

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

Mark R. Riopelle
Executive Director-Superintendent

John M. Hudzik
Field Service Manager
Primary Distribution Operator

Debra H. Vinal
Treasurer

MINUTES

FEBRUARY 15, 2017

The meeting was called to order at 7:00 PM

PRESENT:

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

Moment of Silence:

Chairman Morin requested a moment of silence in memory of John Papachristos, Tracy Roy, and Hector Berube.

MINUTES:

Commissioner Zielinski made a motion to accept the Minutes of January 25, 2017 as presented. Seconded by Commissioner Corey. Motion passed unanimously.

Commissioner Corey made a motion to accept the Minutes of January 11, 2017 as presented. Seconded by Commissioner Zielinski. Motion passed unanimously.

COMMUNITY INPUT:

None

CORRESPONDENCE:

None

The Commissioners agreed to take the agenda out of order and hear the Treasurer's report while their 7:10 appointment was setting up for their presentation.

TREASURER'S REPORT:

Treasurer Debbie Vinal provided the Board with a detailed financial report ending January 31, 2017, pointing out receivables are at 78.07%, over by 19.74% for collections and expenses are at 52.34%, under by 5.99%.

Mrs. Vinal reported the DWSD's free cash has been certified at \$731,318.00. The Commissioners agreed to table discussion on the Audit to the next meeting.

Commissioner Corey made a motion to accept the Treasurer's report as presented. Seconded by Commissioner Zielinski. Motion passed unanimously.

APPOINTMENTS:

7:10 PM Attorney Maurice Mason & Phil Thibault – Proposed Assisted Living Project, 1827 Bridge Street, Dracut:

Attorney Maurice Mason, representing Architect Philippe Thibault, Engineer Matt Hammer, and Owner Peter Hingorani, presented their plan for a proposed assisted living project located at 1827 Bridge St., Dracut. Attorney Mason stated the plan was to extend the 6" existing main, and reported the Town of Dracut Planning Board has approved their project on the condition the DWSD confirm water is available for the project at 17,610 gpd. Attorney Mason stated there are several different scenarios from studio to one and two bedroom apartments, and the plan is based on 160 beds.

The Commissioners agreed flow tests would have to be conducted, and they would require that the line be looped with the tie in coming off of Bridge Street with an 8" line. Discussion ensued relative to whether or not there is an easement. Attorney Mason stated if there is not an easement, it would be an easement by prescription.

Commissioner Zielinski made a motion that the DWSD will provide a letter stating a minimum use of 17,610 gpd water is available for the proposed assisted living project located at 1827 Bridge Street contingent upon the submission of plans for an 8" line from Bridge Street, flow test, and clear easement. Seconded by Commissioner Corey. Motion passed unanimously.

The developer understands they must go before the legislative body to request any reduction in SDF fees, and that the last date to submit warrant articles for the District's Annual Meeting is March 22, 2017.

7:20 PM Attorney Holland & Tom Michelson – Solar Net Metering:

District Counsel Roland Milliard introduced Attorney Rick Holland of KP Law, Boston, who was asked to assist with the DWSD's negotiation of a Solar Net Metering agreement, along with Tom Michelson of Sustainable Energy Advantage, LLC.

Attorney Holland stated KP Law has spent quite some time negotiating this agreement, and though there is nothing generally unusual about the agreement, there is some risk,

APPOINTMENTS (Cont'd):

7:20 PM Attorney Holland & Tom Michelson – Solar Net Metering (cont'd):

the most obvious risk being that for a period of twenty years the DWSD agrees to buy net metering credits; one credit, or “coupon” for every kilowatt hour. As long as the price we are paying for the coupon is less than the value of the coupon, everything is good. The value of the coupon may/can change. Attorney Holland stated that what the District needs to understand is that if there is a change in law in the future, they cannot terminate the agreement. If there are changes in the law that make credits less valuable, Attorney Holland stated he does not think those changes would affect existing projects, but you cannot predict the future. Attorney Holland pointed out some additional terms of the agreement such as damages if the District were to default, invoice payment terms, and indemnification provisions. Both Attorney Holland and Mr. Michelson also pointed out the District could save \$72,000/year, and that over a 20 year period, savings could be greater than cost to the District.

Attorney Holland stated there are a few loose ends to finalize in the agreement, however, the broker has stated they need a vote and that if the District is not going to vote on the agreement, they have another off-taker for this project. Attorney Holland informed the Board he recommends the legislative body vote on an agreement of this significance. Discussion ensued regarding the cost of holding a special meeting. All agreed it would be worth the cost of holding a special meeting if the Board were inclined to move forward, however, the Commissioners agreed throughout this process there has been some reluctance to enter into an agreement for a twenty year period. Commissioner Corey stated he is not going to vote to enter into the agreement as there is always new technology being introduced and he does not want to enter into a twenty year agreement. Discussion again ensued regarding the value of entering into a similar ten year agreement, which this particular project does not offer.

Commissioner Corey made a motion that the District not move forward with entering into the twenty year contract for solar net metering. Seconded for discussion by Commissioner Zielinski. Under discussion, Commissioner Zielinski stated he would be willing to bring the matter to the voters if it were for a 10 year contract. All agreed. Commissioner Corey's motion not to move forward with entering into the twenty year contract for solar net metering passed unanimously.

SUPERINTENDENT'S REPORT:

Tyngsboro and New Boston Well Fields:

Superintendent Michael Sheu provided the Board with a detailed written report relative to the Tyngsboro and New Boston Wellfields, including very clear regulations, compliance and operations updates.

SUPERINTENDENT'S REPORT (Cont'd):

Water Management Act:

Mr. Sheu emphasized the importance of working on renewal of the District's Water Withdrawal Permit, which will expire in November 2018, stating we must convince DEP why we need to increase our permit in order to meet the 2030 water demand. One of the arguments Mr. Sheu proposed is that the District cannot rely upon Lowell. Mr. Sheu stated Dracut has approximately 80 acres of land by the river and he would like the Board to begin looking at the possibilities.

Commissioner Zielinski asked about exploratory digging around the wells we have. Mr. Sheu agreed, however, stated wells can only be cleaned so many times. Mr. Sheu requested the Board take time to read the material he provided this evening, stating that he hopes to get the Board's approval to fully fund the TWF Well #3 replacement project and exploratory drilling around Well #2. Mr. Sheu stated, while this is a costly endeavor, approximately \$467,000.00, he would like the Board to consider that the District has already paid \$400,000.00 to the City of Lowell in this current fiscal year so far.

Mr. Sheu also recommended the District find an engineering consultant to assist in the WMA Permit renewal application and master plan as soon as possible. The Commissioners will review the information provided by the Superintendent for discussion at the next meeting.

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

DISTRICT COUNSEL'S REPORT:

New Office Building Close-out/Update – Coughlin Heirs:

Nothing new to report

DWSD Acts & Bylaws Update:

Tabled

Hearthstone Lane: Total cost to the District:

Mr. Sheu sent Woodard & Curran an email requesting their cost analysis and has not heard back from them as of this evening's meeting.

Release of Executive Session Minutes/Gagnon Property

Tabled

Solar Net Metering/Update:

Addressed earlier this evening under appointments

Birchmont Booster Pump Station Update:

Attorney Sullivan reported he received a draft agreement today and will update the Board at the next meeting.

DISTRICT COUNSEL'S REPORT (Cont'd):

Aqua Line Utility – Review of contract and request for extension:

District Counsel reported Aqua Line Utility's request for an extension is under review and will report back at the next meeting.

Billing Issues:

Attorney Sullivan reported Kelley Chasse requested District Counsel provide information to the office staff regarding the Department of Public Utilities as it relates to doctor's notes stating unpaid services cannot be shut off. District Counsel plan to provide a short presentation for office staff on Wednesday, March 8, 2017.

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

OLD BUSINESS:

State Forest Legislative Filing:

Attorney Sullivan reported he spoke with Ms. Gardill from the State Department of Capital Asset Management (DCAM) who has asked for a memorandum regarding correcting the legal status of the District's existing infrastructure, and a memorandum of understanding from DCR regarding the proposed new tank. Attorney Sullivan will update the Board as this matter moves forward.

Audit Report:

Tabled

NEW BUSINESS:

Warrant Articles:

Mr. Sheu is working with the Treasurer on warrant articles. The Secretary will provide Mr. Sheu with a copy of the warrant article and vote regarding the water tank.

Stipend for maintenance of website/minutes:

Mr. Sheu informed the Board he has spoken to Kelley Chasse regarding the maintenance of the District's website including posting minutes beginning in January 2017. Kelley will also take on the added responsibility of "Records Access Officer" in accordance with the new public records laws, and asked that the Board considered giving Kelley an \$80/month stipend for these added responsibilities.

Commissioner Zielinski made a motion to give Kelley Chasse an \$80/month stipend for taking on the added responsibilities of Records Access Officer and posting minutes on the District's website. Seconded by Commissioner Corey. Motion passed unanimously.

NEW BUSINESS (Cont'd):

Office Staff Reviews:

Erica Tanguay:

Mr. Sheu informed the Board he met with Erica and discussed her evaluation, pointing out that she scored 9 out of 10 in several areas, and that Erica plans to challenge herself more in areas she is not familiar with such as billing, computer software, etc. Mr. Sheu informed the Board Erica has requested that they consider changing her position to salaried vs. hourly. The Commissioners stated they were not going to change the hourly position at this time, but that they would consider this next year.

Commissioner Corey made a motion to give Erica Tanguay a 3% increase retroactive to her anniversary date. Seconded by Commissioner Zielinski. Motion passed unanimously.

Emergency Snow Policy:

Discussion ensued regarding an emergency snow policy for the District. The Commissioners agreed if the Governor declares a State of Emergency, non-essential personnel can take a snow day with pay; otherwise, staff may use their own personal or vacation time.

Secretary to the Board of Commissioners Review:

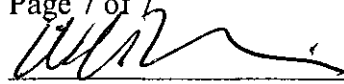
The Commissioners agreed their Secretary continues to go the extra mile, as evidenced over the past year during the absence of a Superintendent, and she should be given the same percentage increase as other key staff members. Commissioner Corey made a motion to give the Secretary to the Board of Commissioners a 4% increase retroactive to her anniversary date. Seconded by Commissioner Zielinski. Motion passed unanimously.

NEWW Spring Conference:

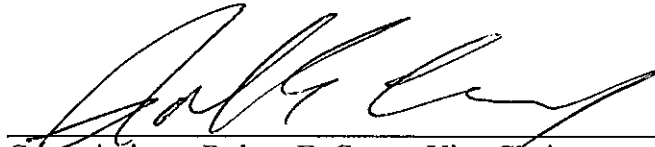
Mr. Sheu informed the Board the NEWW Spring Conference is scheduled for April 5th and 6th, and needs to know how many people will be attending in order to request the group rate. All Commissioners will be attending.

Meeting Schedule:

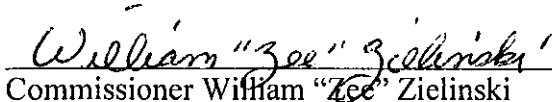
Chairman Morin announced the next meeting is scheduled for Wednesday, February 22nd at 7:00 PM in the main office, conference room.



Commissioner William L. Morin, Chairman



Commissioner Robert E. Corey, Vice Chairman



Commissioner William "Zee" Zielinski