July 13, 2012 12:00 noon

In attendance were Finance Committee Members Chuck Bradley, David Butler, Bill Guthlein, Bill Kingman and Brewster Conant. Chris Allen, District Manager and Mary J. Bates, District Treasurer were also present.

The meeting was called to order at 12:08 pm.

RATE INCREASE

Mr. Allen and Ms. Bates presented the recommendation for the 2011 rate increase with projections for the next 5 years. It recommends the elimination of the winter rate, with all water being billed at the higher summer rate year round. At current usage, this would generate approximately \$187,000. It also recommends the implementation of a bond debt fee, to cover the cost of the long term debt. Currently that would cover the bond payments on the North Acton Treatment Plant, \$472,050. To cover this cost, the fee would be \$14.75 per unit. Once the South Acton Treatment Plant is built, that amount is expected to rise to almost \$47 per unit. The reasoning is that this would be only for debt payments and would rise and fall as the debt.

The Committee members are not in favor of eliminating the winter rate.

Mr. Bradley made a motion that the Finance Committee recommend to the Commissioners that a bond debt fee be implemented on a per unit basis, as opposed to per bill or per cubic foot, and that it won't necessarily be the same basis for the 20 year life of the bond. Implementation is recommended for January 2013. Mr. Butler seconded the motion. Mr. Butler and Mr. Bradley voted in favor of the motion and Mr. Guthlein voted against.

It was agreed to ask the Commissioners for their input on the elimination of the winter rate. Mr. Bradley recommended asking Attorney Bassett for the possibility of collecting the fee in advance.

The Committee recommended looking at an increase in the demand fee. Mr. Bradley asked if there was sufficient capacity for new development. Mr. Allen responded that the water use has remained steady even with the new development. This was attributed to the successful conservation program.

Mr. Guthlein made a motion to adjourn the meeting at 2:40pm. It was unanimously approved.

All documents referred to in the minutes are available for inspection at the Acton Water District Office, 693 Massachusetts Avenue 978 263.9107