



Chair/James Gmeiner
Vice Chair/Thomas Orcutt

Town of Groton Sewer Department

173 Main Street
Groton MA 01450

Date: January 25, 2018

Time: 6:30 PM.

Location: Pepperell Town Hall/First Floor

Members Present: Chair/James Gmeiner
Vice Chair/Thomas Orcutt

Others Present: Ann Livezey /Water & Sewer Assistant, Evan Boucher, & Bob Rafferty/EPA

Pepperell: Joseph Jordan/Water Superintendent, Ken Kalinowski/Public Works Dept., Paul Brinkman/Vice Chair, Thomas Nephew/Chair, Jeff Teller/Public Works Commissioner & Chris Petrini/Special Counsel and Sue Gurney/DPW Administrative Assistant

The Meeting was called to order at 6:30 PM

Pepperell IMA

Mr. Nephew started the meeting off with the introduction of the board members and announced that we are here to discuss the Inter-Municipal Agreement between Pepperell and Groton for the Conveyance and Treatment of Wastewater. Mr. Nephew asked what Groton's thoughts were at this time. Mr. Gmeiner stated that he has been working on behalf of the Groton Sewer Commission for over 25-years and in that time there was always a good working relationship with Pepperell. When we started discussing the renewal of the IMA we were under the impression we were close to an agreement from the August 2017 meeting with only a small difference in cost. We have had no response until December 2017 and we were given an agreement that basically was a take it or leave it position from Pepperell. Mr. Nephew stated that discussions had stalled and that's why we wrote the letter and apparently there was a breakdown in communication.

Mr. Brinkman said at the last meeting he felt it did not end like we were ready to agree. He feels that Groton BOSC is one way and it is not fair and balanced. We thought it was necessary to put our reaction on paper and send it over. Mr. Gmeiner said first off that changing the billing to flow over flow is a non-start for us and we should not have to pay that way. As stated on the cover letter of the original IMA it reads "Agreement between the Towns for Pepperell and Groton Massachusetts for the Joint Use of Portions of Pepperell's Wastewater Treatment System." Mr. Brinkman feels in regards to the billing there needs to be some formula for the shared pipelines. Mr. Rafferty mentioned since day one he has been asking for accounting records from Pepperell regarding the costs associated with the shared portions of the Pepperell Wastewater System to

determine a fair formula. It is written in the contract and part of the current IMA to be done on an Annual Basis. Without those records he feels they cannot determine a cost of the shared pipeline. Mr. Rafferty informed Pepperell that Groton is willing to negotiate, but cannot fairly do so without those accounting records. He also felt at the last meeting he thought progress was being made until Pepperell rescinded the agreement and walked away from the negotiating table.

Mr. Jordan stated that he has asked about the billing method and nobody has any idea why it is being done this way. He also said that there has never been any real track on how much we spend on the pipes. He said he would need specific data to breakdown on how much time is being spent on the pipes by employees and that would require real hard data, which we do not have. Mr. Rafferty agrees that it is more work, but if we could have a best guess and a buffer that we agree on that could work. Mr. Brinkman replied that Groton is looking for simple and fair and we cannot track labor and pipe costs and he does not see that working. Mr. Rafferty said it is stated in the current agreement to track these costs and supply them to Groton on an annual basis.

Mr. Rafferty stated Groton would like to keep the existing contract, but would like to check the accounting; we are just asking for clarity and transparency, which can be done if you just supply us with the accounting as we requested. We want to establish a formula and a basis we can look back on. Mr. Nephew said this would incur administrative costs. Mr. Jordan agreed they are not following the existing billing, but being asked to go back and get a reasonable number would not be fair. Mr. Nephew asked how long this process would take and Mr. Jordan replied about a full year would be needed to track the costs.

Mr. Nephew said based on % of flow cost to Groton, the agreement would be the same and asked if Groton would have an objection to that. Mr. Rafferty replied yes and stated that what Groton is paying at this time is not correct. Mr. Nephew asked if it was a significant amount over and Mr. Teller asked what is significant. Mr. Rafferty stated based on the spreadsheet provided by Pepperell it should be 73%. Mr. Teller asked if this was an overpayment and Mr. Rafferty replied yes in our opinion, we went line by line on the spreadsheet provided.

Mr. Orcutt disagrees that it would take 12 months and said we asked for a staffing plan 9 months ago. He also stated that we do not want to pay for a collection system that we do not use. Mr. Jordan said he provided a staffing plan for 7-8 guys and he also said that the staffing plan would fluctuate depending on the season. He said it would require a full 12 months to show what is paid on the systems entirety. Mr. Brinkman said this would be a theoretical analysis. Mr. Rafferty knows that costs fluctuate so we could put in a contingency, so we can start with a %.

Mr. Rafferty stated we need a formula and records of the accounting costs. At some point in time the billing changed and Mr. Rafferty has been asking for documentation of this. Mr. Jordan replied that nobody knows and you cannot accuse us of changing the billing, we do not know. Mr. Gmeiner suspects it was after the time Mark Richardson left is when it changed. Mr. Kalinowski asked how you know you did not propose the changes. Mr. Jordan asked when the formula changed maybe it was a mutual agreement. Mr. Gmeiner stated that when the superintendent changed is most likely the time the billing changed. Mr. Jordan said they would need to research that Mr. Gmeiner suggested that they may have to go back six years on the billing and if there were overcharges then seek redress.. Mr. Jordan said they would need to confirm the change and see if it was mutually agreed.

Mr. Nephew stated that we need to move forward with a simple agreement. If we came up with a % of flow and corrected the billing would you agree? Mr. Brinkman said that Groton wants a factor of 72%. Mr. Rafferty said that you gave us those numbers and that's how we got the factor. Mr. Teller asked how we move forward at a rational approach. Mr. Brinkam stated that this IMA will be implemented July 1, 2018. Mr. Nephew suggested we meet again so we can discuss the IMA after he looks back on some things. Mr. Nephew asked other than the actual cost % of flow what else are you not comfortable with are. Mr. Gmeiner replied that he would need to spend some time on that. He also stated that Groton has bought into the plant and should not be treated as a rate payer that they are a minority payer. Mr. Brinkman replied that Groton does pay less than the rate payers. Mr. Teller suggested we set up a line of communication moving forward. Mr. Nephew would like to get something in writing for the next meeting and stated that they are willing to discuss and come to an agreement.

ADJOURN Meeting adjourned at 7:30 P.M.

Respectfully submitted,
Ann Livezey, Water & Sewer Assistant

APPROVED:
