

Wakefield Budget Committee
Meeting with the Water Precinct
February 26, 2019
Town Hall Opera House
Approved

Budget Committee Members Present: Vice Chairman Priscilla Colbath, Peter Kasprzyk, James Reinert, Elizabeth Conner, Dave Mankus, Frank Zappala and Denny Miller and Howie Knight
Water Precinct Commissioners Paul Morrill and Peter Kasprzyk
Public Connie Twombly, Paul Romano and Gabe Smith and Donna Martin with ClearView Community TV

Mrs. Colbath opened the meeting at 7:00 and presented Denny Miller with a Certificate of Appreciation from the Budget Committee.

Mr. Kasprzyk started off with the end of the year report. He talked about the 37 leaks they dealt with in 2018. They just barely made it through the year with just about \$1,000 left in the budget. They increased the rates once and there will be another increase this year. They have hired a new system operator. They have also hired a new pump house attendant. They recently replaced the heating system, hot water heater and the alarm system at the pump house. They are looking into grant funding. The state wants to make sure everything is running properly and they are managing their money correctly and that the Commissioners are acting like Commissioners not laborers so they can be awarded grants. They have been awarded a matching funds grant which the voters will have to approve.

Mr. Morrill then asked if there were any questions on the budget lines in their operating budget. He proceeded to address the equipment line. He stated that there were two wells that supply the Precinct that should have been rehabbed several years ago. They have an estimate to get well number 3 rehabbed this spring. They also have three injection pumps that will cost about \$3,200 apiece that feed the soda ash and chlorine into the system. The system is old and leaks and that's one of their biggest problems. When you have a leak the water runs, the pumps runs round the clock which increases electricity costs and the likelihood of burning up pumps.

Mr. Miller asked if they overspent their budget and if they were current on their bills. Mr. Morrill replied that they are current. Mr. Knight said the emergency CRF has \$26,000 and the CRF which is the main replacement has \$750. Mr. Morrill said they also have \$38,726 in cash on hand. He said they are trying to slide the billing dates away from the holidays and tax season. Mr. Miller asked what percentage of rate increase they plan to ask for. Mr. Morrill responded that if they raise it \$1.75 per that will take care of what they need to generate enough revenue to pay for the budget. Mr. Miller asked where this put us as far as water rates go. Are we at the higher end? Mr. Kasprzyk believes they are not at the high end and they're getting towards the average and regardless, this isn't a choice this has to be done. He said the State is in their corner and pushing for them to run this like a business and spend their money wisely so they can secure

grants. Mr. Morrill said the operator line is cut in half as they are sharing an operator with Milton. Mr. Kasprzyk said they are also saving money by changing the electric water heater and heater at the pump house to propane as they had a thousand gallon tank that hadn't been used for several years. They are also looking into joining the town/school propane contract. Mr. Morrill said the state is still leery of the system which could make us look more attractive as far as grants go. They did receive an Asset Management Grant. Mr. Knight was concerned that they do not have a financial audit done. They can't produce a balance sheet because they don't know what their assets are. He believes that this could be critical as many grants will request this. Mr. Morrill is hoping that some of the work they have been doing can be counted toward the matching funds, in kind, for this grant they received so the amount of funds required can be rolled back some.

They hired a firm to do payroll and they hired an engineering firm who helped write the grant request. Mr. Miller asked how long the engineering study will take. Mr. Kasprzyk said they want to start in March but he doesn't know how long it will take. The Commissioners will supply as much information as possible. The leaks have been tightened up a lot. Once they go through a year and have good data they will hopefully see a reduction from what they are drawing out of the ground next to what they sold will give them a clearer picture of the percentage they are losing. Although they do have the fire station, cemetery and hydrants that are not metered. There was a big problem with the school irrigation system having a leak and causing problems. They don't know how the school addressed this. After all this is addressed they will have to deal with the infrastructure. They are hoping to start putting money into a capital reserve fund. The State recommended that they do the Assets Management and get things prioritized before dealing with replacement of lines. This will prioritize the areas of most concern and they are hoping to secure grant monies. They have already applied for another \$30,000 grant. Mr. Miller said this is a lot of progress in one year. Mr. Morrill said the State said you can no longer be a volunteer organization. Mr. Kasprzyk said we are also trying to cut down on their response time to the users. Twenty seven meters were replaced last year and they have more to replace. Mr. Knight said when it comes time to replace the lines they should work with the town. If the roads are going to be dug up the sewer lines should also be replaced at that time. Perhaps pool resources.

Article 4

To see if the Precinct will vote to establish a Capital Reserve Fund under the provision of RSA 35:1 for the purpose of the Precincts matching share of grant money received for Precinct projects and to raise and appropriate the sum of \$20,000 to be placed in this fund and further to name the Commissioners as agents to expend from this fund. (Majority vote required).

The article is recommended by the Commissioners.

There was some discussion about making this article broader. It was decided, by the Commissioners, to leave it as written as this article is specific to the \$20,000 grant. They did consider putting this in the operating budget but felt for visibility and transparency it should be a separate article.

Mr. Knight made a motion, seconded by Mr. Miller to approve Article 4. (Vote 8-0)

Article 5

To see if the Precinct will vote to raise and appropriate the sum of \$5,000 to be added to the existing capital reserve fund for emergencies.

The article is recommended by the Commissioners.

Mr. Knight made a motion, seconded by Mr. Miller to approve Article 4. (Vote 8-0)

Article 6

To see if the Precinct will vote to raise and appropriate the sum of \$252,000 for general Precinct operations. This article does not include appropriations contained in special or individual articles addressed separately. (Majority vote required)

The article is recommended by the Commissioners.

Mr. Knight made a motion, seconded by Mr. Miller to approve Article 4. (Vote 8-0)

Mr. Kasprzyk and Mr. Morrill thanked Dean Giffin for the countless hours he spent on the budget.

Mr. Knight made a motion, seconded by Mr. Miller to adjourn the meeting at 7:46 (Vote 8-0)

Respectfully submitted for approval at the next Budget Committee meeting,

Priscilla Colbath
Secretary Pro Temp