

WAYLAND WASTEWATER MANAGEMENT DISTRICT COMMISSION
MEETING OF August 19, 2020

Board Members: In Attendance: Rick Greene and Mike Gitten.

Board Members: Absent: All Present.

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

Guests: None

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.

7:31 1. Call to order and reading of Zoom information from the Agenda by Rick.

7:33 2. Public comment – None.

7:33 3. Reminder WWMDC volunteer position open.

Rick: No news from Cherry Karlson or the other Selectmen. Paul: The position is part of the Town's list for open board member positions.

7:34 4. Monthly Operating Report(s) – June and July 2020

Paul: On Sunday, August 2, 2020 at 4pm, there was a power failure at the treatment, which shutdown the plant. The battery backup on the SCADA system did not function and the plant did not restart. When Pezz came in at 5 am on Monday, the tank storing the influent was just about to overfill. Pezz got everything started and it was back to normal in 3 hours. The SCADA programmer came in and told us this is an original construction error. It was programmed into the computer, but the links were not set up. The battery backup had lost its life. The power came back, but the SCADA system did not. We updated the battery backup and now we will get an alarm. The programmer worked on other smaller issues.

Paul: Today we noticed that the flows were way up. It appears to be another stuck toilet. The plant is handling it fine. Pezz contacted the Town Center and he will follow up tomorrow.

Paul: The influent's intermittent reddish tint in June and July 2020 was due to the iron in the pipes being affected by the increased chemicals people were using to clean due to the corona virus. This affected the phosphorous levels, which caused a small violation. We are way under the total load for phosphorous and we notified the state. The state said other plants are seeing an increase in phosphorous.

With the new SCADA improvements, we will be able to track how much we are decanting and we will be able to show a reduction in sludge hauling.

7:47 5. FY20 Annual Report

Discussion on changes to the WWMD Draft Annual Report. Jane: There is a possibility the final FY20 financial information may not be available. Rick: We will use approximations if that is the case. Once Jane has input the financial

information, Paul will review the document in detail and discuss changes with Rick.

8:41 Rick: Motion to approve the annual report, as written, subject to the completion of the final numbers and minor wordsmithing by myself and Paul Brinkman. Mike Second. All in Favor 2-0.

8:09 6. Upcoming FY22 Budgeting Cycle

Paul: At a recent Town Department Head meeting, it was announced the capital budgets will be reviewed first in December 2020. After that, the operating budgets will be worked on between December 2020 and January 2021. Paul has some capital ideas that he will propose to the board shortly. He is looking at replacing the membranes and how the WWMD will finance them.

8:11 7. Extended 10+ Year Budget/Rate Tool

Rick: What are the rules for capitalizing and bonding the membranes? Paul: Membranes have a life based on use and when they wear out. This makes it difficult to bond. We are better off trying to manage this through rates.

Paul: Set up a 10+ Year Budget/Rate Tool for the Water Department. We are doing this for WWMD to help with forecasting rates to cover operating expenses and capital purchases. It also helps with monitoring the amount of retained earnings we have to cover debt service through FY2034. In the future we do not have enough money to cover debt service. On the operations side, according to the DEP, we should maintain a minimum of 20-40% of the operating budget in retained earnings.

Rick: Concerned that having a percentage of the operating budget available in retained earnings will be skewed as we collect money to cover future capital purchases (membranes) and then, when we buy the membrane, the percentage will drop. Paul: The idea of this tool is to account for future year capital expenses and how do we obtain the money to pay for them. We will keep an eye on what our needs are and adjust accordingly.

This report will be reviewed by Brian Keveny and Louise Miller. Rick: Is confident that Paul and Pezz know what the big ticket items are and other expenses. Paul: The model allows us to forecast the operating expenses into the future by using percentages. There is less accuracy in the outer years. Jane has worked hard and made a lot of adjustments to the model with links to other spreadsheets.

8:29 8. Monthly Financial Report – Unofficial FY2020 year-end

Paul: The unofficial FY20 revenue is a bit higher than my estimate at our last meeting because the numbers include part of the Quarter 4 billing that usually comes in the next fiscal year. Jane: Any uncollected revenue from the new betterment will be lien in December 2020. Unapportioned revenue is from users that payoff their betterment early. This is helpful in the current year, but affects the interest earned in the future.

Paul: The 10+ Year Tool will be helpful in ensuring we will have enough money to make future betterment payments. The tool breaks out the total retained earnings into operating and betterment, which allows us to plan and forecast the amount of retained earnings needed to cover operating and betterment expenses. This will be discussed in more detail at future WWMD meetings.

8:38 9. Approve minutes from previous meeting(s): June 24, 2020

**Rick: Motion to accept the June 24, 2020 minutes as written. Mike second.
Approved 2-0.**

8:39 10. Topics not reasonably anticipated by Chair 48 hours in advance of meeting. None.

8:39 11. A) Calendar: Upcoming meetings, events and hearings.

Paul: Does the Annual Report have to be approved by the WWMD? Rick:
Believes it does. Please go to Item 5 for a motion on the approval of the Annual
Report.

The next Board Meeting is tentatively set for Wednesday, October 7, 2020. We
will talk about the financial model and future capital requirements.

B) Review topics for future discussion. No discussion.

8:44 12. Adjourn 8:44

Attachments:

Monthly Operating Reports – June and July 2020
FY20 Draft Annual Report
10 Year Budget/Rate Schedule (4 years only)
Monthly Financial Report – Unofficial June 30, 2020
June 24, 2020 Draft 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=OEhPbUNaWFZiZEtpTHh6OTZlRkZVYU09> 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, August 19, 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. Public comment
- 7:37 3. Reminder WWMDDC volunteer position open
- 7:38 4. Monthly Operating Report(s) – June and July 2020
- 7:50 5. FY20 Annual Report
- 7:55 6. Upcoming FY22 Budgeting Cycle
- 8:05 7. Extended 10+ Year Budget/Rate Tool
- 8:20 8. Monthly Financial Report – Unofficial FY2020 year-end
- 8:27 9. Approve minutes from previous meeting(s): June 24, 2020
- 8:31 10. Topics not reasonably anticipated by Chair 48 hours in advance of meeting.
- 8:32 11. A) Calendar: Upcoming meetings, events and hearings.
B) Review topics for future discussion.
- 8:36 12. Adjourn

Wastewater Management District Commission			J. Capasso	
FY17-FY34 Long-Range Budget		FY2020 Unofficial MUNIS Numbers		
RE = Retainel Earnings				
Certified Retained Earnings				
BREAKOUT BEGIN RE	FY2016	FY2017	FY2018	FY2019
- Operations	\$ 60,102	\$ 112,580	\$ (44,176)	\$ 26,822
- Debt Serv, PILOB & PIA	\$ 1,243,128	\$ 1,226,611	\$ 1,299,369	\$ 1,261,473
Prior YR RE	\$ 1,303,231	\$ 1,339,191	\$ 1,255,193	\$ 1,288,295
	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Unofficial
OPERATING				
RE Prior Yr-Operating	\$ 60,102	\$ 112,580	\$ (44,176)	\$ 26,822
Expenses:				
- Salaries	\$ 25,994	\$ 28,667	\$ 29,531	\$ 81,461
- Services	\$ 160,600	\$ 150,411	\$ 132,937	\$ 131,280
- Utilities	\$ 37,174	\$ 38,766	\$ 46,726	\$ 40,010
- Indirects	\$ 24,669	\$ 28,831	\$ 94,965	\$ 34,913
- Goods	\$ 3,000	\$ -	\$ 1,635	\$ 7,656
- Unbonded Capital Exp's	\$ -	\$ -	\$ -	\$ -
Total Oper Exp	\$ 251,438	\$ 246,675	\$ 305,794	\$ 295,320
Revenue:				
- User Chrgs-Preliminary	\$ 295,690	\$ 202,864	\$ 263,080	\$ 279,143
- User Chrgs Incr (Rev-Exp)	\$ -	\$ -	\$ -	\$ -
Total User Charges	\$ 295,690	\$ 202,864	\$ 263,080	\$ 279,143
User Chrg % Increase	N/A	-31%	30%	6%
- Penalties & Interest	\$ 8,912	\$ 444	\$ 502	\$ 592
- Liens	\$ 7,124	\$ 3,393	\$ 1,506	\$ 5,825
- Int Ernd Sav's-Oper (1)	\$ 4,352	\$ 6,731	\$ 11,144	\$ 38,851
- Misc Revenue (2)	\$ -	\$ 438	\$ 1,270	\$ -
Total Oper Revenue	\$ 316,078	\$ 213,870	\$ 277,502	\$ 324,410
Oper Inc/(RE Use) (4)	\$ 64,640	\$ (32,805)	\$ (28,292)	\$ 29,090
Fund Bal Adjustments (3)	\$ (12,162)	\$ (123,952)	\$ 99,292	\$ 61,491
Oper RE Balance	\$ 112,580	\$ (44,176)	\$ 26,823	\$ 117,403
Oper RE % of Exp's	44.8%	-17.9%	8.8%	39.8%
DEBT SERVICE				
RE Prior Yr-Betterment	\$ 1,243,128	\$ 1,226,611	\$ 1,299,369	\$ 1,261,472
Debt Service:				
- Old Betterment	\$ 29,786	\$ 28,657	\$ 32,340	\$ 31,308
- New Betterment	\$ 429,565	\$ 425,265	\$ 425,764	\$ 397,865
- Future Debt	\$ -	\$ -	\$ -	\$ -
Total Debt Service	\$ 459,351	\$ 453,922	\$ 458,104	\$ 429,173
Apportioned Receipts:				
- Old Betterment	\$ 30,757	\$ 25,742	\$ 24,622	\$ 21,132
- New Betterment	\$ 373,111	\$ 348,912	\$ 333,351	\$ 310,836
- Future Apport'd	\$ -	\$ -	\$ -	\$ -
Total Apportioned	\$ 403,868	\$ 374,654	\$ 357,973	\$ 331,968
Debt Serv Inc/(Loss)	\$ (55,483)	\$ (79,268)	\$ (100,131)	\$ (97,205)
PILOB/PIA/Priv Fee/Misc	\$ 38,965	\$ 152,027	\$ 62,233	\$ 97,846
Int Ernd Sav's-Better (1)	\$ -			
Total DS Inc/(RE Use)	\$ (16,518)	\$ 72,758	\$ (37,897)	\$ 641
Debt Service RE Balance	\$ 1,226,611	\$ 1,299,369	\$ 1,261,472	\$ 1,262,113
Total Combined RE	\$ 1,339,191	\$ 1,255,193	\$ 1,288,295	\$ 1,379,516
Total Projected Annual Budget				

UNOFFICIAL FY2020 - YTD JUNE 2020

WAYLAND WASTEWATER MANAGEMENT DISTRICT COMMISSION					Beginning of Year: 7/1/19			
FY2020 MONTHLY FINANCIAL REPORT- June, 2020					MUNIS Date: 6/30/20			
100% of Year Complete		FY20	YTD	YTD ACT	ENCUMB.	BUDGET	TOTAL	
ACCOUNT #		BUDGET	ACTUAL	% SPENT	BALANCE	BALANCE	% SPENT	COMMENTS
EXPENSES								
63443001	51001 Salaries (Acct Spec/WOM)	\$ 82,600	\$ 81,481	98.6%	N/A	\$ 1,139	98.6%	New FY20 - 60% WOM Salary
63443001	51003 Salaries (Part-time)	\$ 5,000	\$ -	0.0%	N/A	\$ 5,000	0.0%	
	Total Personnel Services	\$ 87,600	\$ 81,481	98.6%	0%	\$ 6,139	93.0%	
63443002	52100 Facility Operating Contract	\$ 50,000	\$ 46,800	93.6%	\$ -	\$ 3,200	93.6%	No contract until RFP is finalized.
63443002	52101 Fac. Labor & Other Prof. Serv.	\$ 12,500	\$ 1,299	10.4%	\$ -	\$ 11,201	10.4%	
63443002	52103 Surface Water Testing (Oars)	\$ 7,800	\$ 7,671	98.3%	\$ -	\$ 129	98.3%	
63443002	52107 Admin Serv's (Other)	\$ 500	\$ 249	49.7%	\$ -	\$ 251	49.7%	
63443002	52108 Legal Services	\$ 5,000	\$ -	0.0%	\$ -	\$ 5,000	0.0%	
63443002	52112 Training & Education	\$ 350	\$ 278	79.4%	\$ -	\$ 72	79.4%	
63443002	52115 Building Repair & Improvement	\$ 5,900	\$ 1,270	21.5%	\$ -	\$ 4,630	21.5%	
63443002	52118 Equipment Repairs & Maint.	\$ 30,000	\$ 42,408	141.4%	\$ 872	\$ (13,080)	143.6%	Odor Ctrl \$14,428, \$1,176 from FY19
63443002	52117 Vehicle Repair	\$ 500	\$ -	0.0%	\$ -	\$ 500	0.0%	
63443002	52121 Disposal (BP Trucking/Trash)	\$ 1,240	\$ 1,144	92.3%	\$ 98	\$ -	100.0%	
63443002	52122 Sludge Disposal	\$ 25,000	\$ 14,823	59.3%	\$ 1,873	\$ 8,305	66.8%	
63443002	52125 Chemicals	\$ 7,500	\$ 6,578	87.7%	\$ 1,637	\$ (713)	109.5%	
63443002	52126 Pipeline Maint/Emergency	\$ 10,000	\$ 8,700	87.0%	\$ -	\$ 1,300	87.0%	Emerg Repair Outside Pipe Tmt Plant
63443002	52151 Operating Expense	\$ -	\$ 62	0.0%	\$ -	\$ (62)	0.0%	
63443002	52152 Engineering Fees	N/A	N/A	N/A	N/A	N/A	N/A	
63443002	53102 Natural Gas-NIT Grid & Dir. En.	\$ 5,500	\$ 4,796	87.2%	\$ 744	\$ (40.04)	100.7%	Budget increased \$1,400 from 54599
63443002	53103 Electricity -Eversource	\$ 33,000	\$ 33,000	100.0%	\$ -	\$ -	100.0%	
63443002	53104 Telephone -Verizon	\$ 1,900	\$ 1,900	100.0%	\$ -	\$ 0	100.0%	
63443002	53105 Water -TOW	\$ 1,000	\$ 314	31.4%	\$ 686	\$ -	100.0%	
63443002	59710 Indirect/Admin (Town Services)	\$ 34,913	\$ 34,913	100.0%	N/A	\$ -	100.0%	Expensed May, 2020
	Total Services	\$ 232,803	\$ 206,203	88.7%	\$ 5,707	\$ 20,893	91.1%	
63443002	54100 Supplies	\$ 5,000	\$ 3,267	65.3%	\$ 816	\$ 916	81.7%	
63443002	54111 Vehicle Gasoline	\$ 500	\$ 500	100.0%	\$ -	\$ 0	100.0%	
63443002	54115 Uniforms	\$ 350	\$ -	0.0%	N/A	\$ 350	0.0%	
63443002	54500 Small Equipment	\$ -	\$ -	0.0%	\$ -	\$ -	0.0%	New FY21
63443002	54599 Contingency	\$ 13,600	\$ 3,889	28.6%	\$ -	\$ 9,711	28.6%	(8)
	Total Goods	\$ 19,450	\$ 7,656	39.4%	\$ 818	\$ 10,977	43.6%	
	Total Operating Expenses	\$ 339,653	\$ 295,320	88.9%	\$ 6,524	\$ 37,809	88.9%	
CAPITAL EXPENSES								
63443002	47501 Old Debt-Principal	\$ 43,247	\$ 31,308	72.4%	N/A	\$ 11,939	72.4%	Paid in August & February
63443002	47502 Old Debt-Interest	\$ 3,268	\$ -	0.0%	N/A	\$ 3,268	0.0%	Subsidy pays Aug, WWMDC Feb.
63443002	47501 New Debt -Principal	\$ 248,077	\$ 248,000	100.0%	N/A	\$ 77	100.0%	Paid in August & February
63443002	47502 New Debt -Interest	\$ 153,695	\$ 149,865	97.5%	N/A	\$ 3,830	97.5%	Paid in August & February
	Total Capital Expenses:	\$ 448,287	\$ 429,173	95.7%	N/A	\$ 19,114	95.7%	
	TOTAL OPERATING & CAP EXP'S	\$ 787,940	\$ 724,493	91.9%	\$ 6,524	\$ 56,923	92.8%	
REVENUE								
63410500	47501 Old Betterment - Principal	\$ 22,885	\$ 20,126	87.9%	N/A	\$ (2,759)	87.9%	(1) (7) Pmts due Feb/May
63410500	47502 Old Betterment - Interest	\$ 1,144	\$ 1,006	88.0%	N/A	\$ (138)	88.0%	(1) (7) Pmts due Feb/May
63410500	47503 New Betterment - Principal	\$ 189,830	\$ 178,714	94.1%	N/A	\$ (11,116)	94.1%	(1) Pmts due Feb/May
63410500	47504 New Betterment - Interest	\$ 140,832	\$ 132,122	93.8%	N/A	\$ (8,710)	93.8%	(1) Pmts due Feb/May
63410500	48800 Retained Eam's-Betterment	\$ 93,598	\$ -	0.0%	N/A	\$ (93,598)	0.0%	
63105000	43299 Miscellaneous Rev-Betterment	\$ -	\$ 963	N/A	N/A	\$ 963	N/A	(2)
63410500	47505 Unapp WW Better TC Rev	\$ -	\$ 68,845	N/A	N/A	\$ 68,845	N/A	(3) Unbudg Betterments Paid in Adv.
63410500	47506 Unapp WW Better TC Int	\$ -	\$ 1,438	N/A	N/A	\$ 1,438	N/A	(3) Unbudg Betterments Paid in Adv.
63410500	49710 Transfers from General Fund	\$ -	\$ 26,600	N/A	N/A	\$ 26,600	N/A	(4) New Better Adjustment
	Total Debt/Betterment Rev	\$ 448,287	\$ 429,814	95.9%	N/A	\$ (18,473)	95.9%	
63410500	42105 User Charges	\$ 311,653	\$ 279,143	89.6%	N/A	\$ (32,510)	89.6%	(5)
63410500	48210 Interest Earned on Savings	\$ 5,000	\$ 38,851	777.0%	N/A	\$ 33,851	777.0%	(6) New FY20
63410500	41750 Penalties & Interest	\$ -	\$ 592	N/A	N/A	\$ 592	N/A	
63105000	42111 Wastewater Liens	\$ -	\$ 5,825	N/A	N/A	\$ 5,825	N/A	
63105000	43299 Miscellaneous Rev-Operating	\$ -	\$ -	N/A	N/A	\$ -	N/A	(2)
63410500	48800 Retained Eam's-Operations	\$ 23,000	\$ -	0.0%	N/A	\$ (23,000)	0.0%	Supplement for User Charges.
	Total Operating Revenue	\$ 339,653	\$ 324,410	N/A	N/A	\$ (15,243)	N/A	
	TOTAL REVENUE	\$ 787,940	\$ 754,224	N/A	N/A	\$ (33,716)	95.7%	
OPERATING INCOME/(LOSS)								
	Revenue	\$ 339,653	\$ 324,410		Revenue	\$ 754,224		
	Expenses	\$ 339,653	\$ 295,320		Expenses	\$ 724,493		
	Total Operating Income/(Loss)	\$ -	\$ 29,090	Total Income/(Loss)	\$ 29,731			Budget: \$60k Retained Eam's-Oper's WWMDC voted to use \$23,000
Notes:								

Notes:

- 1) Betterment Income & Retained Earnings/Betterment: Beginning FY20, betterment income will be the budgeted number. Prior, debt exp. numbers were used to balance the budget. Added Retained Earnings/Betterment account, which reflects the net of the billed amount and debt expense paid.
- 2) Miscellaneous Revenue Betterment: \$963 Sewer Rate Relief from the State. Paul Brinkman applied for this.
- 3) Unapportioned Principal/Interest (New Betterments Paid in Full): 234 BPR \$48,803.17/\$788.90; 35 Lillian \$10,020.93/\$300.63; and 4 Lillian \$10,020.93/\$348.59.
- 4) Transfer From General Fund: Due to transferring \$219k of new betterment debt to the High School, WWMD was reimbursed for FY19 charges that belonged to the High School.
- 5) FY20 User Charge Billing: Q4= \$70,926, Q1=\$72,095, Q2 \$73,106 and \$69,626. Billed total \$285,755.
- 6) Interest Earned on Savings - Beginning FY20, budgeting for interest earned on \$483,606 (July 31, 2018) located in a separate account controlled by Treasury. The remainder of WWMD's retained earnings is in the Town's General Fund. Received \$24,546.97, which is under discussion.
- 7) Old Betterment - 234 BPR Paid in Full \$1,001.20 Principal and \$50.06 Interest.
- 8) Contingency Fund being used to pay expenses that exceed budget for Eversource, Verizon and Wex.