

WAYLAND WASTEWATER MANAGEMENT DISTRICT COMMISSION
MEETING OF June 24, 2020

Board Members: **Attending** - Rick Greene, Mike Gitten and Uday Virkud. **Absent** - None.

Town Employees: Jane Capasso (Account Specialist), Paul Brinkman, Town Engineer;
Tom Holder, DPW Director; Seath Crandall, Management Analyst-
Selectmen's Office (Public Comment, Waycam and Moderator)

Guests: Lea Anderson, Selectmen

Meeting Location: 7:30 pm Zoom Call

Minutes

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

7:30 1. Call to order and reading of Zoom information.

Rick: Opening statement from the Agenda.

7:31 2. Thank you to Uday Virkud who is retiring from the WWMD.

Rick: Uday has been on the board 2.5 years. We appreciate his insight and contributions to healthy conversations. Uday: Thank you for working with us.

7:32 3. Public comment – Seath, none.

7:33 4. Alta at River's Edge methodology discussion.

Paul: Has received a number of questions about River's Edge. He can now refer people to this meeting if they have questions.

Paul: There are two sets of flow values: 1) 78,000 gpd of allocated flow based on Title V capacity for all buildings and residences and 2) 52,000 gpd of actual permitted flow that can be discharged into the Sudbury River. The 78,000 gpd is not actually processed and some of this is not connected to the treatment plant. When everything is opened up and online, we are processing about 26,000 gpd of actual flow. Mike: Would like to know how much of the 78,000 gpd is commercial and do a ratio in the future. Paul: We will be adding commercial and residential to the long-term revenue/expenditure/debt forecast schedule.

There was concern from the residents and others that the 52,000 gpd of actual permitted flow would be inadequate. The State said you have to find another way to discharge. WWMD obtained a groundwater permit that says when actual flow equals 80% of the 52,000 gpd (41,600 gpd), we would be required to build a leaching field. The plant was constructed to treat 78,000 gpd of flow. The WWMD website has documents detailing this.

The Title V number for allocated flow at River's Edge is 36,000 gpd to 37,000 gpd. Their report puts them at 24,000 gpd of actual flow on a daily basis for apartment buildings. Under the premise that wastewater from River's Edge would be treated by WWMD at the Town Center facility, the treated effluent would be sent by pipes back to the leaching field River's Edge is building. They are getting a permit for 38,000 gpd and there will be no additional discharge to the Sudbury River as a result.

We will be using more of the capacity at the plant, but we will not have to use our

groundwater permit since the discharge will go to the leaching field at River's Edge. Mike: Why not put it in the river? Paul: we are limited to 52,000 gpd and there is a higher preference for it to go into the ground.

The proposal requires that there is no cost to the existing users to add River's Edge to the treatment plant. We are planning on the costs being paid through a Massachusetts Works Grant for the pipe. If this does not happen, River's Edge will build their own treatment plant. Completion of this project is in about 2 years. Mike: The plant will be running more at its design capacity and discharging to the ground will ease treatment standards. Paul: The biggest benefit is to spread the operations and maintenance costs across more users resulting in the rates potentially going down. Only variable costs like sludge and electricity costs will increase.

Paul: We are discussing the rates WWMD will charge for this process with River's Edge. Rick: If there is a differential rate, this would need to be discussed with the Board before we go forward with the project. Paul: We will be applying for a MassWorks grant and once we hear the outcome of this, then we will meet to discuss the details of the project and the rates. Paul: Included in the estimates going into MassWorks is a detailed cost estimate including improvements to the existing pump station and wastewater treatment facility.

7:51 5. Changes to NPDES permitting in Massachusetts.

Rick: Mass is one of three states that has not had the ability to issue discharge permits. The DEP and EPA have oversight of this process. The Baker Administration tried to file legislation to get us in-line with other states. Paul: In most states the EPA says this is what you should do, but Massachusetts created a second layer for discharge permits, with their own standards. Permits are issued jointly with the EPA. We have a permit and have applied for a renewal. There are no changes for WWMD. Mike: Works with NPDES permits and doesn't see any change in the next year.

7:57 6. Retained Earnings (Fund Balance) accounting.

Rick: The Massachusetts Department of Revenue (DOR) recently issued instructions giving the Town of Wayland permission to use WWMD's fund balance to pay bills. WWMD's fund balance was collected for the purpose of paying off bonds. Paul: I read this as typical language saying we certify that you have this much money and it is available for you to use. He did not read it as the Town will use the money. The Town has always had the ability to do this. Jane and I over the next few months will be working on breaking out betterment and operations retained earnings to ensure we have enough retained earnings to pay the bonds.

8:04 7. FY2021 Rate Hearing
a. Open Hearing and Read Announcement

Rick: Opening statement for the Rate Hearing read.

b. Presentation and Recommendation

Paul presented an eight slide PowerPoint (attached) that focused on operations and management and not the bonds. Paul: Last year we changed from the gallons per day (gpd) billing format to hundred cubic feet (hcf or ccf), which is consistent with how the water rates are calculated. A rate table is created for each design flow. The flow rate was changed to Tier 1 and what was formerly known as the "Penalty rate" is now called Tier 2.

Capasso, Jane

From: Brinkman, Paul
Sent: Monday, June 22, 2020 2:16 PM
To: Rick Greene
Cc: Capasso, Jane; Holder, Thomas
Subject: Language to announce the rate hearing

Pursuant to its Enabling Act, Chapter 461 of the Acts of 1997, the Wayland Wastewater Management District Commission will open this public hearing for the purpose of giving interested persons an opportunity to present data, views or arguments related to the setting of the rates charged for wastewater services. This hearing commences at 7:30 p.m.(SAY THE REAL TIME), on Wednesday, June 24th, 2020.

Paul Brinkman, PE | Town Engineer
Wayland Department of Public Works

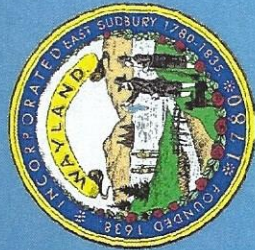
66 River Road
Wayland, MA 01778
Office (508)358-6852
Cell (617)831-8325

Wastewater District Commission

June 24, 2020

Wastewater Rate Hearing

Paul Brinkman, Town Engineer





Agenda

- Operation and Maintenance
 - Expenditures / Revenues
 - FY 2019 Actual
 - FY 2020 Anticipated Close
 - FY 2021 Budget
 - Rate Tool
- Recommended Rate Change



Reminder - Rate Conversion

- “gpd” - gallons per day

Tiers	Old Format	New Format
Capacity Rate	\$2.88 (\$/gpd/yr)	\$5.90 (\$/ccf/yr)
Tier 1 Rate	\$2.14 (\$/gpd)	\$4.43 (\$/ccf)
Tier 2 Rate	\$6.42 (\$/gpd)	\$13.29 (\$/ccf)

- New “ccf” – hundred cubic feet (or HCF)



“ccf” – Hundred Cubic Feet (HCF)

- Consistent with current water billing methodology
- Eliminates conversion of water meter readings
- 1 cubic foot = 7.48 gallons
- 1 ccf = 748.1 gallons

Category	Cost	Rate	
		Units	Allocation
Capacity	\$6.05	\$/ccf	80% of Charges
Tier 1	\$4.54	\$/ccf	20% of Charges
Tier 2	\$13.62	\$/ccf	
Billed Quarterly (four times per year)			

Tiers are calculated based upon specific design flow allocation assigned to each user. Tier 1 is charged for usage up to one half of the design flow allocation in Hundred Cubic Feet (ccf). Tier 2 is for usage in excess of one half of the design flow allocation. Values are rounded to the nearest ccf.

WWMDC Budget Synopsis FY 2019 to FY 2021

	FY 2019 Close	FY 2020 Budget	FY 2020 Anticipated at Close	Estimated % realized	FY 2021 Approved Budget
Costs					
Salaries	\$ 29,531	\$ 87,600	\$ 82,600	94%	\$ 88,330
Services	\$ 124,263	\$ 164,140	\$ 123,806	75%	\$ 166,005
Supplies	\$ 10,309	\$ 13,000	\$ 10,423	80%	\$ 13,000
Utilities	\$ 46,726	\$ 40,000	\$ 44,028	110%	\$ 54,750
Indirect Costs	\$ 94,965	\$ 34,913	\$ 34,913	100%	\$ 36,472
Debt Service					
New Debt Service					
Total Costs	\$ 305,794	\$ 339,653	\$ 295,770	87%	\$ 358,557
Original FY 19 Budget	\$ 343,063				
Revenues					
User Charges	\$ 263,080	\$ 311,653	\$ 266,278	85%	\$ 317,557
Interest on Savings	\$ 11,144	\$ 5,000	\$ 38,264	765%	\$ 10,000
Penalties and Interest		\$ -	\$ 588		\$ -
Wastewater Liens		\$ -	\$ 5,825		\$ -
Retained Earnings - Operating	\$ 31,570	\$ 23,000			\$ 31,000
Betterments					
Retained Earnings - Debt Service					
Total Revenues	\$ 305,794	\$ 339,653	\$ 310,955	92%	\$ 358,557
Cost/Expense Balance	\$ -	\$ -	\$ 15,185		\$ -
Surplus / Deficit	\$ -	\$ -	\$ 15,185		\$ -
Retained Earnings (Fund Balance)					



User Information

- Commercial – 56 Accounts
- Residential – 82 Accounts
- Tier 2 Usage
 - FY 2020 Q1 (July 2019 – September 2019)
 - 143 HCF
- Estimated FY 2020 total usage – 11,500 HCF
- Typical Year 13,000 HCF

Rate Setting

WWMDC Rate Setting FY 2021

	Projected Usage (Ccf)	Existing Rates	Existing Revenue	Rate Increase	New Rate	New Revenue
Base Charge	38,331	\$ 6.05	\$ 231,900.20	5.0%	\$ 6.35	\$ 243,495.21
Tier 1	13,000	\$ 4.54	\$ 59,020.00	5.0%	\$ 4.77	\$ 61,971.00
Tier 2	300	\$ 13.62	\$ 4,086.00	5.0%	\$ 14.30	\$ 4,290.30
		Total \$	\$ 295,006.20		Total \$	\$ 309,756.51
		Required Revenue \$	\$ 317,557		\$	\$ 317,557
		Difference \$	(22,551)		Revenue Increase \$	\$ 14,750
					Difference \$	(7,800)



DPW Recommended

Wayland FY 2021 Wastewater Rate Schedule

Public Hearing June 24, 2020

Rate			
Category	Cost	Units	Allocation
Capacity	\$6.35	\$/ccf	80% of Charges
Tier 1	\$4.77	\$/ccf	20% of Charges
Tier 2	\$14.30	\$/ccf	
Billed Quarterly (four times per year)			

Tiers are calculated based upon specific design flow allocation assigned to each user. Tier 1 is charged for usage up to one half of the design flow allocation in Hundred Cubic Feet (ccf). Tier 2 is for usage in excess of one half of the design flow allocation. Values are rounded to the nearest ccf.

Effective Date July 1, 2020

WAYLAND WASTEWATER MANAGEMENT DISTRICT COMMISSION
MEETING OF June 3, 2020

In Attendance via Zoom: Rick Greene, Mike Gitten, Uday Virkud and Jane Capasso

Absent: All Present

Guests Via Zoom: Paul Brinkman, Town Engineer; Cherry Karlson, Selectmen; Seath Crandall, Management Analyst-Selectmen's Office; Michael McCann, IT Director; Tom Holder, DPW Director

Meeting Location: 7:30 pm Zoom Call

Draft Minutes

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

7:30 1. Call to order

Rick: Read the opening statement from the Agenda relating to the public calling into the meeting.

7:31 2. Public comment

Seath: No public comment at this time. The calls are on a delay and he will let us know if there is any public comment.

7:35 3. Financial Review – Review FY20 projected close expenses and revenues and FY21 Budget.

Paul: This is a conversation and overview in preparation for the Rate Hearing on June 24, 2020. We are looking at the operational side of things and not the capital. We will review both in more detail in the future. The spreadsheet on the screen shows expenses and revenue for FY19, FY20 and the FY21 budget. From this information we will create a user charge to fund the FY21 budget. With Pezz's (Treatment Plant Manager) help our FY20 expenses are coming in a little lower than budgeted and we will have a small surplus. Rick: Concerned with the gap between actual and budget for the FY20 user charge revenue and the effect the Corona Virus mandatory shutdown of our businesses will have. Paul: The numbers you see are our projection to the end of the fiscal year and include Panera leaving. Mike: What led to the increase in interest earned on savings? Paul: The Town calculated WWMD's interest earned for the last several years based on the retained earnings and transferred the funds to WWMD to cover the past interest due. Uday: Expressed concerns relative to the utility budget. Paul: Changes in operations, electric rates and adding the SCADA system. The numbers include a little bit of a buffer for rate changes and if we have a cold winter.

FY21 Rate Setting Schedule: Paul: The schedule is based on a blend of flow and allocated capacity using current rates and a projected percent increase to equal the user charges required to cover operating expenses in FY21. Detailed discussion on the percentage to increase the rates and the use of Tier 2 revenue to cover expenses.

Uday: What is our split between Commercial and Retail revenue? Paul: Commercial use is down, but residential is likely up. He will research this for the next meeting.

Typical Wastewater Bill Schedule: Paul: This is an example of an annual bill for a two bedroom condo using the new rates at 5%. The annual bill will be approximately \$938 and the prior year bill \$893. This is about a \$40 per year increase.

Cherry: The budget cannot be changed, but you can amend it on the Town Meeting floor. Uday: We are asking for a \$60,000 increase in the budget that needs to be explained. Last year we asked for a modest increase. Note: The increase in budget from FY20 to FY21 is only \$20,000. Paul: We cannot budget to what we actually spend. Unforeseen repairs occur and the plant is now running at full and in the past it was not. Cherry: With municipal finance you cannot come up short and you have to budget slightly more than you need. If everything opens up you need to have the money to cover the costs.

Mike: How is the debt paid? Rick: It is billed separately. Paul: We will be including debt numbers in future iterations of this model. We are planning on analyzing this by the fall. Mike we would like to see where our expenses are going up and how the debt relates to this. Paul: We budget for other needs in our contingency account and use the retained earnings number to cover unforeseen items. Capital would be for large items, if needed, and typically bonded.

Paul: Please review these schedules and email me with any questions. We will use this information to set the FY21 rates on June 24, 2020.

8:10 4. Rate Relief for FY2020

Paul: The WWMD received \$963 of Rate Relief from State. This was recorded as betterment miscellaneous revenue.

8:11 5. Alta at River's Edge - Wastewater discussion update.

Paul: Plans are moving forward for the Wastewater Treatment Facility to process the effluent and send it back to Rivers Edge's and some to the river. We are working on the specifics to build a pipeline to make all connections and update any equipment with zero cost to the district. Expected impact is in one to two years.

8:13 6. Monthly Operations Reports (MOR) of wastewater activity at the Wastewater Treatment Facility (Town Center) and the Wastewater Treatment Plant (High School).

Paul: March we looked at what needs to be done. April Pezz and I alternated overseeing the plant due to the Corona Virus shutdown. We repaired the Odor control and it is working well. May 19, 2020 Wayland Excavating repaired a small pump outside, which is used for the sinks and drains in the plant with an estimated cost of \$8,000 to \$9,000. This could have been broken since the plant was built. The plant is running well with minimal repairs.

Paul: Our new contract for Operations & Maintenance is still in development. WhiteWater increased their hourly rates, outside the contract, which has a minimal effect on us since Pezz does all the work associated with non-routine tasks and maintenance.

7:31-7:35 7. Approve minutes from previous meetings – March 11, 2020 minutes.

Rick: Item 4 motion was changed. This allows the DPW Director and Town Engineer to approve Sewer Use Applications with certain restrictions.

**Rick: Motion to approve the minutes as written. Second Mike and third Uday.
Rick: Motion approved 3-0.**

8:20 8. Topics not reasonably anticipated by Chair 48 hours in advance of meeting.

The June 24, 2020 board meeting will be his last meeting. Cherry: There are no candidates at this time to take Uday's place.

8:21 9. A) Calendar: Upcoming meetings, events and hearings – June 24, 2020 at 7:30pm
Rate Hearing.

B) Review topics for future discussion. No discussion.

Seath: No public comment so far.

8:23 10. A) Adjourn. Rick moved to adjourn. Mike second, Uday third. Approved 3-0.

Attachments:

FY19-FY21 Summary Budget
Rate Setting FY21 Schedule
Typical Wastewater Bill
March 11, 2020 Minutes
Agenda

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

*In compliance with the revised Open Meeting Law requirements, we will be holding the meeting on Zoom and will simultaneously live stream the meeting on WayCAM. Those wishing to join the meeting directly via Zoom may do so using the following link: <https://zoom.us/j/96147009853?pwd=OEhPbUNaWFZiZEpTHh6OTZRKzVyUT09>
Password: 876601. Public Comment will be received either by phone at 508-358-6812 or Zoom. Zoom participants can "raise their hand" in Zoom during the public comment portion of the meeting to indicate their desire to comment. Instructions for participating via Zoom can be found here: <https://support.zoom.us/hc/en-us/articles/205566129-Raising-your-hand-In-a-webinar>. The phone number will be active during the public comment portion of the meeting. Thank you in advance for your patience; we intend to address all calls that come in during the Public Comment period.

NAME OF BOARD/COMM: Wayland Wastewater Management District Commission
FILED By: Jane Capasso
DATE OF MEETING: Wednesday, June 24, 2020
TIME OF MEETING: 7:30 PM
PLACE OF MEETING: Zoom Call

PROPOSED AGENDA

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

- 7:30 1. Call to order and reading of Zoom information.
- 7:32 2. Thank you to Uday Virkud who is retiring from the WWMDC.
- 7:34 3. Public comment
- 7:36 4. Alta at River's Edge methodology discussion
- 7:42 5. Changes to NPDES permitting in Massachusetts
- 7:45 6. Retained Earnings (Fund Balance) accounting
- 7:50 7. FY2021 Rate Hearing
 - a. Open Hearing and Read Announcement
 - b. Presentation and Recommendation
 - c. Public Comment
 - d. Board Discussion and Vote
 - e. Close Hearing
- 8:25 8. Approve minutes from previous meetings – June 3, 2020.
- 8:27 9. Topics not reasonably anticipated by Chair 48 hours in advance of meeting.
- 8:29 10. A) Calendar: Upcoming meetings, events and hearings.
B) Review topics for future discussion.
- 8:30 11. A) Adjourn