

TOWN OF DANVERS, MASSACHUSETTS

Department of Public Works

TO: Water & Sewer Commissioners

FROM: David B. Lane, Director of Public Works

DATE: August 15, 2018

SUBJECT: COMMISSIONERS MEETING & RATE HEARING - June 28, 2018

The meeting was held on Thursday, June 28, 2018 at 5:30 PM in the DPW Business Division Conference Room at 2 Burroughs Street. Present at the meeting were Board Members W. Coley Rybicki, Justin Theriault and Chair, John Mroszczyk, from staff: Aaron Cilluffo, Peter Korpusik, and this writer, David Lane, from public: Mark Zuberek, Shawn Toomey, William Hayes and Stan Svensson.

Item 1: **Minutes of the Previous Meeting:**

Board member Coley Rybicki made a motion to approve the minutes from the June 5, 2018 meeting. Justin Theriault second the motion and it passed unanimously.

Item 2: **Financial Report:**

\$679,000 is still needed to be collected on the water side. \$404,000 has been collected as of today. We are \$275,000 short as of today. There are other revenues and the Town Meeting transfer from retained earnings of \$250,000 which will make this come out positive.

Sewer Budget – Peter Korpusik projects we are going to meet revenues.

Board Member, Coley Rybicki, asked how far down are we in water sales. We are down 2.4% in water sales since 2017.

A motion was made to accept the Financial Report and second by Coley Rybicki. The motion was approved unanimously.

Item 3: **FY2019 Water and Sewer Rate Discussion:**

Peter Korpusik reviewed the four options presented for the FY 2019 Water Rates and Sewer Rates which are attached to these minutes.

The proposed rates are based on meeting the appropriated expenses and three-year average of water rates.

We currently have the following in retained earnings:

Sewer: \$1.64M
Water: \$2.30M

Board Member, Coley Rybicki motioned Option 1 to bring to the hearing and second by Justin Theriault. The Motion was approved unanimously.

Item 4: **Other Items**
No other Items.

The meeting was adjourned at 6:40 PM.

RATE HEARING:

The hearing was called to order at 6:45 PM.

The Board made a motion to accept Option 1, as attached, and seconded by Justin Theriault.

Board Member, Coley Rybicki noted this option provides revenue to make the budget and return \$200,000 to retained earnings.

Mr. Zuberek brought up that the last two years we returned \$400,000 to \$500,000 per year to retained earnings. His preference is no increase now and then review in six months.

A vote on the motion was taken and approved unanimously.

The Hearing was adjourned at 7:05 PM.

The next meeting is October 4, 2018.

MOTION
Effective July 1, 2018

**HCF = Hundred Cubic Feet

MOVE: That the water rate for FY 19 be set at the following:

RESIDENTIAL

First 20 HCF / Quarter _____	\$5.92	/HCF
20 HCF to 24 HCF / Quarter _____	\$6.66	/HCF
Greater than 24 HCF / Quarter _____	\$8.54	/HCF
Base Charge / Quarter _____	\$12.00	/HCF

COMMERCIAL

First 40 HCF / Month _____	\$ 5.92	/HCF
Greater than 40 HCF / Month _____	\$6.66	/HCF
Base Charge / Month _____	\$21.00	/HCF

MOVE: That the sewer rate for FY 19 be set at the following:

RESIDENTIAL

First 20 HCF / Quarter _____	\$ 6.69	/HCF
20 HCF to 24 HCF / Quarter _____	\$ 6.96	/HCF
Greater than 24 HCF / Quarter _____	\$ 8.37	/HCF

COMMERCIAL

First 40 HCF / Month _____	\$6.69	/HCF
Greater than 40 HCF / Month _____	\$6.96	/HCF