

Commissioners
Robert E. Corey
William L. Morin
Chairman - William "Zee" Zielinski

Michael Sheu
Superintendent

John M. Hudzik
Field Service Manager
Primary Distribution Operator

Debra H. Vinal
Treasurer

MINUTES

AUGUST 8, 2018

The meeting was called to order at 6:00 PM

PRESENT:

Commissioners William "Zee" Zielinski/Chairman, Robert E. Corey/Vice-Chairman, and William L. Morin. Superintendent Michael K. Sheu, Treasurer Debbie Vinal, District Counsel Arthur C. Sullivan Jr. and Roland L. Milliard, and Recording Secretary Jayne Boissonneault.

MINUTES:

Commissioner Morin made a motion to accept the minutes of June 20, 2018 as presented. Seconded by Commissioner Corey. Motion passed unanimously.

APPOINTMENTS:

Community Input:

None

STATE REVOLVING FUND APPLICATION:

Superintendent Michael Sheu informed the Board he invited Chad Clark, the District's Financial Auditor, to present a report on the District's financial capability to repay a 20 year SRF loan in the amount of \$4,657,000 with 2% interest within the operating budget for capital improvements to the system. Mr. Clark focused primarily on the impact of capital projects on current and future water rates. Mr. Clark demonstrated that the District has the money to complete the proposed projects, and can afford to continue moving forward with current plans over the next two years without raising the rates at all. Mr. Clark stated the key is, at what point does raising the rates become a necessity.

STATE REVOLVING FUND APPLICATION (Cont'd):

Mr. Clark pointed out interest on the current Water Main Project will kick in in 2022, and on the Water Tank Project in 2024. If the District does not raise the rates until the interest kicks in for this, and future projects, it would be necessary at some point to raise the rates by significant amounts. All agreed being proactive is the best financial plan, continuing to increase the rates in 3.5 to 5% increments so that the ratepayers are not hit with a large increase all at once. Mr. Clark suggested an account could be earmarked for “Mains/Capital Projects Account”, and also suggested the District continue to show the rate payers at Annual Meeting exactly what rate increases are paying for.

The Commissioners thanked Mr. Clark for an excellent presentation. Mr. Clark stated he will provide copies of the presentation to the Board via the Superintendent.

DISTRICT COUNSEL’S REPORT:

Territorial Limits – Tyngsboro Water District and DWSD:

District Counsel Arthur Sullivan reported the District received correspondence from the Tyngsboro Water District (TWD) stating the DWSD must have their permission to put any water pipe in the ground on Lawrence Road. Both Attorney Sullivan and Attorney Milliard disagree, stating that under Chapter 521 of the Acts of 1941, the District has the right to put pipe in Lawrence Road. District Counsel drafted a letter to the TWD on behalf of the DWSD in response to their letter of August 1, 2018, stating the DWSD does, in fact, have the authority to lay the pipe in the ground on Lawrence Road as originally proposed before the Tyngsboro Board of Selectmen and approved by them at an open meeting. The Commissioners reviewed, and authorized District Counsel to send the letter, signed by Chairman Zielinski.

Review/recommendation of release of Executive Session Minutes:

Tabled to the next meeting

Commissioner Corey made a motion to accept District Counsel’s report as presented. Seconded by Commissioner Morin. Motion passed unanimously.

SUPERINTENDENT’S REPORT:

State Revolving Fund Application:

Superintendent Michael Sheu stated Tighe & Bond provided a chart showing a 20 year SFR loan of \$4,657,000 with 2% interest. The District would pay \$286,480 per year for this debt. As evidenced by the DWSD’s Financial Auditor earlier this evening, this is within the District’s operational budget, and the District has the capability to pay this debt without increasing the water rate.

Mr. Sheu reminded the Board they already voted for Tighe & Bond to prepare the SRF application for the proposed Water Storage Tank at the State Forest, and asked that they vote on the Transmission Water Main Improvements SRF application this evening.

SUPERINTENDENT’S REPORT (CONT’D):

State Revolving Fund Application (cont’d):

Project 1 (2018 to 2020) is as follows:

1. Transmission Water Main Improvements (\$4,500,000)
 - a. Continue the Installation of 16” water main from Robert Road to Tyngsboro
 - b. Clean and Line existing 12” Water Main
2. Nashua Road Water Main Improvement (\$500,000)

Commissioner Corey made a motion to authorize Tighe & Bond to prepare an SRF application for Transmission Water Main Improvements in the amount of \$4.5M and Nashua Road Water Main Improvement in the amount of \$500,000. Seconded by Commissioner Morin. Motion passed unanimously.

Asset Management Grant:

Mr. Sheu provided the Board with a detailed report on the Massachusetts Clean Water Asset Management Plan Grant Program being offered by DEP, up to \$150,000. One of the funding eligible activities includes tablets to map all of the District’s hydrants, gate valves, etc., which would build upon the District’s existing GIS system. Mr. Sheu pointed out that the District already has a five year plan in place, and would recommend taking advantage of the grant.

Commissioner Corey made a motion to authorize Tighe & Bond to apply for the Asset Management Plan Grant Program on behalf of the District. Seconded by Commissioner Morin for discussion. Under discussion, Commissioner Morin stated he wants to see the exact amounts of the Grant and any costs to the District before moving forward any further than the application process. The Commissioners agreed. Chairman Zielinski called for the vote. Motion passed unanimously.

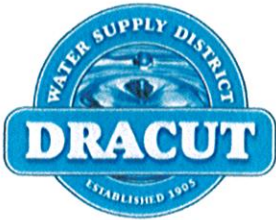
Commissioner Corey made a motion to accept the Superintendent’s report as presented. Seconded by Commissioner Morin. Motion passed unanimously.

OLD BUSINESS:

Chairman Zielinski instructed the Secretary to add Discussion-Status of DWSD Legislation filing, Annual Meeting May 12, 2018 to the agenda for the next meeting.

NEW BUSINESS:

None



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Treasurer

August 8, 2018

Warren W. Allgrove, Jr., Chairman
Tyngsborough Water District
Board of Water Commissioners
PO Box 305
Tyngsborough MA 01879

RE: TERRITORIAL LIMITS

Chairman
Dear Mr. Allgrove:

Thank you for your letter dated August 1, 2018. I referred it to District Counsel for their review and input.

District counsel's opinion is that under Chapter 521 of the Acts of 1941, the District has the right to put pipe in Lawrence Road in order to bring water from the well fields to an area currently serviced by the Dracut Water Supply District. The District is not servicing new customers with this pipe.

Specifically, their opinion relies on that part of the statute that says "~~make~~^{may} construct, lay, acquire and maintain aqueducts, conduits, pipes and other works under or over any land, water courses, railroads, railways and public or other ways, and along such ways in either of said towns, in such manner as not unnecessarily to obstruct the same;" As a result of the statute, the Dracut Water Supply District's counsel are of the opinion that the District has the authority to lay the pipe on Lawrence Road as originally proposed before the Tyngsboro Board of Selectmen and approved by them at an Open Meeting.

Should you wish to discuss the matter further please feel free to contact me.

Very truly yours,

William "Zee" Zielinski, Chairman

Michael Sheu

From: Kathleen Graham <kgraham@dracutma.gov>
Sent: Tuesday, August 07, 2018 1:27 PM
To: repcolleengarry@aol.com; barbara.l'italien@masenate.gov
Cc: Jayne Boissonneault; michael.sheu@dracutwater.com
Subject: Dracut Water Supply District
Attachments: Rep. Garry Legislative Act District meeting 05122018.docx

Representative Colleen M. Garry and Senator Barbara A. L'Italien,

I hope this finds you both doing well. I know that this is a very busy time with the upcoming Election fast approaching.

I have been asked by the Commissioners of the Dracut Water Supply District for an update on the legislation submitted from the Dracut Water Supply District Meeting of May 12, 2018. I know Representative Garry that you filed the petition and it is listed as Docket, HD.4933.

Does it need to be refiled for the next session?

I thank you for your assistance.

Kathy

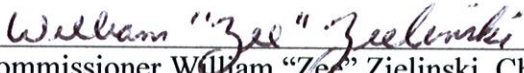
[Kathleen M. Graham](#)

Dracut Town Clerk/Dracut Water Supply District Clerk
62 Arlington St.
Dracut, MA 01826
Tel; 978-453-0951
kgraham@dracutma.gov

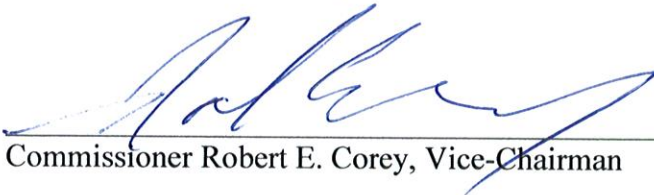
Meeting Schedule:

Having met this evening, the Commissioners agreed to cancel the August 22nd meeting. Chairman Zielinski announced the next meeting is scheduled for Wednesday, September 12, 2018 at 6:00 PM at the DWSD/Main Office Conference Room.


Commissioner Corey made a motion to adjourn the meeting at 7:55 PM. Seconded by Commissioner Morin. Motion passed unanimously.



Commissioner William "Zee" Zielinski, Chairman



Commissioner Robert E. Corey, Vice-Chairman



Commissioner William L. Morin