



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

**Town of Groton Sewer Department**  
173 Main Street  
Groton MA 01450

**Date:** March 16th, 2022  
**Time:** 2:00PM

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

**Others Virtually Present:** Ann Livezey, Lauren Crory & Judy Anderson

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

**Potential Mass Works Grant**

No new updates

**436 Main Street – Pump**

Mr. Orcutt told the BOSOC the pump was delivered and the invoice is being processed

**Review I&I Study**

Mr. Orcutt said the manholes were being looked at starting on Friday and that one manhole has been replaced in front of the Groton Inn.

**Pepperell IMA:**

Mr. Gmeiner said he is waiting on comments from Mr. Rafferty and suggested we meet with Pepperell to move things along.

**Review Nod Road Pump Station and Flow Evaluation**

No new information at this time

**Groton Hill Music- Plan Review/Construction Discussion**

No new information

**227 Boston Road/Lindemer – Sewer Connection Update**

Mr. Orcutt said this was all piped in and just needs to be connected

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## **Discussion of proposed Sewer Commission Web Site**

Mr. Bouchard told the BOSC that the site is up and running

## **Rate Hearing to Consider Amending the wastewater rates and fees for the Center Sewer District and Four Corners Sewer District**

Mr. Bouchard read the following notice that was published in the Groton Herald March 4<sup>th</sup> & March 11<sup>th</sup>, 2022.

### *Notice of Public Hearing*

In accordance with Chapter 83 of the Massachusetts General Laws, and the Town of Groton Usage Fee Regulations, the Groton Sewer Commission will hold a Public Hearing, Wednesday, March 16<sup>th</sup>, 2022 at 2:15 P.M. via Virtual Meeting using Zoom Pursuant to the Governor's Executive Order to consider amending the wastewater rates and fees for the Center Sewer District and the Four Corners Sewer District. Please see Meeting posted at <https://www.grotonma.gov/events/> for details regarding Zoom meeting

### **Four Corners Sewer District:**

Ms. Crory told the BOSC that Ayer will have a rate increase July 1<sup>st</sup>, 2022 and the new rate will be \$11.44 and currently is \$11.16. She told the BOSC the current treatment cost is \$21,690.24/per year. The total Groton Income with the current rates: Tier 1: \$10.15, Tier 2: \$15.40 & Tier 3: \$16.94 is \$28K. Mr. Bouchard asked if there was a lot of large users in Tier 2 and Mr. Orcutt said most are Tier 1 users and we would benefit from increasing that tier the most. Mr. Gmeiner said we do have money in reserves for another year or so, whether we do a 15% increase now or do it over a 3-year period of 5% each.

Mr. Bouchard asked Ms. Crory about the 20% 25% and 30% increases and Ms. Crory said she just ran these percentages to get us to the number we need and it seems that 25% got us to the number, but hopefully we can keep everyone under 25% - 30%.

Mr. Gmeiner asked if the connection fees to Ayer were increasing and Ms. Crory said "no". We currently pay \$5,400.00 to Ayer of the \$8,600.00 we charge for a one ERU Connection Fee. Mr. Gmeiner suggested we continue discussing at the Continued Hearing and asked Ms. Crory to bring the following:

- Add the Rate Sheet Fee
- What is left in Reserves
- The Grand total of what is owed to Ayer and the remaining payments

### **Center Sewer District:**

Ms. Crory said we wanted an increase of \$40K for rates and that was due to FY23 budget and the \$39K transfer to cover rate shortfall for FY 22. Also, the increase was in Pepperell rates/flows and we did not talk about running a deficit in rate income. Ms. Crory said she looked at the budget this year and compared to last year what we had brought in the spring last year and when she just compared, it showed we are higher than last year. This could have been due to the schools closed, so rates should not be as short as expected.

Mr. Orcutt said the 4<sup>th</sup> quarter may be a deficit rate income based on Pepperell bills and treatment and asked if last year was a normal year and how do you base a normal year. Ms. Crory said she based on rates and you could look at flows and if she totals up FY20 shows less than FY21. Mr. Bouchard said FY20 would be covid year July 20 – June 21. Mr. Gmeiner said the use May/June 2020 would be impact months because schools were closed.

Ms. Crory said looking at treatment numbers, Pepperell billed us 57,179 units and we paid Pepperell at a rate of \$1.10 and for FY20 was \$322,801.61 and we billed out \$330K. So, this shows about 14% units billed out and maybe the difference was I&I. If we do this at that new rate of \$1.17 for FY20 would be \$342K and added 10% I&I \$32,749.00 for a total of \$374,918.71 so the treatment budget for FY23 would be \$381K. Mr. Bouchard suggested making that I&I number 14 % and Ms. Crory said that would be \$390K.

Ms. Crory said looking at sewer rate sheet 6% across board would get us to the number of \$40K and 10% with no Tier one. Mr. Bouchard asked when we did 14% I&I and come up with the \$390K that would increase. Ms. Crory said yes if we do that, we would need another \$9K on income side. Mr. Bouchard said 7% would get us closer. Mr. Gmeiner said the rates goal should be \$50K and Mr. Bouchard said based on I&I at 14% then yes.

Mr. Gmeiner said back to the treatment and he sees \$32,749 and we are talking about adding 14%, so that would be about \$15k we need in rates, so going back to the rates and we would need to raise more like \$55k. Mr. Bouchard said the \$15K, we had a treatment budget \$381K and with 10% I&I would be \$374K and 14% would bring us to \$390K. Mr. Gmeiner said that would bring us back to the 7% increase then.

Ms. Crory said current residents using 20 units would be charged \$800 year and with 7% increase it would be \$902. Mr. Bouchard asked if that is a common user and Ms. Crory said yes “would be a family of 4”. Mr. Gmeiner asked what was in reserves and Ms. Crory replied \$476K and we did request a transfer of \$145K for the spring \$10K meters, \$60K Pepperell treatment and \$75K manholes & I&I. Mr. Gmeiner said that would give us \$331K and that is not a large amount and we don’t want to keep using reserves to offset rates and we also have to keep in mind that we may have to upgrade pumps.

Mr. Orcutt said 10% all tiers what would that be and Ms. Crory replied \$60K. Mr. Gmeiner thinks we need to be in the \$56K - \$60K range. Mr. Gmeiner said we need to look at the capital charge increase too. Ms. Crory said we need \$71K to cover the new Pepperell debt bill. With a flat fee it would need to increase to \$27.50 from \$15, so would be a \$12.50 increase per qtr. Mr. Bouchard said that would be for all users whether a restaurant or homeowner. Ms. Crory said she did run as tiers and would be broken out as residential, small commercial and large commercial and different fees for each. We could do \$25 residential, \$30 small commercial and \$35 large commercial. Mr. Gmeiner said we were looking at \$27.50 flat for everyone which would be \$10.00 difference.

Mr. Gmeiner said the hope would be in 3-4 years we could lower this and this would just be to get us over the hump for the next few years. Mr. Bouchard said that capital charge increase will cover the new debt to Pepperell. He asked how are we paying for the old debt and Ms. Crory said through rates and income budget and connection fees. Mr. Bouchard said this would manage the new debt and as Mr. Gmeiner pointed out that in 3 years this will pad itself. Mr. Gmeiner said we pay full amount and town pays ½ of

the prior plant upgrade debt and that will fall off in 3-4 years. Mr. Gmeiner said once the old debt done the town manager has agreed to pick up ½ new debt, therefore we could reduce this in 3-4 years.

Mr. Gmeiner said we need to see if we want to do anything with connection fees. Mr. Gmeiner said he had Ms. Crory run a basic spreadsheet at 3.5% for 4 million because we will need to do a pump station over eventually. Mr. Orcutt said we should consider raising the connection fees. Mr. Gmeiner asked her to also get a level fund too for the next meeting, but feels that could be high. Mr. Gmeiner asked what the current connection fee is and Ms. Crory said \$6k and Mr. Orcutt said that is for one ERU. Mr. Orcutt said you could do the math as \$6k x 200 or \$7k x 200 or \$8k, x 200 and subtract out \$350k-\$400k for the upgrade of pumps and subtract from the 4 million you would need to generate 3.6 million in additional revenue and should not be on the existing users because they are on the hook for the replacement of the pumps. Mr. Gmeiner said that under Mass Law there are certain limits as far as fees go.

Mr. Bouchard asked in 3-4 years what is the debt falling off and Ms. Crory said \$75K. So, at that time we have \$75k how much new debt can we occur and Mr. Crory said 2 million by 20 years no interest would be \$100K and 1.5 million would be \$75K. Mr. Bouchard said a 4 million station, if we could cover 1.5 million, we would need 2.5 million and if we have developers pay some and the users pay some.

A motion was made by Mr. Bouchard to continue the rate hearing to Wednesday March 23 at 2:30 PM, seconded by Mr. Orcutt. Roll call vote: Mr. Bouchard Aye, Mr. Orcutt Aye, and Mr. Gmeiner Aye.

### **FY22 & FY23 Budget**

No discussion at this time

### **Other Business: Bills Minutes Etc.**

**Next Meeting** – March 23<sup>rd</sup>, 2022

**BILLS SIGNED** – No bills signed

**MINUTES:** - No minutes approved

**ADJOURN** – Mr. Orcutt made a motion to adjourn at 3:30 PM Mr. Bouchard seconded the motion. Roll Call Gmeiner –Aye, Orcutt- Aye and Bouchard-Aye

Respectfully submitted,

Ann Livezey  
Water & Sewer Assistant