

**TOWN OF WAYLAND - TOWN CLERK'S OFFICE**  
**NOTICE OF MEETINGS OF TOWN BOARDS/COMMITTEES/COMMISSIONS**

Posted in accordance with the provisions of the Open Meeting Law

NAME OF BOARD/COMM: Wayland Wastewater Management District Commission  
FILED By: Jane Capasso  
DATE OF MEETING: Tuesday, 13 Feb 2018  
TIME OF MEETING: 7:30 PM  
PLACE OF MEETING: Town Building

**PROPOSED AGENDA-REVISED BUDGET**

*Note: Items may not be discussed in the order listed or at the specific time. Times are approximate.*

- 7:30 1. Call to order
- 7:31 2. Public comment
- 7:35 3. Rate Hearing for FY2019

The budget for FY2019 is detailed on the attached page. The budget was formulated by the WWMD Account Specialist with input from the Finance Director, the Treasurer, and the Town Engineer and has been scrutinized by the WWMD and the Finance Committee. The expenses are calculated using the past two years' figures and expected changes. Two new expenses have been added for the Wastewater Operations Manager (WOM) and the routine maintenance, emergency response, and DigSafe requests. In FY2018 (the current year), there is no WOM, and the latter three were covered by a transfer from retained earnings. The WOM is discussed below. The income consists of operational charges based on rates calculated to meet expenses and the on-going betterment. There is an additional payback to users of \$80,000 due to income exceeding expenses in FY2017.

The rates for next year are up ~\$1 per gallon per day for both design flow (capacity) and actual flow. Rates are based 80% on gallons per day (gpd) of Title 5 design flow and 20% on actual flow based on water usage, also measured in gpd. This allocation reflects the actual amounts of fixed expenses (80%) and variable expenses (20%). The design flow rate will go from ~\$1.94/gpd for FY2018 (this year) to \$2.67/gpd for FY2019. The actual flow rate will go from \$1.21/gpd to \$2.01/gpd. This means a user in a 2-bedroom condo, with 220-gpd design flow and 110-gpd actual flow (typical), will be charged \$809/year in FY2019 versus \$560/year for FY2018 (this year). This is an increase of \$249/year or 45%. This increase is due to \$69,000 for a new salaried position, called the Wastewater Operations Manager (WOM), plus \$35,000 for infrastructure maintenance. The maintenance is necessary due to the aging of the piping. This combination of new expenses has increased operating expenses significantly.

The new Wastewater Operations Manager (WOM) is an investment in our future in that we hope to recoup salary and benefits by saving operating expenses in future years. The WOM is shared between the WWMD (60%) for the system in the center of town and the School Department (40%) for the High School treatment plant. The WWMD considers this extra expense as an investment in the future. The payback in FY2019 will be due to savings for overhead expenses (estimated to be \$6,000 or about 10% of WOM cost). In future years, there are anticipated cutbacks in contracted services that will be significant and, we hope, will pay for the WOM. There will be annual assessments of this payback.

On another front, the WWMD is working on further ways to enhance the financial

situation. At this spring's ATM, an article requests that the Town assume \$220k of WWMD debt. This will help our bottom line. In addition, in ten years starting in 2027, the betterment income will be insufficient to pay for bond payments. This will be a temporary situation. The fact that the the Town is assuming part of the bond repayment will almost alleviate this future temporary situation. Also, the WWMDC is working on other initiatives to generate income and improve the bottom line by utilizing the WWTF more effectively. We are fortunate to have a new town engineer, Paul Brinkman, who has significant experience in wastewater treatment. He has recognized that the WWTF can handle more actual flow. Hence, the WWMDC is considering ways in which increased flow to the WWTF can generate more income for users. We will be reporting on developments over the next few months.

8:15 4. Update of implications of long-term design flow needs for the WWMD. Chair will give some information on additional design flows, including needs of the Town Center, the Wayland Village shopping center, River's Edge, and other possible users. The motivation for this discussion is the existence of requests for more design flow and a need to keep low risk of triggering the forced engineering of a leaching field at the Town Building in the case the actual flows exceed 41,600 gpd over 6 months.

8:40 5. Updates from Paul Brinkman, Town Engineer

- A. Treatment Plant Sanitary Sewer Overflows on January 27 and 28, 2018 – Health Department request for a report. MassDEP communications, Inspection and follow-up requirements. Town Center Bathroom Update.
- B. Other Treatment Plant Repairs:
  - 1. Blower related repairs
  - 2. Chemical feed pumps
  - 3. SCADA/IT improvements
  - 4. HVAC
  - 5. Ejector Pump
- C. 231 BPR Manhole Repair – WWMDC gave authorization to spend up to \$5,000. Paul Brinkman to facilitate the repair. Manhole was emptied and the concrete adjustment for the casting is breaking down. Ellingwood has provided a verbal estimate to complete the repair. Work to be completed during better weather for concrete placement. Digsafe notification has been completed by Ellingwood.
- D. Verizon Phone line upgrade – Hand hole damaged and frozen soil around line preventing replacement. Coordinating with Verizon once better weather occurs (thaw). Once complete the SCADA work can be completed.
- E. RFP for Contracting a Treatment Plant Operator – This will be taken on as time permits. Coordinating with Ben Keefe.
- F. Advanced Metering Infrastructure system for water meters. DPW/Water Department is sponsoring an article at ATM for the purchase of an AMI system. It can be configured to provide daily information on the usage by individual users. This could have been used to prevent the Sanitary Sewer Overflow as the flow to the facility started rising two weeks earlier than the actual problem. The AMI system would flag a high use and the user could be contacted to look into the issue, before it becomes an actual problem.
- G. Tata & Howard is doing the design and engineering for a new water main on Boston Post Road. The project requires a number of borings as part of the design process. The borings were completed without any disruption to the sewer system. 90% plans and specifications are anticipated soon. Paul's review will include making sure there is appropriate pay items and construction

details to facilitate the contract from making any repairs required.

- H. Status of hiring DigSafe, a company to do mark-outs and system maintenance and a contractor for emergencies. This is awaiting the designation of funds at Special Town Meeting. Paul has been working with the Water Department to get notified of mark-out requests that are requested currently. Once the process is set up Paul can provide interim services for non-emergency mark-out requests. No update. This is a task that the new staff person would be responsible for in most cases.
- I. Treatment Plant Capital Items:
  - 1. SCADA System and Security Cameras – Paul met with the SCADA Contractor for the Water Department at the Treatment Plant and he is willing to assist. He received a budget for the work, which was forwarded to the Board. A back-up of the SCADA programming and computer licenses have been received from the equipment manufacturer. No update.
  - 2. HVAC System, PM Filter and Air Valves – The Town HVAC Contractor is to provide a quote for remaining HVAC issues and maintenance on the boiler. No update.
- J. Obtained CADD record drawings from Weston & Sampson for the original sewer system construction. Working with Brendan Decker – Town GIS - to get the information placed in the Town GIS system and better field located to assist with mark-outs. Also obtained training with a Town owned device to use GPS to collect information on system. Will be used when weather improves.
- K. Fire Inspection. Inspection passed? Future potential need to replace control panel. Fire extinguishers were expected and the backup generators are being inspected within the next week per contracts.
- L. Met with Wayland Foreign Motors owner regarding the potential connection to the system. Jane spoke with the Health Department and no plans have been submitted as of January 6, 2018.

9:05 6. Administrative Items:

- A. WhiteWater request to replace the compressor on pre-aeration blower #1. Unit was sent out for evaluation. Repair exceeds cost for a new replacement. Board approval required.
- B. Capital Account – Reallocation of the debt related to the treatment plant capital account to the Town/High School Treatment Plant. Bonded debt schedules updated. Board to approve the reallocation. FY19 Budget updated for new debt and indirect admin numbers.
- C. Contact and Emergency List – Updated and emailed to the Police, Fire, Health Department, DPW and Facilities.

9:25 7. Wastewater Rules and Regulations

9:35 8. Approve minutes from previous meetings–11 Jan 2018.

9:40 9. Pay Bills, monthly budget update, year-to-date finances, and monthly commitments. FY18 Q2 billing was sent out totaling \$46,290

10:00 10. Topics not reasonably anticipated by Chair 48 hours in advance of meeting.

10:02 11. Website status: recent postings and organization.

10:05 12. Calendar: upcoming meetings and events, including hearings.

10:15 13. Public Comment

WWMDC FY19 Final Budget & Rate Hearing	Actual FY2017	FY18 Rate Hearing (1) Billing/Sales	FY18 Final Budget (3) Apprvd STM	FY19 Budget/ Rate Hring \$40K (C&D)	FY19 Budget/ Rate Hring \$80K (C&D)	FY19 Notes	Revised 2/12/18
<b>INCOME</b>							
Receipts (User Charges)	295,690	186,648	191,120	303,063	263,063		
Old Betterment-Principal	25,991	38,442	38,442	43,247	43,247	Debt expense used for budgeting. Note C-3.	
Old Betterment-Interest	4,767	7,350	7,350	5,256	5,256	Debt expense used for budgeting. Note C-3.	
New Betterment-Principal	197,696	245,000	245,000	238,077	238,077	Debt expense used for budgeting. Note C-3.	
New Betterment-Interest	175,414	180,265	180,265	165,506	165,506	Debt expense used for budgeting. Note C-3.	
Current Year Transfer	-	-	35,000	-	-	One time transfer from Undesignated Fund Balance. FY18 Note 3	
Undesignated Fund Bal/Operations	-	50,567	50,567	40,000	80,000	Note C-1	
<b>Net Operating Income:</b>	<b>699,558</b>	<b>708,272</b>	<b>747,744</b>	<b>795,149</b>	<b>795,149</b>	Total needed for betterment income & operating expenses.	
<b>EXPENSES</b>							
<b>Personal Services</b>							
Salaries (Account Specialist)	25,994	25,084	29,555	26,500	26,500	Acc't Specialist: \$26,500 (includes \$1,000 overtime). No COLA.	
Indirect/Admin & Fringe Ben's	24,669	28,831	28,831	94,965	94,965	Town allocations plus hiring a Wastewater Operations Manager. Note C-2.	
Legal Services	1,013	5,000	5,000	5,000	5,000	No anticipated litigation.	
<b>Professional Services</b>							
Facility Operating Contract	46,800	47,700	47,700	50,000	50,000	Contract ends 9/16/18 @ \$3,800/month. Paul Brinkman: FY19 10% increase, fixed rate over 3 years. Assumes new contractor with higher rates \$4,500 X 12 months. Reduced \$4,000 for new WOM overseeing expenses.	
Facility Labor & Other Prof. Serv.	34,840	16,427	16,427	20,000	20,000	FY17 Actual \$34,840 less Emerg. \$13,384 (\$7,015 268 BPR, \$6,369 install trt plant pump) = \$21,456 plus 3%/year increase = \$22,763. Facility is incurring more repairs. Reduced \$3,000 for WOM overseeing expenses.	
Engineering Fees	-	-	-	-	-	For future use.	
NPDES Permit	-	-	-	-	-	For future use. Currently no fee for permit.	
<b>Total Pers. &amp; Prof. Expenses</b>	<b>133,316</b>	<b>123,042</b>	<b>127,513</b>	<b>196,465</b>	<b>196,465</b>		
<b>Repairs &amp; Maint. Expenses</b>							
Building Repair & Improvements	6,590	2,000	2,000	5,700	5,700	FY17 \$5,140 new contracts for fire extinguisher & fire alarm testing and emergency lights and \$1,050 trt plant heater and supply line repair. FY19 contracts total \$3,661 plus \$2,000 for miscellaneous charges outside WhiteWater's contract totaling \$5,661. FY17 \$20,252 less pipeline emergencies \$13,394 = \$6,858 less \$1,020 fixed cost for maintenance for 2 backup generators until 2020 = \$5,838 increased at 3%/year = \$6,194. Add back \$1,020 for contracts. WOM vehicle maintenance and fuel \$1,000 = FY19 \$8,214.	
Equipment Repairs & Maint.	20,252	6,687	6,687	8,300	8,300	Note C-4.	
Pipeline Maint/Emergency	-	-	35,000	35,000	35,000	FY17 Actual includes pumping for emergency repairs at the plant. Paul Brinkman will be monitoring this and expects less pumping.	
Sludge Disposal	30,331	26,168	26,168	25,000	25,000	FY17 actual with 3%/year increase = \$7,049.	
Chemicals	6,644	2,787	2,787	7,500	7,500	FY17 actual \$6,596 less \$174 emergency plus 3%/year increase = \$6,813. Paul Brinkman will be monitoring this.	
Markup & Other	6,596	5,346	5,346	6,500	6,500	FY19 Actual	
Surface Water Testing (Oars)	6,803	7,066	7,066	7,325	7,325		
<b>Total Repairs &amp; Maint. Exp.</b>	<b>77,216</b>	<b>50,054</b>	<b>85,054</b>	<b>95,325</b>	<b>95,325</b>		
<b>Operating Expenses</b>							
Disposal (Trash Removal)	606	1,069	1,069	1,101	1,101	FY18 budgeted at \$86.60/month. FY19 contract renews in FY18, per Facilities assume 3% increase of \$86.60/year, for 2 years \$1,101.	
Natural Gas-NY Grid & Dir. En.	3,844	3,351	3,351	4,100	4,100	FY17 actual with 3%/year increase = \$4,078.	
Electricity -Eversource	31,119	32,212	32,212	33,100	33,100	FY17 actual with 3%/year increase = \$33,014	
Telephone -Verizon	1,320	1,316	1,316	1,800	1,800	FY17 actual with 3%/year increase and Paul Brinkman's estimate for addition of a fiber line with internet and voice to run upgraded SCADA emergency call system.	
Water -Town of Wayland	892	972	972	972	972	FY17 actual with 3%/year increase. Back flow and additional \$25 admin fee (\$946 + \$25).	
Admin Serv's & Other	125	200	200	200	200		
Contingency	3,000	25,000	25,000	10,000	10,000	Reduced since most of this will be expensed through the Pipeline Maint/Emerg account.	
<b>Total Operating Expenses</b>	<b>40,906</b>	<b>64,120</b>	<b>64,120</b>	<b>51,273</b>	<b>51,273</b>		
<b>Total Expenses</b>	<b>251,438</b>	<b>237,215</b>	<b>276,687</b>	<b>343,063</b>	<b>343,063</b>		
<b>CAPITAL EXPENSES</b>							
Old Debt-Principal	27,651	38,442	38,442	43,247	43,247	From Bank Debt Schedules. Full amount, subsidy not included. Note C-3.	
Old Debt-Interest	2,136	7,350	7,350	5,256	5,256	From Bank Debt Schedules. Full amount, subsidy not included. Note C-3.	
New Debt -Principal	240,000	245,000	245,000	238,077	238,077	From Bank Debt Schedules. Full amount, subsidy not included. Note C-3.	
New Debt -Interest	189,565	180,265	180,265	165,506	165,506	From Bank Debt Schedules. Full amount, subsidy not included. Note C-3.	
<b>Total Capital Expenses:</b>	<b>459,351</b>	<b>471,057</b>	<b>471,057</b>	<b>452,086</b>	<b>452,086</b>		
<b>Total:</b>	<b>710,789</b>	<b>708,272</b>	<b>747,744</b>	<b>795,149</b>	<b>795,149</b>		
<b>RATES</b>							
Total Expenses	251,438	237,215	241,687	343,063	343,063		
Use of Undesignated Fund Bal.	-	50,567	50,567	40,000	80,000	Note B	
Adjusted User Charges	251,438	186,648	191,120	303,063	263,063		
Total Current Allocated Capacity	78,245	77,088	77,088	78,699	78,699	Note C-5.	
Total Current Connected	78,398	68,483	68,483	70,223	70,223	Note C-6. Includes Way Foreign Motors and Wayland Village.	
Total Assumed Flow	23,000	30,728	30,728	26,202	26,202	Note C-7.	
Capacity Rate (\$/gpd-year)	2.79	1.94	1.98	3.08	2.67	80% of Adj. User Charges/Total Current Allocated Capacity.	
Flow Rate (\$/gpd/year)	1.97	1.21	1.24	2.31	2.01	20% of Adjusted User Charges/Total Assumed Flow.	
Penalty Rate (\$/gpd/year)	5.91	3.64	3.73	6.94	6.02	3 Times the Flow Rate.	
Annual Aml for 2-bdr condo	831	560	573	932	809		
Delta Compared to FY2018	271	0	0	372	249		
% Change from 2018	48%	0%	0%	67%	45%		
Quarterly Increase	208	140	143	233	202		

Notes are listed for some columns that have been hidden.

**A) The FY19 Budget (A) Approved STM Column** - Includes \$35,000 for the Pipeline Maintenance/Emergency (PME) account (approved November, 2017 STM). \$40,000 from Undesignated Fund Balance (operations only) will be used to fund the account.

**B) FY19 12/26/17 Budget (b) with WOM Column** - Changes made to Salaries and Indirect/Admin accounts for the new Wastewater Operations Manager (WOM) position that will oversee the Wastewater Treatment Plant and the High School Treatment plant.

**C) FY19 Rate Hearing Columns: Choice of using \$40,000 or \$80,000 in Retained Earnings:**

Due to the expected hiring of the WOM, Paul Brinkman partially reduced the following expense accounts anticipating it will take time for the WOM to get up to speed: Facility Operating Contract, Facility Labor & Other Prof. Services and the Contingency Account.

C-1) **Undesignated Fund Balance (operations only)** - account. The overage from FY17 Revenue and Expenses of \$40,000 will be used to reduce user rates.

C-2) **Indirect/Admin** - Estimate of FY19 expenses from other town departments (Treasury, Administration, Facilities, Treatment Plant Insurance & Fringe Benefits). Amount increased \$68,160 primarily due to the WOM Salary & Benefits. Facilities prior allocation was split between DPW/Engineer and Facilities.

C-3) **Betterment debt expense** number is used as the betterment income number so revenues = expenses. Betterment apportioned income is different from the actual betterment debt expense paid to the bank. Debt expense was reduced due to the High School Treatment Plant taking over the remaining capital account's \$220,000 in debt. The Town and WWMD will pay the remaining principal and interest payments over the life of the bond (FY 2031).

C-4) **Pipeline Maintenance/Emergency** - November, 2017 Town Meeting approved a current year transfer from Undesignated Fund balance/Operations only. FY19 this will be funded as an operations expense from user fees. The account will be used for DigSafe and maintenance & emergency calls involving the sewer line.

C-5) **Total Current Allocated Capacity** (Design Flow) 76,396 gpd (from FY18 Q1 Billing Spreadsheet includes 127 gpd Whole Foods and 70 gpd Salon). Additional design flow 440 returned from 5 Concord Road + 380 gpd from Wayland Meadows (820 gpd). Assumes 356 Boston Post Road (Wayland Foreign Motors) will connect in FY18 for 300 gpd. 1/11/18 WWMD approved additional 1,183 gpd for Wayland Village (former Water Lily increased by 3 seats for 105 gpd and former Energy Unlimited changing to beauty salon with 11 chairs for 983 gpd and 95 gpd for remaining CVS changing to supermarket.) TC 150 seat restaurant in FY19 for 5,250 gpd was not included. Total Current Allocated Capacity 78,699 gpd

C-6) **Total Current Connected** 68,740 gpd (from FY18 Q1 Billing Spreadsheet includes 127 gpd Whole Foods, + 70 gpd Salon). Assumes additional design flow for: 300 gpd 356 Boston Post Road + 1,183 gpd Wayland Village. Total Current Connected July 1, 2019 70,223 gpd. Not included 820 gpd for 5 Concord Road.

C-7) **Total Assumed Flow** - Average annual flow June, 2016 - June 2017 from the Discharge Monitoring Report 25,050 (includes Whole Foods and Salon). Plus additional flow added (at half the design flow): 150 gpd for 356 Boston Post Road + Wayland Village 592 gpd + Wayland Meadows 410. Total Assumed Flow 26,202.

D) FY19 Budget 1/13/18 column was the FY19 Rate Hearing Column. New column added FY19 Budget/Rate Hearing D) has the new Indirect Admin numbers from Finance and New Betterment bonded debt number adjusted for the Capital Account debt of \$220,000 being transferred to the Town.

**FY19 Other:**

- Privilege fees charged for new design flow applies to the betterments and is not included in the budget. With these fees the WWMD will be able to pay the balance of the bond accounts in all years.
- Additional design flow that may be added to the system during FY19 will affect rates, but will not be changed unless a rate hearing is set up.

**FY18 Notes:**

- (1) - FY18 Rate Hearing Column (Rate Hearing FY18 tab) are the approved rates on 9/30/16 for quarterly billing and final sales.
  - The overage from FY16 Revenue and Expenses of \$50,567 was used to reduce user rates. This will be paid from undesignated fund balance (operations only).
- (2) FY18 Budget 2/21/17 Before STM Column (FY18 Budget 2/21/17 tab), approved at Town Meeting and Finance Committee. Entered in MUNIS with expenses of \$241,687. Pipeline Maintenance Account was not included. This column is hidden.
- (3) - FY18 Final Budget STM Approved Column, effective 11/14/17, will be used for the Monthly Operating Budget and updated in MUNIS with the following changes:
  - Includes the addition of a Pipeline Maintenance expense account, approved at the November STM, funded through a Current year Transfer from the Undesignated Fund Balance (operations only) account at year-end and will have no affect on revenue or the rate hearing rates.
  - The Pipeline Maintenance expense account for \$35,000 will be used for DigSafe, hiring a contractor to do mark-outs, maintenance and emergency calls involving the sewer line.
- (4) The Betterment debt expense number is used as the betterment income number so revenues = expenses. Betterment apportioned income is different from the actual betterment debt expense paid to the bank.