

**Littleton Light and Water Departments
Board of Commissioners Meeting
Minutes – August 31, 2005**

Present for the meeting:

Commissioners: Bruce Trumbull, Joe McCumber, Craig Gruskowski, Joe Cataldo
(arrived at 7:25 PM)

General Manager: Savas Danos

Assistant General Manger: Scott Edwards

Staff: Jennifer Pederson, Jerry Young, Kevin Goddard, John Lanciani

Meeting called to order: 7:05 PM

- 1) Approve Agenda -- Commissioner McCumber asked that Hazardous Waste Collection Day Update be discussed under Water Dept., New Business 3). On a motion made by Commissioner Trumbull and seconded by Commissioner McCumber, the Board voted to approve the agenda as amended. **The Vote: Trumbull – Yes, McCumber – Yes, Gruskowski – Yes.**
- 2) Approve Minutes
 - a. August 3, 2005 – On a motion made by Commissioner McCumber and seconded by Commissioner Trumbull, the Board voted to approve the minutes as written. **The Vote: Trumbull – Yes, McCumber – Yes, Gruskowski – Yes.**
- 3) Executive Session Minutes
 - a. August 3, 2005 – On a motion made by Commissioner Trumbull and seconded by Commissioner McCumber, the Board voted to approve the minutes as written. **The Vote: Trumbull – Yes, McCumber – Yes, Gruskowski – Yes.**
 - b. Release of Executive Session Minutes
 - i. 1/21/03; 5/27/03; 8/26/03; 9/23/03; 11/4/03 – GM Danos informed the Board that Attorney Scobbo had requested the above listed minutes be released so that he could forward them to the attorneys working for Mass Development. On a motion made by Commissioner Trumbull and seconded by Commissioner McCumber, the Board voted to release the above listed executive session minutes. **The Vote: Trumbull – Yes, McCumber – Yes, Gruskowski – Yes.**
- 4) Upcoming Meetings/Dates:
 - a. Special Town Meeting – Monday October 17 – GM Danos informed the Board that LELWD is not sponsoring any articles but Danos is involved in three possible articles: 1) RFP for a cell tower for the Cemetery Commission, 2) Zoning changes regarding parking density and nitrate loading and 3) SRF Grant for sewer development. Commissioner Gruskowski questioned whether the

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downtown area was really the priority for a sewer district; Danos responded that the Long Lake area is far more complex than downtown and would entail more significant costs. Sewering the downtown is part of a comprehensive redevelopment which creates more opportunities to increase the tax base.

Commissioner McCumber questioned whether there would be any benefit from sewerage to Village on the Commons; Danos stated that the development would be done long before the sewer and that they will have their own treatment facility. Commissioner Gruskowski asked if the idea for the redevelopment was well accepted; Danos stated he is not sure and that is why it needs to be brought before the public. Commissioner Trumbull stated that the Town needs revenue and this might help.

- b. GM out of Country (Sept. 5-22)
- 5) Union Negotiations Update – Danos stated that he had nothing new to report and there would be nothing happening until he returns.
- 6) Employee Update
 - a. Step Raise – Rob Hunt – The Board approved as presented.
 - b. Workman's Comp Injuries
 - i. Evan G.; Jon S.; Scott L. – Danos stated that Evan G. would return to work tomorrow. Jon Stewart twisted his ankle and hoped to be cleared next week. Scott Larsen appears to have Lyme Disease from a deer tick bite he got from a job on Beaverbrook Rd. Given the antibiotics he is on, he will be on lighter duty for a few weeks. Commissioner Gruskowski asked if he had filled out a report; Danos stated he had.
- 7) Completion of Long Lake Grant Discussion and Request – Danos reviewed the progress of the work at Long Lake and asked the Board if they would allow him to pay the remainder of the bills for the work from Light Department surplus funds that will be reimbursed when the state releases the rest of the money for the grant and through cell tower income. Commissioner Gruskowski asked that the Board be notified when the reimbursements are complete. Commissioner McCumber wanted to make sure that there would be no cost to the Light Department. Danos said it would be repaid over the next few months with cell tower funds. On a motion made by Commissioner Trumbull and seconded by Commissioner McCumber the Board voted to authorize the Town Treasurer to transfer \$50,000 from the Electric Light Department's free cash/construction account into the Clean Lakes Committee's (CLC) Revolving Account and authorize the Town Accountant to pay final bills for completion of the Long Lake Restoration Project. Reimbursement shall be made to the LELD

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construction account from future MA Department of Environmental Protection grant reimbursements and Clean Lakes Cell Tower Income, until the no-interest loan has been fully reimbursed. **The Vote:**

Trumbull – Yes, McCumber – Yes, Gruskowski – Yes.

- 8) Proposal for Perchlorate Study w/ USGS and GeoSyntec Consultants – Danos stated that LWD had been asked to participate in a study to determine the effects from perchlorate in road flares. He stated LWD would manage the contract and GeoSyntec would perform the work and LWD would receive 10%. Commissioner Trumbull stated as long as no money came out the LELWD budget he was fine with it. Commissioner Gruskowski asked how long it would take us to get reimbursed; Danos stated they would pay us back in 30 days. Danos stated we would pay GeoSyntec and the USGS would pay us back. Commissioner Trumbull questioned whether Danos had time for it; Danos stated he did with the Clean Lakes projects winding down. Commissioner McCumber also expressed concern with time commitment for Danos. Commissioner Gruskowski stated the Board acknowledged the proposal and would allow Danos to decide whether to participate.
- 9) Whitcomb Ave Building Discussion – Danos stated that the office building is in poor condition and it is time to decide to repair or raze the building. Danos consulted with staff and there appears no reason to keep the building, over the fall LELWD will prepare an RFP for demolition. Commissioner Trumbull asked if the Fire Dept could use it for training; Danos stated they could not because it is a well site and the demolition needs to be environmentally sensitive. Commissioner Cataldo asked about the Highway Department's use of the garages; Danos stated they are still using them. Commissioner McCumber asked if there were any lead or asbestos issues; Danos does not believe there are but he will verify that there is no lead-based paint.
- 10) Letters/Articles/Newsletter Review- Danos stated that the bond debt for Stoneybrook had been retired. Danos also stated that there has been some nice publicity with the rain gardens.
- 11) Manager & Asst. Manager Annual Highlights/Review– Danos stated that last year everyone was given a 2.5% raise. Danos presented the Board with his and the AGM's self reviews and with the MEAM survey. Danos cautioned that the MEAM survey does not account for multiple ventures (water, cable, internet) and not all the job functions are the same for a given title. Commissioner Gruskowski expressed concern that the AGM salary and the GM salary are too close and that the ranking of the Assistant Systems Manager is too high for the length of time the employee has been with the department. Commissioner Gruskowski stated that he

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also feels that fringe benefits need to be looked at and included in total compensation. Danos stated that vehicles for stand-by personnel are an industry standard. Commissioner McCumber asked what the difference was between the margin in salaries when they started the matrix; AGM Edwards stated there was a \$5,000 difference back in 2000. Commissioners McCumber and Gruskowski asked for the last five years of matrixes to review; Commissioner McCumber stated that the GM had given back part of his raise at one point. Danos also explained that the Assistant Systems Manager was inherited from the Town and that is why the employee is in that rank. Commissioner Gruskowski stated it has been the Board's position to keep new employees in the middle third so that they don't outgrow their pay scale. Danos reiterated that it was because the person's salary was that high when we took the position over from the Town. Commissioner Trumbull also reiterated that our AGM position encompasses power supply and he has saved the department a lot of money in those purchases. Commissioner Gruskowski stated he wanted to look at all the other fringe benefits to see what the total compensation is; Commissioner Trumbull agreed. Commissioner Cataldo stated that he wishes they could find a different way to compensate through bonuses; he stated he would like to talk to a third party and see what is available. Danos stated he would bring in the consultant we used previously. AGM Edwards stated that he doesn't believe there is another AGM in Massachusetts that has his job and that he would like the Board to take that into account. Commissioner Cataldo stated that the AGM's title may not fit and AGM Edwards stated that the title isn't important, but that he doesn't want it used to compare statistics. Commissioner Gruskowski stated he is just trying to understand where we are today and how we got here. At the end of the discussion, the Board agreed to bring in a consultant to review the matrix and see if there is a more innovative way to compensate employees.

Electric Light Department:

New Business:

- 1) SELECT Investment Decision – The Board reviewed the memo from Jerry Young regarding the investments for the Select money. Commissioner Gruskowski asked if Danos would notify the Board when they use the money. Commissioner Cataldo asked why we did not solicit bigger banks; Business Manager Young stated that he was directed to look at local banks. Danos stated the Treasurer and the Finance Committee thought it would be better to use local banks. Commissioner Cataldo asked Young if

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he thought the rates would be better with the bigger banks. Commissioner Cataldo suggested getting more bids from bigger banks. Danos stated that Young would get the quotes and forward them to the Board for review. Young stated he needed to put the cash somewhere now and recommended putting it at MMDT and that will allow us to take it out as soon as we want. Commissioner McCumber stated that if there is a significant difference in what we could make then we owe it to the ratepayers to investigate. On a motion made by Commissioner Cataldo and seconded by Commissioner Trumbull the Board voted to approve the recommendation of Business Manager Young to transfer the money to the MMDT until such time as the additional quotes are received. **The Vote: Trumbull – Yes, McCumber – Yes, Cataldo – Yes, Gruskowski – Yes.**

- 2) Vote: Middlesex County Retirement Assessment – On a motion made by Commissioner Cataldo and seconded by Commissioner McCumber, the Board voted to transfer \$172,981 from the Light Department's Pension Fund Account to the Light Department's Operating Cash for the payment of the Middlesex County Retirement's FY 2006 assessment. **The Vote: Trumbull – Yes, McCumber – Yes, Cataldo – Yes, Gruskowski – Yes.**
- 3) Legal Notice – Circuit Recloser Bid – The Board reviewed without comment.
- 4) Summary of Federal Energy Bill -- The Board reviewed without comment.

Financials:

- 1) Summary of LELD Credit Analysis – Danos stated that the Light Department looks good in the latest credit analysis. Commissioner McCumber asked what we had been rated and Business Manager Young said we stayed the same. Commissioner Gruskowski asked if we were the highest; Business Manager Young said it was not, but that it is usually linked to the Town's rating. Commissioner McCumber asked if the increase in residential power usage would change the rating; Danos stated that losing HP King Street could change it and that residential growth isn't seen for some time. Business Manager Young stated that most utilities are rated A-.
- 2) Cash & Sales Report through July -- Danos stated that we are starting to see a turnaround. Danos noted that the last two months should be averaged because there was a timing issue with the commercial accounts. Commissioner Gruskowski asked where the \$8.5 million will be noted; Business Manager Young said it will be shown in rate stabilization. Danos said that it will be on a separate page so that it can be easily

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tracked. Commissioner McCumber asked about the payroll fluctuations; Danos said it was due to number of weeks in the month and overtime. Business Manager Young stated that previously the Board decided that they wanted a surplus of 2-4% and we are right on track.

- 3) Budget – Danos stated that we are at 58% of the year and we are slightly above budget mainly due to power costs. AGM Edwards stated that natural gas had doubled even before the Hurricane. He stated that we may see 7.9¢ or higher for the remainder of the year. Commissioner Gruskowski asked who benefits from the Select buyout; AGM Edwards said in the short term it favors them. Commissioner Gruskowski asked how much power costs were last year; AGM Edwards stated it was one cent less and that it has raised 80% of our budget by 10%. AGM Edwards explained how he has secured prices through the winter with the heat rate contract. Commissioner Gruskowski asked if we could lock into a price; AGM Edwards stated he could but that he would have to sell the options off. Commissioner Gruskowski stated that it is more complicated than he thought.

Power Supply:

- 1) Purchase Power Costs : July – The Board reviewed without comment.

Water Department:

New Business:

- 1) Newtown Hill Bacteria Recount – Danos stated that it was caused by summertime regrowth and it was isolated, chlorinated and flushed. Commissioner Gruskowski asked why this is happening yearly and Danos stated we have increased sampling.
- 2) Smart Growth Technical Assistance Grant Proposal – Danos stated this was a grant to rewrite the overlay district and to create a stormwater management tool.
- 3) Hazardous Waste Collection Day Update – Danos stated he had talked with Jim Clyde and Greg Woods and that it was too late for the fall, but that over the winter they would be putting together an RFP and would publicize a collection day for the spring and educate the public on what can be disposed of.

Commissioner McCumber asked if there had been any discussion about aid to the hurricane area; Danos stated there would be no aid to private utilities and nothing will happen for at least a month and if

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we do decide to go then a pay scale would need to be worked out prior.

Financials:

- 1) Cash & Sales Report – July – Veryfine will not be fully operational until September. Danos explained that there was a refund issued to Veryfine because of an error in a meter reading.
- 2) Cash and Sales Report – Final '04-'05 – Danos explained that a vehicle purchase and consultant services were not in the budget and therefore we were at a \$100,000 deficit. Commissioner Gruskowski asked if water surplus covered it; Danos stated it did. Business Manager Young stated that we have \$332,000 left. Danos cautioned that if Veryfine's usage does not go up then there may need to be layoffs. Commissioner Trumbull stated he pulled the water rates for Massachusetts and that our rates are extremely low. Commissioner Gruskowski stated it would be a great piece for the newsletter. Danos said he would get a copy of the survey.

At 9:07 PM, with no further discussion, a motion was made by Commissioner McCumber and seconded by Commissioner Cataldo, the Board voted unanimously to adjourn. **The Vote: Cataldo—Yes, Trumbull—Yes, McCumber—Yes and Gruskowski -- Yes.**

Respectfully submitted,

Savas C. Danos **Date**

Approved: October 19, 2005