

## WMAC Meeting Minutes

February 28, 2013

Attendees: David Crosby – Chair, Len Sekuler – Vice Chair, Mike Bossin, David Hearne, Paul Lauenstein, Rory McGregor – Secretary, Sarah Windman

Guests: Eric Hooper – Superintendent, DPW

1. Minutes of the December 20 meeting were approved as amended.
2. Election of officers was moved with a single ballot. All current officers are continuing in the same position.
3. Eric has not submitted his November 2012 proposal for a new rate increase to the selectmen. He has been waiting to assess the impact of the last rate increase which has been in effect throughout the current fiscal year (July 2012 – June 2013). Revenue is running at a higher rate than originally projected. In our last meeting he reported that the revenue would be at least \$2.7 million, which is \$300,000 higher than originally estimated. Current projections are that revenue will be even more. Details will be discussed in our next meeting.
4. David Crosby presented 3 options for long term water rate structures. Examples of each were reviewed using budgetary numbers for the current fiscal year, which call for revenues of approximately \$2.45 million. These options were originally presented at the Nov 15, 2102 meeting and discussed again at the December meeting. We agreed to include our current water rate structure as a 4<sup>th</sup> option. These are for consideration in working out Sharon's long term approach to pricing for consumer water bills:
  - a) Rates based on household size
  - b) One uniform rate
  - c) Ascending block rate based on gallons consumed per household per day with only 3 blocks, two of which are the lowest 10% of consumers and the highest 10% of consumers
  - d) The current rate structure which is also an ascending block rate

The first three rate structures assumed the following conditions: separate meter for irrigation systems, base fee of \$15/quarter, 5 year ramp up period to full implementation of each proposal.

The first three of the four proposals are outlined in a document that was originally presented at the November meeting. That document is available as an attachment to the meeting minutes.

5. WMAC voted to submit the above four rate structures to the selectmen for their consideration. We also voted as a committee on each of the four proposals. It is up to the selectmen to decide which approach makes the most sense.

WMAC voted 1-5-1 against the motion to recommend option d in the above rate structure proposals. One additional committee member who had not yet been sworn in also voted in the negative.

WMAC voted 3-2-1 to recommend option c in the above rate structure proposals with the proviso that the differential between the winter rate vs. summer rate should be larger. Current variance in our present rate

structure is on the order of 15%. The incremental volume of water consumed in summertime vs. wintertime can exceed 50% so this statistic may have some influence on what the increased differential should be. One additional committee member who had not yet been sworn in also voted in the affirmative.

WMAC voted 0-4-1 against the motion to recommend option b. One additional committee member who had not yet been sworn in also voted in the negative.

WMAC voted 3-3-0 concerning the motion to recommend option a. One additional committee member who had not yet been sworn in also voted in the negative.

6. Time did not permit discussion on the following issues, which had been held over from last meeting:

a) Paul Lauenstein will address the issues of conservation and why we need to address the concept of marginal water rates.

b) We will discuss ideas for rebates (toilets, wash machines, etc.), special customer assistance with service line leak repairs, and other conservation incentives.

7. Next meeting is Thursday March 21 at the Community Center at 7:30pm.

Respectfully submitted,

Rory McGregor