



Town of Adams Massachusetts 01220-2087

BOARD OF SELECTMEN

**TOWN HALL BUILDING
8 PARK STREET**

Wednesday, February 9, 2022, 6:00 p.m.

BOARD OF SELECTMEN WORKSHOP MINUTES

CALL TO ORDER: On the above date the Board of Selectmen held a workshop at the Town Hall Sun Room. The meeting was called to order at 6:00 p.m. by Chairman Duval. Present from the Board of Selectmen were Chairman Duval, Vice Chair Hoyt and Member Nowak. *Members Blanchard and Rosenberg were absent.* Also present were Town Administrator Green, Community Development Special Projects Coordinator Cesan, Daniel Jin from Berkshire Eagle, and Administrative Assistant Dunlap. Attending via Zoom were Miles Moffatt and Michael Schrader of Tighe & Bond.

NEW BUSINESS

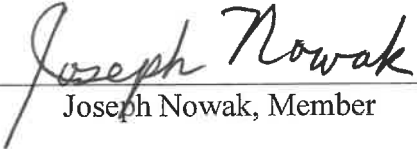
Tighe & Bond Presentation on Wastewater Treatment Plant Construction Project Scope and Cost: *Town Administrator Green* explained that the Town is at the point of Phase Two of the refurbishment of the Wastewater Treatment Plant. He advised that Tighe & Bond has been hired to perform two tasks; to engineer and design, and also identify how to fund it in a sewer rate. Currently the sewer costs are on the tax rate, and other structured plans are being investigated. The project is at 90% design completion. Town Meeting approved over \$5 Million last year for this purpose. Tighe & Bond have worked closely with Wastewater Treatment Plant Superintendent Rumbolt and Operations Supervisor Gerry on the project. *Chris Bone* of Tighe & Bond noted that the plant is 54 years old, and he is working on the part of the project that wasn't updated previously but is not all that needs to be done. The goals are to improve reliability, add in redundancy and efficiency and the work is covering the most critical aspects. The existing building does not meet current building code, and the Town should consider taking on other maintenance projects over time regarding this. *Town Administrator Green* expressed that the Town is working towards a pre-emptive model rather than reactionary. *Mr. Bone* advised the Town to look at it selectively to bring everything up to code over time, but the current focus is on the mechanical aspects. The plant current operates well, and the Wastewater staff has done a great job maintaining it and continuously meeting Environmental Protection Agency requirements from permitting. He noted the biggest concern is the phosphorus permit requirement, which is a new permit requirement. He explained this current project is not doing anything to address phosphorus but the Town should work on a strategy to try to meet the requirements. It was noted that due to the major upgrade and improvements being made, this may not need to be done immediately. *Mr. Bone* advised that usually there is a five-year permit time to do it, and the Town may require more time. He reviewed in the PowerPoint the Wastewater Treatment Plant Secondary Clarifier #2 is rusted in places and needs a major upgrade, with the Aeration Basin #2. He noted that Aeration Basin #3 was upgraded in 2006. It was pointed out that the grit channels have now failed. The grinder system was reviewed and the plan for the grit system with concrete channels was explained. Grit pumps were reviewed, and the plan is to replace the second grit pump. The Chlorine system was redone in 2006 but it is extremely corrosive and it is time to be redone as it is in poor condition. The impact to the Town with ongoing construction is expected to be minimal to none as it will be inside the fence.

Sewer Rate Discussion; Next Steps: *Town Administrator Green* reviewed the enterprise fund and noted that the sewer fees are currently on the tax rate. Adams is one of the few towns that still funds the wastewater treatment plant in this fashion. The strategy on how to create rates to go into an enterprise fund were discussed, and it was noted there are three alternatives for managing the sewer costs. The first is to stay in the current system, which is payment according to assessed value of the residence. The second option is to assess a flat rate per gallon usage fee. The third is to assess a non-usage based equivalent dwelling unit (EDU) fee which is based on metered water usage. It was pointed out that some people have septic systems and are not on the Town sewer system, and some draw water from wells. This would require different rate collection models. Restaurant and other types of non-residential situations were briefly discussed. The rate design would need to be put into a municipal billing software with a utility billing software module. EDU water usage data would be acquired from the Water District. Residential units would be one EDU in value, and non-residential EDU would be multiple units. Split data was noted through commercial, industrial, high usage homes and supermarket usage. Conclusions that Tighe & Bond reached were that the sewer costs were artificially low, that Adams can lower taxes to reduce to the 33rd highest tax rate in the state, and that the rates are affordable. Next steps were touched on. A Munis utility building module would need to be purchased, and the data needs to be finalized to form rate structures. The Board of Selectmen need to select a rate structure, and determine the timing for the transition. Public outreach would need to begin to prepare to adopt the enterprise fund. *Chairman Duval* inquired what process other communities use, and *Mr. Schrader* advised most communities use metered water use. Pittsfield uses number of fixtures and some usage. Abatements would be an issue for leaky toilets, which would need to be dealt with. *Mr. Moffatt* advised that some people are on wells but the sewer system would be categorized as EDU and could be metered to charge an average residential usage. It was pointed out that the general taxation approach was used by only a couple of towns but is not common. *Chairman Duval* explained that it is not a fair system to have a one-person residence pay the same as a five-person house. It was explained that the intent is to find a fair process. A water usage approach can instill a conservative lifestyle and track water use patterns. *Member Nowak* noted that 50% of the housing stock is rentals and many have electricity and water in the rental fees. By going to a usage-based system, separate meters would be needed for equity. The complication of the Water District being a separate entity from the Town was pointed out. Rental property sub-metering residential rules would have to be outlined. The process for starting an enterprise fund was touched on and will be reviewed with counsel. The process is to do a special revenue fund, to adopt the enterprise fund, to have public acceptance and public outreach before putting it in place. *Vice Chair Hoyt* noted there was Division of Local Services sample language for warrant articles which specify water usage and EDU. It was explained that the workflow is not established yet, and having staff for billing and mailing would have to be looked at or to join forces in an agreement with the Water District. Discussion will take place with the Water District, as this is a different way of doing business. *Vice Chair Hoyt* asked for Tighe & Bond to show other comparison results, including non-profits who own buildings but don't pay taxes and use the system, in order to show a fair and equitable way to charge people. The importance of having a sewer system was noted as being important for development and growth. It was noted that an enterprise fund is used for an asset management plan and to manage other projects and maintenance. *Town Administrator Green* advised another workshop would be needed to discuss the pros and cons and next steps for funding the enterprise fund. Communication to the public was noted as complex due to varying factors, and it was suggested that gathering input from the water bills will help as people may be just paying in a different mechanism. It was clarified that non-profit organizations pay for water.

ANNOUNCEMENTS, GOOD OF THE ORDER: *Vice Chair Hoyt* announced there will be a Ribbon Cutting on February 14th for the Stained-Glass Studio, and there will be a couple others upcoming in the month of February. *Member Nowak* inquired about the Town Administrator's contract, which has a 90-day notice clause for renewal, and noted this needs to be started. *Chairman Duval* advised at the next meeting the Board of Selectmen will review the renewal of the Town Administrator's contract in Executive Session.


ADJOURNMENT: *Motion made by Member Nowak to adjourn, second by Vice Chair Hoyt. Vote: unanimous. Motion passed. Meeting adjourned at 7:47 p.m.*

Respectfully Submitted,
Deborah J. Dunlap, Recording Secretary



Joseph Nowak, Member

Christine Hoyt, Vice Chair



John Duval, Chair