

Village District of Eastman  
Commissioners' Meeting Minutes, September 26, 2012

In attendance: Commissioner Duncan Wood, Commissioner William Sullivan, Commissioner Robert Fairweather, Treasurer David Wright, Deputy Treasurer Bernard Conroy, District Manager William Weber, Office Manager Amy Lewis and Water Operator Neil Perez.

The meeting was called to order at 8:00AM by Commissioner Sullivan.

**Minutes:**

Minutes of the previous Commissioners' Meeting were reviewed and minor adjustments were made. Commissioner Wood moved to accept the minutes as amended; the motion was seconded by Commissioner Sullivan and was unanimously approved.

**Field:**

The static levels as of 9/26/12 were reviewed; the commissioners asked for a comparison against last September's numbers. Currently, sources 1 & 6 are running. A six-year historical review of Source 6 data was discussed. Commissioner Wood would like to see a year-to-year comparison against 2012 next year, and asked DM Weber to continue maintaining the data in order to have accurate charts. Commissioner Fairweather asked if the recharge rate on Source 5 is okay; Operator Perez said yes – it can be run less than the others before changes are seen. It takes about one week for the source to come back to the "normal" static level.

The commissioners agreed to lift the water restrictions still in place. Commissioner Wood asked that a notice be sent out through the ECA highlights. Commissioner Sullivan asked that thanks be given to the ECA for their help with the notifications of the initial restrictions.

Treasurer Wright asked if we can track the rainfall for the year, in order to compare it to previous years. The hydrological year is October through September; Commissioner Wood suggested the staff begin tracking rainfall this October through next year, which would follow the hydrological year. Commissioner Fairweather would like to see the data for September as well. The United States Geological Survey website can provide some data for comparison. There are several test wells in/around the existing well field that can be periodically checked; the district has spare transducers that can be used. DM Weber suggested that the staff meet one afternoon at the treatment plant to decide what well to use as a test.

Operator Perez added that Operator-in-Training John Fellows is doing very well.

**Financial:**

Cash flow is projected to correct itself because of the MS34 adjustment. DM Weber will add in the adjustment amount to the financial report. He has not received official approval from the DRA yet; however he did speak to our advisor who indicated that DRA would not decline the request, given the fact that we are not asking for the adjustment to bump up profit or show a surplus.

Commissioner Wood asked what the propane credit shown on the statement meant. DM Weber explained that less propane has been used than what was budgeted and prepaid for last year. This overage will be put against the contract for this year.

Treasurer Wright added that the District should be seeing a decrease in electric energy costs as well, due to the agreement with Patriot Power.

There was a brief discussion regarding the capital account for pump replacement; the last request included reimbursement for the pump replacement on Source 5 but it was not for the full amount of the repair. The balance of the repair can be requested from the CIP fund once funding amounts are approved for 2013.

We have had an unusually high number of liens filed this season; there are a handful of foreclosures with unpaid balances, as well as repeat offenders for late payments. Commissioner Sullivan met earlier with the DM and OM to go over possible resolutions. His suggestion was to send a card or certified letter as a final reminder prior to filing a lien on the property. There is no formal current policy; what the office does now is send a second statement if the initial bill is not paid, followed by telephone/email contact and additional dunning letters if needed. Many of the accounts in question are second homes, and are also in arrears with the ECA. One possible policy suggestion was that the previous bill must be paid before the next bill is created; we have the option to halt water service for unpaid utilities. The commissioners agreed that there should be no minimum account balance in order to send notice of lien; all accounts must be treated equally. A final notice prior to filing the lien should be sent alerting customers in arrears that there will be additional fees charged to the account should the lien be filed and/or service discontinued.

**Manager's:**

DM Weber stated that the operators do a great job of tracking the data; however there is a number on the operations report that seems to be out of whack, possibly due to a master meter needing to be recalibrated. Any updates to the SCADA system do not "zero" out the reads, which may be contributing to the problem. DM Weber would like to do a full recalibration and start from scratch with regard to the master meter reads. Operator Perez explained one anomaly with Anderson Pond meter reads – with the communication losses earlier in the month, the SCADA system will record usage at the last known meter read until communications are reset. This skews the data; Tom Allen of LCS has been contacted to help correct the issue, and to see if we can get any kind of backup read in the event of communication loss in the future. Operator Perez also said that there is buildup of iron and manganese in the treatment plant filters, which are cleaned periodically. Commissioner Wood asked if we now had individual meters on each source, before the lines come together; the sum of all should match what the mag meter is recording. He would like the sum of the three Source 1 meters checked weekly against the meter in the pump house, which combines the three. These three new meters should not need to be calibration so soon; the magnetic meter in the treatment plant is the one that needs to be checked. Commissioner Wood would like the mag meter calibrated and comparisons begun to track the reads; DM Weber will contact EJ Prescott to schedule.

**SRF:**

The project is complete; the first payment on the loan is due to the state May 2013. The district is still holding \$6,000 from the contractor for bond and final payment. The new interest rates will be available from the state in October.

**Old Business:**

The meter replacement program needs to begin in 2013. The operators do not need to be certified to test residential meters as long as the calibration tool is. DM Weber would like to increase the meter inventory to have 75-80 meters on hand. Commissioner Sullivan would like the testing done by route, as it would be more time-constructive than driving to multiple areas to check the older meters first.

The well decommissioning is a 1-3 year project that will be budgeted for; this is okay by the state. A CIP fund can be created to aid with the estimated cost. Commissioner Wood offered to contact an acquaintance at

the state to find out the exact requirement for the materials needed around and in the wells, taking into account the surrounding earth composition.

Regarding the financing options for the SRF loan, the warrant as written in the 2012 annual budget, states that the district must keep the loan with the state for purpose of repayment. According to the state, there will be one payment per year, beginning in May 2013. DM Weber suggested a warrant article for the 2013 annual budget allowing the commissioners to look at local funding for refinancing the loan; this can be put into effect prior to the May deadline with the state. If necessary, the state will work with the district regarding the exact due date, which would ideally be based on incoming revenue.

Phone lines for the security access have been added to the Anderson Pond booster station and Hilltop; Snow Hill is scheduled for 10/1. Tasco will be scheduled to hook up the alarms once the phone lines are active and have been tested. With the security grant application for 2013, it may be possible to add a gate across the driveway at the Snow Hill tank. Eastman Security is now doing a full physical check of the VDE properties and buildings.

**New Business:**

The state is mandating that we move to quarterly billing. Ideally, planned revenue from the billing should coincide with quarterly expenses/known payments. An idea being considered is to have residents do self-reads of their water meters for two of the four billing cycles. Any discrepancies with the self-reading would be caught up with the remote reading by the operators. Mailing a card showing the meter and explaining how to read it, and then having the customer mail it back or email the read, is an option that would save district resources. This will be further explored.

New Emergency Response Plans were handed out, with the previous versions turned back in to the office for disposal.

The audit was briefly discussed. DM Weber will continue researching the option to have an actuary determine the liability of the post-employment benefits offered to the two retired persons still on the plan (these individuals pay 100% of their premiums; but are considered part of the district's "group" for rate determination). Commissioner Wood asked that DM Weber contact LGC HealthTrust to see how they are handling this, as the VDE cannot be the only municipality trying to reconcile this issue.

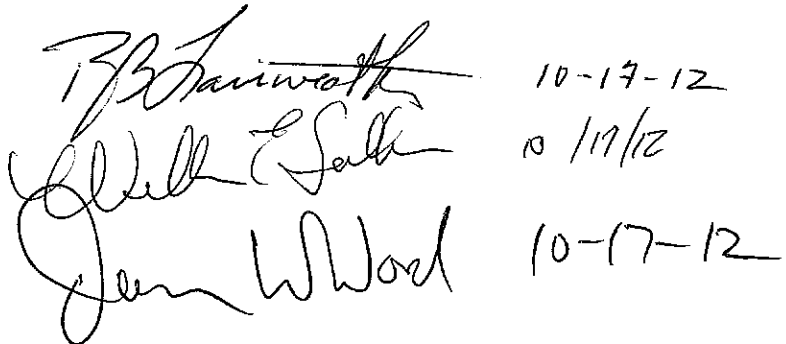
**Other:**

A non-public session was entered into at 10:00 for the purpose of discussing employee reviews. The non-public session ended at 10:50; the commissioners voted unanimously to adjourn. The meeting closed at 10:53.

Respectfully submitted,



Amy Lewis  
Office Manager



10-17-12  
10/19/12  
10-17-12