

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

**October 21, 2021 at 1:00 pm via Zoom**

**Pursuant to Governor Baker's March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §18, and the Governor's March 15, 2020 Order imposing strict limitation on the number of people that may gather in one place, this meeting was conducted via remote participation.**

In attendance were Finance Committee Members Bill Guthlein, Chuck Bradley and Ron Parenti. Also in attendance, Chris Allen, District Manager and Mary J. Bates, District Treasurer. The meeting was called to order at 1:00 pm by Mr. Guthlein.

**Approve Minutes**

Mr. Bradley made a motion to approve the minutes of the September 9, 2021 meeting. Mr. Guthlein seconded the motion, and it was unanimously approved by a roll call vote:

Mr. Bradley, yes, Mr. Guthlein, yes, Mr. Parenti, yes.

**Water Rates and Debt Fee**

Ms. Bates presented a proposal to increase water rates by 5% for FY 23. She also discussed the advantage of decreasing the block tiers from 1500 cf to 1200 cf. Mr. Guthlein would like to change to a volume rate only, which would include the cost of debt currently covered by the debt fee. He is also recommending a change to a smaller service fee and no inclining block rate. He is recommending an increase to the summer rate, 25%-40% higher. If there is a shortfall, we could use the Stabilization Fund to cover the debt service costs. Mr. Bradley also indicated that he is in favor of a variable debt fee, based on consumption.

Mr. Guthlein made a motion to convert the debt fee to a volume rate and eliminate the inclining block rate tiers. Under discussion: perhaps we should set up an additional Stabilization Fund for those years when the debt service total is not collected. The motion was not seconded.

Mr. Bradley made a motion to recommend to the Board of Commissioners that the debt service fee should be changed to a volume-based fee and that a Stabilization Fund be established to provide for variances in forecast usage and actual usage. The District should budget for \$100K annually into the Stabilization Fund. The motion was seconded by Mr. Parenti and passed unanimously on a roll call vote:

Mr. Bradley, yes; Mr. Guthlein, yes; Mr. Parenti, yes

Ms. Bates indicated that she is not in favor of this change. Under this proposal, some customers could see their bill go down to \$15 per quarter. She recommends a consultant to do a rate study for the District prior to any change being made.

### **Hydrant Meter Fees**

Ms. Bates presented a proposal to overhaul the hydrant meter billing program. The new program would maintain the \$2,000 deposit for the meter and would add a set up fee of \$100, to cover the installation and removal of the meter by District personnel. A \$10 per day would be added and all water used would be billed at \$.089 per cf.

Mr. Guthlein made a motion to recommend the Hydrant Meter changes to the Board of Water Commissioners. It was seconded by Mr. Bradley and unanimously approved on a roll call vote:  
Mr. Bradley, yes; Mr. Guthlein, yes; Mr. Parenti, yes

### **Demand Fees**

Ms. Bates presented a proposal to increase the Demand Fees as of January 1, 2022. The demand fee has historically been increased when we add a significant asset to the District. The last time it was increased was when the South Acton Water Treatment Plant came on-line. The District has added \$17.3m in capital since that time, including the Central Acton Water Treatment Plant, scheduled to be in service in December. The Demand Fee for a 1" service would increase from \$7,400 to \$10,000. The multi-unit Demand Fee would increase from \$3,550 to \$4,800 per unit.

Mr. Guthlein made a motion to increase the Demand Fee as proposed as of January 1, 2022. It was seconded by Mr. Parenti and unanimously approved on a roll call vote:  
Mr. Bradley, yes; Mr. Guthlein, yes; Mr. Parenti, yes

### **FY23 Budget Format**

Ms. Bates presented a proposal to combine some line items in the FY23 Budget, to eliminate some of the smaller accounts. After discussion, it was decided that the FY23 Budget would be presented as always, and the discussion will continue at the next meeting.

### **Meeting Schedule**

The Finance Committee agreed to the following meeting schedule:

November 16, 2021 at 1:00 pm  
December 14, 2021 at 1:00 pm  
January 11, 2022 at 1:00 pm

Mr. Guthlein made a motion to adjourn the meeting at 3:25 pm. It was seconded by Mr. Parenti and unanimously approved by a roll call vote:

Mr. Guthlein, yes; Mr. Bradley, yes; Mr. Parenti, yes

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