



WATER & SEWER COMMISSION

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Minutes of the Water & Sewer Commission meeting 7/28/2020

Meeting held remotely viz Zoom

9:00AM Meeting called to order by Bob Parker
Members present: Bob Parker; Paul Sadeck; Lee Baumgartner
Staff present: Steven Chandler; Keven Desmarais

Joint meeting with Environmental Partners: Helen Gordon
Maria Proulx

Meeting being recorded by Zoom and will be posted on
[YouTube.com/FreetownMA](https://www.youtube.com/FreetownMA)

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Water and Sewer Rate Study

- Helen Gordon states this is a working meeting to present assumptions and recommendations based on analyzed information that has been collected from Chandler.
 - Background for FW&SC Expenses and Annual Revenue.
 - Water and Sewer Rate Study Goals
 - Rate Study Parameters
 - Water & Sewer Enterprise Fund Current and Proposed Expenses and Revenues
 - Water & Sewer Enterprise Fund Increase Impacts
- Helen presents types of rate structures.
 - Standard rate per CCU; residential and commercial rate; meter size rate; and block/step rate.
 - Commissioners will look at all possibilities.
 - Helen will look at needed revenue for expenses and impact for customers when creating rate structure.
- A working meeting with Paul, Chandler, and Keven will be scheduled to further discuss rate structures and gather any other information needed in order for Helen and Maria to move forward on creating a draft of Rate Study.
- Re-introducing the Infrastructure Maintenance fee \$10.00 that was temporarily suspended for 5 years. Chandler will look up the date when the suspension was implemented and get it to Helen and Maria.
 - Paul Sadeck outlines the reason for suspension of fee. The Town of Freetown had to build a pump station in East Freetown as a result of a law suit brought on by East

Freetown residents. When the Water Department went from a Town department to and enterprise fund the cost of the pump station was shifted over to the 600 East Freetown and Assonet water customers. The suspension of the maintenance fee was to credit customers for charges that were not theirs but was the Town's responsibility. The rate re-implemented when the 5 years is up.

- Bob Parker brings up that there are a lot of retired and low income customers who would be impacted by a large and sudden increase in fees.
 - Helen suggests looking at senior and low income discounts as part of the [rate] structure.
 - Paul likes the idea of looking at customers with low income regardless of if they are senior or not. There are many people in town who struggle to pay taxes and those who are water customers would benefit from a lower rate. It's worth looking into.
 - Lee states that based on the Federal Government guidelines the majority of seniors in Freetown make more than the low-income guidelines for seniors.
 - Keven states that our community as a whole doesn't qualify for federal money for infrastructure funds in the past because Freetown is not poor enough.
- Keven Desmarais gives his thoughts on block rates and that they work if there is a huge commercial base of customers. Relying on commercial for a sizable portion of revenue puts us at their mercy should they choose to leave town or seek an alternate water source and where would that leave the FW&SC. Keven feels we don't want to price people out of using town water and then those who can would sink their own well. There would be less revenue for maintenance and yet the same amount of infrastructure to be responsible for.
 - Paul Sadeck agrees with Keven and says that his opinion is that the departments that provide service to the tax payer are here to serve the tax payer, cover their expenditures, and not make a profit. There should be enough of a profit to cover unexpected expenses. This is Paul's philosophy as a current water commissioner, [former] selectman, and [former] treasurer for many years.
- Helen will look at a base rate structure and a 2-step structure and impact of those to customers. Intent of setting rates if so that the FW&SC Enterprise Fund can meet its expenses and maintain infrastructure. Can set retained earnings line item of budget to an amount that covers unexpected costs which would keep department from having to do transfers to be approved at Town meetings.
- Helen mentions the two sewer customers and didn't detail much proposal because water and sewer operating and maintenance budget is combined. Sewer rates would only go up if Fall River charges to Freetown goes up.
- Discussion of Connection Fee for new customers and it is determined that the fees are appropriate and covering costs without being excessive. \$700 for location with curb stop; \$1,400 without curb stop. Further discussion will take place.
- Keven suggests looking at customers with a larger meter and implementing a higher service fee, which is currently \$3.69, to cover the cost of replacing that meter over a ten year period. If we charge \$500 over 10 years but the meter costs \$4,000 to replace we wouldn't be charging enough to maintain that meter service. We have to majority of customer meter size information is in the database we use.
 - Helen will look at step rates for meter sizes.

- The model that Helen and Maria are putting together can be used to update any rate needs in the future.

Paul Sadeck makes motion to adjourn at 10:52AM. Lee Baumgartner 2nd. All in favor per roll call. Meeting adjourned.

Respectfully submitted,

A handwritten signature in dark ink, appearing to be 'S. Chandler', with a long, horizontal, wavy line extending to the right.

Steven Chandler
Senior Clerk
Freetown Water & Sewer Commission