



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

Town of Groton Sewer Department

173 Main Street
Groton MA 01450

Date: November 10th, 2021

Time: 9:30 A.M.

Location: 2nd Floor Conference Room

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 and Judy Anderson

The Meeting was called to order by James Gmeiner at 9:30 A.M.

Pepperell IMA

Mr. Gmeiner told the BOSC that he met with Mr. Nephew and they are looking at it as a whole. We are responsible for 25% of the capital cost of the plant. The thought was to try to figure out the cost we all share and try to work that out by our total flow over total flow of the plant. Mr. Gmeiner said that the Mr. Brinkman is in the process of breaking out the costs. He told the BOSC that they consider Groton having 3-stations and they have 5-stations, their perspective of Groton having 3 includes the GDRHS. This would require us to figure out how to bill the GDRHS for their portion. They also discussed the pump stations, siphons and gravity mains and they are trying to figure out what is ours and what is theirs.

Mr. Orcutt told the BOSC that he does not feel we should be paying for things that Groton receives no benefit from and they should not absorb those costs. He suggested that we be certain we are paying only for the things that benefit Groton. Mr. Gmeiner said any routine maintenance done in Pepperell, Groton will receive the same and he feels we are seeing more routine stuff being done now. Mr. Gmeiner told the BOSC in regards to purchase of new capacity they are looking at current asset value. Mr. Orcutt asked if that means if we would go to 30% and Mr. Gmeiner said based on current debt service we would be paying an additional 5% of debt service and they would look for a buy in cost based on the current asset plant.

Mr. Gmeiner suggested we schedule a meeting with Pepperell to discuss this in further detail.

FY22 & FY23 Budget Center Sewer District & Four Corners Sewer District

Four Corners:

Ms. Crory told the BOSC the actuals for FY21 were \$6K-\$7K and Shaw's was estimated to bring in \$15K and if Ixtapa connected it would be an estimated \$5K. She also told the BOSC that the connection fees are

the same as last year we will carry (2) which will be (2) Moulton properties that were not included in the original agreement with Ayer. This would be an \$8,600.00 charge each and Ayer's portion would be \$5,400.00 each. She told the BOSC that we will be transferring \$21,150.00 to pay for the 1st payment of our 10- year obligation to Ayer.

Mr. Bouchard asked in FY22 we had \$22K in revenue and where does the \$27K for FY23 come from. Ms. Crory said when we estimated the Shaw's revenue of \$15K when doing the budget. Mr. Bouchard asked if we owe the \$210K to Ayer and Ms. Crory told him it was over a 10-year period with the first payment is due this fiscal year.

Mr. Gmeiner told the BOSC we have \$389K in reserves and we need to keep in mind we owe Ayer \$211K, so that would leave us \$177K in reserves. Mr. Gmeiner said we transferred \$27,800 out of reserves and \$6,675 was to balance the budget of \$21,150.00. Mr. Bouchard asked if the plan was to pull from reserves every year and Mr. Gmeiner replied "yes" and but we would like rates to cover operational costs.

Mr. Gmeiner asked if we were paying for intergovernmental costs and he thought we were going to have Four Corners pay into these costs. Mr. Orcutt suggested taking Ms. Livezey's five hours and put towards it. Mr. Gmeiner said the intergovernmental we pay now is roughly \$35K, so we can take 15% of that and feels Four Corners should contribute to these costs.

Center Sewer District

Ms. Crory said she did a look back to the pre covid years 2019/2020 and with rate increase we were at \$649,999 and FY21 was lower, due to schools and restaurants being closed. Mr. Gmeiner asked what where are we now and Ms. Crory said she checked last month and it was the same as last year, but this past quarter was less for FY22 we were at \$644K.

Ms. Crory said she left the capital charge flat and budgeted \$1,200.00 for connection fees, she said she did bump up the new administrative fee for GDRHS to \$3K based on the last fiscal year data. Mr. Orcutt asked how many betterments are outstanding on Boston Road/Old Ayer Road. Ms. Crory replied about 10 Boston Road and she would have to check on Old Ayer Road.

Ms. Crory said on the expense side for treatment she bumped up 10% as Mr. Gmeiner suggested due to the IMA changes. Ms. Crory told the BOSC that the Sewer Bill to Pepperell has been trending higher and we may need to adjust. Mr. Gmeiner said we collected \$70K and already paid out \$71K, so we used what we have already collected and feels this may be cause for an increase in the capital charge portion of customer bills. Ms. Crory said the last payment of Phase 1 will be done in FY25, so Mr. Gmeiner figures maybe 3-more years left on that. Mr. Orcutt said maybe we consider increasing from \$15 to \$25 to get us through the next few years. Mr. Gmeiner suggested we will review at the next presentation and see if there is a need to increase the capital charge at that time.

Other Business: Bills Minutes Etc.

Next Meeting – November 17th, 2021

BILLS SIGNED – No bills were signed

MINUTES: - No minutes were approved

ADJOURN – *Mr. Bouchard made a motion to adjourn at 3:26P.M. Mr. Gmeiner seconded the motion. Roll Call Gmeiner –Aye, Orcutt – Aye & Bouchard-Aye*

Respectfully submitted,

Ann Livezey
Water & Sewer Assistant