



Chair/James Gmeiner
Vice Chair/Thomas Orcutt
Clerk/Michael Bouchard

Town of Groton Sewer Department
173 Main Street
Groton MA 01450

Date: April 22nd, 2020

Time: 2:00 P.M.

Location: Virtual Meeting Using Zoom

Members Virtually Present: Chair/James Gmeiner
Vice Chair/Thomas Orcutt
Clerk/Michael Bouchard

Others Virtually Present: Ann Livezey/Water & Sewer Assistant, Lauren Crory/Business Manager,
John Giger/Select Board and Judy Anderson

The Meeting was called to order by James Gmeiner at 2:00P.M.

FY2020 Operating Budget

Four Corners Budget: Mr. Gmeiner told the BOSC that the Dollar Tree went back and forth on hooking up to sewer and they have decided to hook up to Shaw's for the time being. He told the BOSC that they are currently under an order with the BOH to hook up by September 1st, 2020 and if not, they will have to cease operations.

Mr. Gmeiner asked Ms. Crory if that number was in the financials and she replied "yes" \$16k under construction line item. She said currently the construction income is at \$31K and \$16K is from the Dollar Tree. Ms. Crory also told the BOSC that Ms. Dufresne has asked that a transfer be done from reserves to cover the start up funding. Ms. Crory said after reviewing the expenses we will still owe Ayer \$5,020.00 so total estimated expense would be \$21,375.30 and we budgeted \$20,618.60 so we will be \$760.70 short.

Mr. Orcutt told the BOSC that Mr. Haddad had the transfer amount at \$15K. Mr. Bouchard asked if Marks proposal was to cover what Ms. Crory said and Mr. Orcutt replied "yes". Mr. Gmeiner said to date we have \$36K, so we don't really need a transfer because essentially, we are doing a transfer, but we have enough income. Ms. Crory replied that this is how Ms. Dufresne asked that it be done. Mr. Gmeiner feels that \$15k is a good number at this time and Mr. Orcutt said he would check with Mr. Rafferty and see if we have any other expenses for us.

Center Sewer District: Ms. Crory said the current rate income is \$573K and just billed \$117K and her forecasted amount we would end up with would be \$714K. This would be due to the rate increase we had. Ms. Crory said the budgeted capital charge was \$40K and she reduced that number to \$30K for the unknowns, so in total she feels \$140K is a good number. Mr. Orcutt asked if that \$140K includes looking

at reduced numbers for the schools and restaurants. Ms. Crory replied that Book #1 was just billed and they are usually good payers. Mr. Orcutt asked how this last quarter and how it compared and Ms. Crory replied about the same. Mr. Orcutt then told the BOSC he feels that due to the rate increase that covered the short fall. Ms. Crory said the next billing cycle for Book #1 is in July is where we will see the difference.

Ms. Crory told the BOSC that the miscellaneous income shows \$84K, but \$67K is the money that came in from the GDRHS pump project, so in reality that would be \$20K miscellaneous income. Ms. Crory said the forecasted income is a total of \$911K and we budgeted \$600K. Ms. Crory told the BOSC that wages will be short \$750.00 and salaries \$443.00. General expenses are at \$512K and we and we budgeted \$629K and we have an estimated amount of \$15K so that will be short \$40K.

Mr. Gmeiner said we need to discuss 436 Main Street and where that will come into play. Mr. Gmeiner also said he the conversation with Ms. Dufresne and we still need to pull \$67K out of reserves for the GDRHS so we would be adding an additional income of \$67K. Mr. Gmeiner then added that basically whatever we transfer out is going back in. Mr. Gmeiner said with the transfer to cover the pump situation of \$67K added to the forecasted income of \$152K would actually be \$220K surplus. He said so as far as 436 Main Street, it should not be a concern because we have enough money. Mr. Gmeiner suggested we check on the engineering numbers and we make sure we transfer enough. Mr. Gmeiner said due to the fact we are overspent on expenses and we are adding more for 436 Main Street we need to be sure we have enough. Mr. Orcutt told the BOSC that because we do not have to use all OSHA certified contractors and they are only requiring one to be on site that brings the construction cost way down. Mr. Orcutt said so maybe \$30K with police, materials and engineering. Mr. Orcutt asked if we want to do before July 1st and Mr. Gmeiner said or do, we want to wait until next fiscal year. He said if we do that, we would have to encumber the monies because the project would not be done. Mr. Orcutt said it probably would be best to wait until July or August due to the groundwater. Mr. Gmeiner asked if there was a problem with going ahead and doing a transfer now then we just encumber. Mr. Gmeiner asked Ms. Crory if we were to leave 436 Main Street out what would be the number. Ms. Crory replied that we are over \$30K in expenses so at least \$30K-\$50K for regular budget.

Mr. Orcutt told the BOSC that he suggests we transfer a \$100K out of reserves to cover the GDRHS expenses, 436 Main Street and for the remaining Pepperell expenses. Mr. Gmeiner said we do not have to transfer the full amount of the GDRHS. Mr. Gmeiner said in Ms. Crory's email she was comfortable with \$40K-\$50K and that was not including 436 Main Street, so he would be comfortable with the \$100K.

Mr. Orcutt made a motion to transfer \$100K from the Center Sewer District Reserves for FY2020, Mr. Bouchard seconded the motion. Roll Call: Gmeiner – Aye, Orcutt – Aye and Bouchard - Aye

FY2021 Operating Budget

Mr. Orcutt suggested we hold off until we close the books for revenue and expenses in the first or second week in July to see where we are. He told the BOSC that if things don't get going, we will be paying the minimum charges on wastewater. Mr. Gmeiner suggested we keep an eye on expenses and track what we are seeing on the next couple Pepperell bills and maybe see what actual flows are compared to revenue. Mr. Gmeiner said if our flows go way down maybe rates will cover it. Mr. Gmeiner said next year is where he is worried. Mr. Orcutt agreed and mentioned especially with the businesses being shut down and the schools being closed and they are our biggest revenue.

Town Meeting Appropriations for FY2020

Mr. Giger asked the BOSC about the two articles they have on the warrant and Mr. Orcutt replied “yes” one for the Four Corners Sewer District and one for the Center Sewer District. Mr. Giger did say the Select Board was in support of the \$15K for the Four Corner Sewer District and he asked if the \$100K transfer was for the one with no numbers attached. Mr. Orcutt replied “yes”

Moulton Sewer Extension – Oriole Drive

Mr. Orcutt told the BOSC that he has spoken with Mr. Moulton and they are working on the sewer extension and they are about two weeks out before inspections. Mr. Orcutt asked the BOSC if we should have Mr. Rafferty bill us for the engineering work or submit to Mr. Moulton directly. Mr. Gmeiner replied that if we do that, we will run into the same issue as we did with the budget for the GDRHS pump station project and he would prefer to have Mr. Moulton pay directly. Mr. Bouchard asked if we would be getting records for the inspections and Mr. Orcutt replied “yes”.

Mr. Gmeiner suggested the BOSC consider a buffer in the even payment is delayed from Mr. Moulton and that would avoid a transfer at a later date. Mr. Gmeiner asked Mr. Orcutt to get an estimate from Mr. Rafferty about what the expenses may be and we might want to consider bumping that number up to \$20K for the FY2020 operating budget.

Mr. Gmeiner asked if the BOSC was comfortable with the \$20K and Mr. Bouchard replied if we have it in reserves and if it will just flow back in, he is ok with it. Mr. Gmeiner said without any transfers we have \$36K coming and roughly \$21K-\$22K going out so he is comfortable with it.

Mr. Orcutt made a motion to transfer \$20K for the FY2020 operating budget to reserves for the Four Corners Sewer District Mr. Bouchard seconded and the motion. Roll Call: Gmeiner – Aye, Orcutt – Aye and Bouchard - Aye

Next Meeting – May 6th, 2020

BILLS SIGNED - No Bills Signed

MINUTES: - No minutes were approved

ADJOURN – *Mr. Orcutt made a motion to adjourn at 3:08PM, Mr. Bouchard seconded the motion. Roll Call: Gmeiner – Aye, Orcutt – Aye and Bouchard - Aye*

Respectfully submitted.

Ann Livezey
Water & Sewer Assistant