

**Sewer Commissioners  
Minutes of Tuesday, April 13, 2021  
Zoom Remote – Public Access**

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TA Tony Schiavi  
ATA Glenn Cannon

**Sewer Commissioners**

James Potter, Chairman  
Jared MacDonald, Vice-Chairman  
Judy Froman, Clerk  
Peter Meier  
George Slade

**RECEIVED**  
2021 JUL 28 AM 9:51  
TOWN CLERK BOURNE

Others: Helen Gordon-Environmental Partners, MJ Mastrangelo, Neil Langile, Renee Gratis, Erica Flemming, Kathleen Thut, Kate Rosa, Tim Lydon

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All items within the meeting agenda are subject to deliberation and vote(s) by the Board of Sewer Commissioners.

**Documents:**

**Meeting Called to Order**

Chm. Potter called the meeting to order at 6:30 pm.

**1) Salute to the Flag**

**2) Consent Agenda**

- A. Approval of Open Session meeting minutes: 3-23-21
- B. Correspondence
- C. Public Comment – Public comment on workshop items will be taken at this time.

**2.A Approval of Open Session meeting minutes: 3-23-21**

**Voted:** Judy Froman moved and seconded by George Slade to approve the minutes from March 23, 2021.

**Roll Call Vote:** Judy Froman – Yes, George Slade – Yes, Peter Meier – Yes, Jared MacDonald – Yes, James Potter - Yes

Vote: 5-0-0.

**2.B. Correspondence**

James Potter said the Correspondences were from residents regarding retained earnings and changing the amount for retained earnings to a higher amount for the rates. Also had a correspondence regarding new development, and that new develop should pay and not the existing users.

**2.C. Public Comment**

Mary Jane Mastrangelo commented on 3A, 3B, and 3C, which are the following:

**3A. CWMP Plan of study 03-17-2021**

- Suggest adding the April 2018 Preliminary Engineering Report for SRF to the list of documents
- **Phase II Identification and Screening of Alternatives:** especially Page 7 of 12 there are references to providing alternatives to the Board of Sewer Commissioners and that based on discussions with the Board of Sewer Commissioners, the Commissioners will decide upon and recommended alternative strategies for the detailed evaluation in Phase III.

I just want to note that the Board of Sewer Commissioners has authority over sewers and storm drains. The Board of Health has authority over on-site systems and small package treatment plants. I'm not sure who has authority over aquaculture.

There is no reference in this section to meetings or joint meetings with the Board of Health or any other committee or board that has authority in the options being discussed. This section should identify of those types of stakeholders and should describe how they will be included in the discussion and decision-making process.

- **Also, in Phase II** Under the first bullet on page 7 on the study of alternatives on a regional option there should some wording on the discussion of governance of a regional solution. BB Coalition has recommended a regional wastewater partnership be established that creates an independent authority governed by a commission made up of

representation from each of the communities. This is an important part of the discussion for any regional solution.

- **The Public Participation section is somewhat unclear.** While there is discussion of public workshops/meetings the Stakeholder Meeting Schedule lists only 10 town wide meetings and seems to list 4 of those 10 meetings as meetings with the BOSCC that are public participation meetings, 1 of the 10 meetings is a town-wide public hearing and 4 of the meetings are unclear as to who is participating – it appears to be the Board of Sewer Commissioners but not a public participation meeting (would this be a workshop format of the Board of Sewer Commissioners?). There are two public hearings with the Cape Cod Commission. There is one meeting for a targeted population north of the canal and one south of the canal in the initial discussion of wastewater issues. Although there is a description of workshops to ensure engagement including breakout sessions it is not clear from the chart which of the 13 meetings listed would include that type of participation. The contract does not list a total number of meetings that is included in the contract. My experience is that sometimes what the Town is expecting for meetings is not the same as what the consultant thinks is included in the contract for meetings. I will add again that since the Board of Health needs to be included in this discussion and it would probably make sense for the Planning Board and Capital Outlay and the Finance Committee to be involved in the discussion some additional thought on meetings and the identification of stakeholders that will be included in the discussion is important.

Since you are taking all of the public comment on all of the workshop items at one time I will continue with.

- **Agenda Item 3B.** Equivalent Resident Unit (ERU) System Development Charge – I have the same comment that I had the last time this was on the agenda. There is nothing in the packet that shows what the ERU is, how it is calculated and what the formula is. If the members of the Board of Sewer Commissions have documentation of what they are voting on it would be helpful for the public to see. It is difficult to evaluate whether this is a good idea or a bad idea unless examples are given. It is also unclear when the System Development Charge would apply. Does it only apply to new connection to the sewer system or does it apply anytime there is a change of ownership or change in use that required planning board approval?
- **Agenda Item 3C.** Sewer Policy and Regulations

My comments are primarily on Section 1 and Section 2

I went through the Sewer Policy and Regulations dated March 19<sup>th</sup> Sections 1 and 2 and Attachments A, B, and C and I have about 20 comments.

- Section 1.2** No person shall, without prior authorization from the DPW and/or the Board of Sewer Commissioners make any connection with or opening into, alter, or disturb the Town's wastewater systems. In the document sometimes wastewater systems is used and sometimes sanitary sewer systems is used (1.3B). It would be good to use consistent wording in the document for sanitary sewer systems, or clarify that when wastewater systems is used it includes both sanitary sewer systems and stormwater systems. Wastewater systems is also referred to in 1.5 (any user of the Town's wastewater systems). Consider adding definitions of wastewater systems and sanitary sewer systems and stormwater systems if all three terms will be used.
- 1.3 Rates and Fees**

A. Allocation Fees Allocations fees are based on the Allocation Policy as set forth by the Board of Sewer Commissioners. The charge is a specified amount of wastewater treatment capacity measured in gallons per day (gpd) assigned to a specific project on a specific parcel or parcels upon a majority vote of the Board. All allocations to projects shall be based on state and local regulations. Should this be all preliminary allocations? The transfer of all or part of an allocation is prohibited unless approved in writing by the Board. Should this say preliminary allocation? Should this be Preliminary Allocation Fees? Section 2.3 refers to Preliminary Allocation What is the difference between Allocation, Preliminary Allocation, Operational Allocation and Existing Allocation? These need to be defined and used consistently in the document.

See Attachment C The Bourne Board of Sewer Commissions require that any property that is either changing business entities in an existing building (even if presently connected to sewer) or connecting to the sewer system for the first time, to fill out this form, to ensure wastewater allocation and connection. Please define what "changing business entities" means – for example if a current owner is changing from an S-Corp to an LLC would that trigger this requirement? Note this form was geared to a project in the early project development stage that is seeking a preliminary allocation. The questions about Financing were meant to determine whether the project was viable. The form also has questions about Planning Board preliminary review which is also applicable to a preliminary allocation. My question would be – if a property with an ongoing restaurant is sold and the new owner is going to have no change of use – would this form be appropriate? Why would the Board of Sewer Commissioners need an applicant to provide financial information?

What is the difference between a preliminary allocation and an existing allocation?

- B. Sewer Development Fee (Connection Charges)**

Applicants must pay a connection charge to connect to the Town's sanitary sewer systems. These charges are one-time charges for connecting to the Bourne sanitary sewer system. The sewer system connection charge, as applicable, must accompany an application for service before Department of Public Works Sewer Division. It is the responsibility of the Applicant or the Applicant's Contractor to

install the building sewer from the Applicant's building to the public sewer system according to Department of Public Works Sewer Division.

Note: The Certificate of Vote of 2006 (Attachment A lists these as different fees. Is it the Sewer System Development Fee or the Sewer Development Fee? Is this the Sewer Development Fee or the Connection Charge?

Is this a one-time charge for the first time a parcel is connected or does it apply when a property is sold and there is a new owner? There are no definitions for Sewer Development Fee or Sewer System Development Fee or Connection charge in the definitions

- **1.3 C. Sewer Rates (User Charges)** All sewer rates are based on the fee established by the Board of Sewer Commissioners on an annual basis plus a surcharge for water use above a designated quantity of the water that passes through the water meter. Consumption is billed at rates in effect at time of use. Current rates are outlined in Attachment A. Note – the rates in Attachment A are the rates voted in July 2020 not the rates voted in December 2020.

At the end of section 1.3.

**New and Existing Sewer Service Connections:**

Minimum application/connection fees for new and existing sewer services are calculated with current connection fees per equivalent unit included in Attachment A.

Note: there is no definition for equivalent unit and no explanation of current connection fees per equivalent unit in Attachment A

**2.3 OBTAINING A PRELIMINARY ALLOCATION**

A. The Applicant shall apply to the Board for a Preliminary Allocation on a form Note the form is entitled Wastewater Allocation Form attached herein (Attachment C). An Application Fee is due when the application is submitted (see Attachment A, page 3 spelling of Attachment Section IV). The Application is reviewed by staff within 30 days then placed on a Board agenda once deemed complete.

B. If the application requests a flow amount that exceeds the Uncommitted Reserve Capacity (see draft application), the application will be rejected considered—this wording needs to be fixed, application can't ask for a meeting – should probably be applicant. Also fix wording below.

~~incomplete but is otherwise complete it will be dated and put on a waiting list.~~

~~When allocation becomes available, it may ask for a meeting with Town Staff to discuss possible solutions and then request a meeting with the Board. he Board will consider requests on the waiting list in the order in which they were dated. If enough allocation is available, and the application fee is paid, and the project application will be deemed complete and accepted The Board will consider requests on the waiting list in the order in which they were dated.~~

Note wording about waiting list has been eliminated, but the ending statement is that The Board will consider requests on the waiting list in the order in which they were dated.

#### 2.3 D. 5

After the Board's vote to grant a Preliminary Allocation, the Applicant will be issued a letter signed by the Town Administrator certifying to the existence of a Preliminary Allocation for that specific project/parcel(s) and including any conditions imposed by the Board.

Clarify specific project/parcel – is it for the project or is it for the parcel?

There are several references to specific project/parcel are unclear: is it a specific project or a specific parcel?

#### **Attachment Comments.**

For Attachment A The schedule of fees is not the current fees and the fees listed do not match what is described in the policy section 1.3 and 1.4. If the equivalent unit is being adopted how would that change the other fees shown in Attachment A?

Attachment B and Attachment C. What is the difference? When is Attachment B applicable and when is Attachment C applicable and when are both applicable? Is this a Wastewater Allocation Form or a Preliminary Allocation form and does it apply once an Operational Allocation has been granted and there is a change in ownership for the property?

Attachment D: Is this prompted by a problem that has occurred?– I would want some clarification about what these new pump stations would be – would they be located on the owner's property or somewhere on the sewer lines on the way to the property. An explanation of the need and justification would be helpful. This doesn't seem to business friendly to me. A property developer might be financing the required pump station for 10 years and then if it replayed financing it for the next 10 years.

### **3) Workshop**

- A. **Comprehensive Wastewater Management Plan (CWMP) "Plan of Study" discussion and possible vote**
- B. **Equivalent Residential Unit (ERU) System Development Charge discussion and possible vote**
- C. **Sewer Policy and Regulations (Section 1 and Section 2 Adoption; Section 3 through 9 and Appendix – 3<sup>rd</sup> Reading) discussion and possible vote**
- D. **Sewer Enterprise Fund Financial Policy Proposal**
- E. **Cape Cod & Island Water Protection Fund Reimbursement discussion**

**3.A. Comprehensive Wastewater Management Plan (CWMP) "Plan of Study" discussion and possible vote**

Helen Gordon, Environmental Partners, said regarding Mary Jane Mastrangelo's comments, we can clarify some of the information. In our contract there is a list of the number of meeting that we plan on attending. We can clarify the public participation meetings. We started talking to staff regarding what other departments need to be included in the meetings for decision making. Will include the 2018 preliminary engineering report on the SRF submission for the wastewater treatment plant.

Glenn Cannon suggested Helen Gordon explain the purpose and need for this plan of study.

Helen Gordon said the Comprehensive Wastewater Management Plan is dictated for communities by Mass DEP and is a requirement. Under Cape Cod Commission there has been a lot of work done over the years with the 208 Plan, this is the next step for Bourne to assess the entire community and what the wastewater needs are as they relate to the health of the water quality, portable water supply, ground water, and the bays and estuaries.

James Potter said the Board can go beyond the plan. We can have more public hearings, it may not include Environmental Partners, but we can have this item on the agenda for each meeting, to get additional feedback.

Glenn Cannon said it is always part of the negotiations in the contract regarding how many meetings the consultants attend. The Consultants charge for every meeting they attend.

Helen Gordon said aquaculture is a piece we look at in terms of balancing the nitrogen limits in the water sheds. We will be looking toward any kind of possibility associated with that. We spoke with town staff regarding engaging other entities to make sure they are aware of the public meetings and what the content of the meeting is so they can engage. There will be opportunity for people to send in comments for a short period after the workshop.

**Voted:** Jared MacDonald moved and seconded by Judy Froman to approve the comprehensive wastewater management plan of study as presented.

Judy Froman said this covers a lot, having a variety of people from a variety of perspectives helps to make a stronger plan. As a starting point this aligns with what the contract states.

Helen Gordon said we have started looking at the needs assessment, and gathering data. We have had regular meetings with staff to gather information for the workshop we are planning for next month.

Judy Froman suggested to keep a running list of who all the stakeholders are.

Helen Gordon said we are focusing on the Comprehensive Plan; we are looking to incorporate the mission and the goals into the Comprehensive Wastewater Management Plan

**Roll Call Vote:** Judy Froman – Yes, George Slade – Yes, Pete Meier - Yes, Jared MacDonald – Yes, James Potter - Yes  
Vote: 5-0-0.

### **3.B. Equivalent Residential Unit (ERU) System Development Charge discussion and possible vote**

James Potter said when Tighe & Bond did the rate study for us last year, we also had them look at the system development charge. They did the work of addressing how to collect back the 2.4 million dollars that was expended for the plant.

The denominator is the 150 gallons that is the average that is given to each household. That is the Equivalent Residential Unit (ERU). It's easy to figure out the number of ERUs needed to pay for the 2.4 million dollars. In some cases, some of the business would pay less, some of the larger business would pay more. This is all based on 45% of Title V

We found in the study that we didn't collect some of the 2.4 million dollars back. Do we need to collect 2.4 million? We can discuss what needs to be collected. We can't shift the entire burden of what wasn't collected from the 2.4 million onto new businesses/residents.

We needed a business model when we did this plan, we only collected what the allocation policy said to collect We have to move forward with what is the right amount, how do we recoup without deterring new busines. We have to find something that works. The ERU system might work, with some edits.

Tony Schiavi said he agrees these numbers aren't realistic, we won't be able to collect these back.

Glenn Cannon went over the Existing allocation/System Development Charge vs. Equivalent Residential Unit (ERU) System Development Charge Based on Title V Flow

In the Tighe and Bond report the consultant talked about using .45% of Title V. We have done the Water usage vs Title V for all the residential properties in Buzzards Bay. We added the water they actually used, calculated the Title V flow for each house within downtown Buzzards Bay, it came out to be .41% of Title V, so we feel very comfortable taking the Title V number multiplying by .45%, that cuts down the number of the Title V flow. These are costs you would see if we used the formula that the consultant recommended for ERUs. These are realistic numbers if we were to implement an ERU system today. The lower end usage would be paying less, the larger scale developments, heavier wastewater users, would be substantially more.

Existing Allocation/System Development Charge vs. Equivalent Residential Unit (ERU) System Development Charge Based on Title V Flow				
Type of Project	Title V Flow (GPD) <sup>1</sup>	Current fees <sup>2</sup>	ERU Fees <sup>3</sup>	Delta
New Residential Home <sup>4</sup>	330	\$5,979	\$3,600	(\$2,379)
Small Commercial Addition	79	\$5,079	\$3,600	(\$1,479)
Yogurt Shop	440	\$40,256	\$10,560	(\$29,696)
Hotel or Apartment Bldg	15243	\$69,697	\$365,832	\$296,135
Mixed Use Commercial	46475	\$93,966	\$1,115,400	\$1,021,434
				<b>\$1,284,016</b>
<sup>1</sup> GPD = Gallons Per Day				
<sup>2</sup> Tighe & Bond "Bourne Sewer Rate Evaluation" PowerPoint page 8- Revised 7-10-2020 (based on the 2006 BOSC "sewer Use Charges" and the 2017 Town of Bourne "Commercial Wastewater Management Allocation Policy") Minimum of one(1) ERU.				
<sup>3</sup> (ERU calculation = Title V estimate x .45 ÷ 150 gpd actual usage x \$3600) (Tighe & Bond "Sewer Rate and Capacity Management Evaluation" dated February 2020, revised July 10, 2020)				
<sup>4</sup> (Typical 3 bedroom house on 1/8 acre with 40 ft. of frontage)				

Existing Allocation/ System Development Charge vs. Equivalent Residential Unit (ERU) System Development Charge Based on 45% of Title V Flow				
Type of Project	Title V Flow (GPD) <sup>1</sup>	Current fees <sup>2</sup>	ERU Fees <sup>3</sup>	Delta
New Residential Home <sup>4</sup>	148	\$5,979	\$3,600	(\$2,379)
Small Commercial Addition	35	\$5,079	\$3,600	(\$1,479)
Yogurt Shop	198	\$40,256	\$4,752	(\$35,504)
Hotel or Apartment Bldg	6859	\$69,697	\$164,616	\$94,919
Mixed Use Commercial	20913	\$93,966	\$501,912	\$407,946
				<b>\$463,504</b>
<sup>1</sup> GPD = Gallons Per Day				
<sup>2</sup> Tighe & Bond "Bourne Sewer Rate Evaluation" PowerPoint page 8- Revised 7-10-2020 (based on the 2006 BOSC "sewer Use Charges" and the 2017 Town of Bourne "Commercial Wastewater Management Allocation Policy") Minimum of one(1) ERU.				
<sup>3</sup> (ERU calculation = Title V estimate x .45 ÷ 150 gpd actual usage x \$3600) (Tighe & Bond "Sewer Rate and Capacity Management Evaluation" dated February 2020, revised July 10, 2020)				
<sup>4</sup> (Typical 3 bedroom house on 1/8 acre with 40 ft. of frontage)				

April 9, 2021

The last analysis we looked at the ERU system compared to other towns. Falmouth uses a betterment charge.

Proposed Equivalent Residential Unit (ERU) System Development Charge and System Development Charges from other Towns Based on 45% of Title V Flow				
Type of Project	Title V Flow (GPD) <sup>1</sup>	ERU Fees <sup>2</sup>	Plymouth <sup>3</sup>	Falmouth <sup>4</sup>
New Residential Home <sup>5</sup>	330	\$3,600	\$3,300	\$0
Small Commercial Addition	79	\$3,600	\$790	\$0
Yogurt Shop	440	\$4,752	\$4,400	\$0
Hotel or Apartment Bldg	15243	\$164,616	\$152,430	\$0
Mixed Use Commercial	46475	\$501,912	\$464,750	\$0

<sup>1</sup> GPD = Gallons Per Day

<sup>2</sup> (ERU calculation = Title V estimate x .45 ÷ 150 gpd actual usage x \$3600) (Tighe & Bond "Sewer Rate and Capacity Management Evaluation" dated February 2020, revised July 10, 2020) Minimum of one (1) ERU.

<sup>3</sup> Plymouth System Development Fee equals \$10 per gallon (Town of Plymouth, "Sewer Connection Permit Policy", September 10, 2019)

<sup>4</sup> Falmouth does NOT access a System Development Charge. The Town of Falmouth would fund the WWTF

<sup>5</sup> (Typical 3 bedroom house on 1/8 acre with 40 ft. of frontage)

April 9, 2021

We are working on the commercial properties in downtown Buzzards Bay and working on Hideaway village. Would like feedback from the Board before we take our next step.

Judy Froman said I have concern about throwing such a dramatic amount of money towards someone who might come in and develop in our commercial district, not sure about shifting to the new ERU system and putting so much burden on commercial businesses.

Tony Schiavi said as we look at what is the right number, we have to consider the scale, the increase of rates to the rate payers, it is based on scale.

Tim Lydon said the scale has to be part of the conversation. The water districts charge a certain fee, but typically wastewater was always more expensive than water, because of infrastructure costs. We were one of the only Towns that charged less for wastewater and a higher rate for water.

Peter Meier said part of the problem was the Buzzards Bay Water District kept its rates low, as a result there was no long-term plan for restoration or replacement of old water mains. The sewer district was subsidizing it for all these years and trying to keep the rates affordable, as a result we have infrastructure on our end that we have to start paying.

James Potter said there is a significant cost, when we build a plant, that you have to pay for. Past Administration maybe just arrived at a number, but it wasn't based on a formula. We

under collected in the past, but we can't over collect to make up for the amount. Betterments which are paid over 20 years recoups the cost of the Capital Investment. Can foresee working with a very large entity to spread that payment over time, much like a betterment situation. It would be helpful because it provides a more stable cashflow. We could work out a method on some of the bigger payments, we could still collect a reasonable amount of money and spread that over time. It would provide stability to our system, financially, and it would also collect what we need to collect for those investments to the system. We should gravitate towards this ERU system, the current allocation policy charges more, and that isn't a good way to move forward.

George Slade said we could consider a betterments type option. It would be good to get the assessor's input.

Judy Froman suggested to have staff, or hire someone, to present a number of scenarios, so we can see the different options. If we need to make some decision for the Fall Town Meeting, we would need information by the beginning of September. Need to get sewer rates numbers and ERU concept numbers so we can have the information ready for Town Meeting.

James Potter questioned how to handle current connections. Currently we would charge under the two allocation policies that are existing, which may be a deterrent for a large project. We want to move forward before opportunity is missed, because if someone submits an application to connect, we may be undercharging them or overcharging them. What's everyone's thought about working with a developer and spreading the cost out like a betterment.

Judy Froman said the Betterment option is a good idea to look at.

Jared MacDonald said it would be good to look into the betterment option, and have more of a discussion on the ERU. Have one more meeting on this topic to finalize it.

George Slade questioned is it set through Mass law that it has to be a 5% unless you pay upfront. Is there an options for a 5 year, 10 year, and a 20 year pre-payment schedule.

James Potter said this wouldn't necessarily be a betterment, but we would have to treat it with the mechanism of a betterment, so it is recorded as some type of lean. We can vote any percentage up to 5%. We would be adding an admin burden to the staff if we choose to do it ourself, or if we use another entity, we would have to use their percentage and pass it off. On a payment plan method, we can count on a stable payment each year as opposed to one big payment upfront and then make sure it is put aside in the correct way overtime.

**Voted:** Peter Meier moved and seconded by Judy Froman to continue the discussion of the ERU to the next available Sewer Commissioners meeting.

**Roll Call Vote:** George Slade - Yes, Peter Meier - Yes, Judy Froman - Yes, James Potter - Yes. (didn't call Jared MacDonald)

Vote: 4-0-0.

### **3.C. Sewer Policy and Regulations (Section 1 and Section 2 Adoption; Section 3 through 9 and Appendix – 3<sup>rd</sup> Reading) discussion and possible vote**

James Potter went over the Sewer Policy Regulations. Spelling edits have to be made.

The attachments are meant to change as the rates or fees change, it is easier to change 1 page; instead of going through the whole policy and changing rates.

1 attachment would be for commercial user, 1 attachment would be for residential user.

Section 1 is the Use of Sewer

Section 2 is the allocation policy. It has the fixed language, so if you are changing flow you go through the allocation process.

Jared MacDonald suggested to fine tune the definitions, make sure they are very clear.

Glenn Cannon said the new regulations have the abatement form.

Judy Froman said if changes are made is it appropriate to go to the final reading at the next meeting, or do we hold off.

James Potter said for sections 1 & 2 we are at the final reading; we can continue to edit those sections and bring it back.

Peter Meier suggested to defer action to the next meeting in two weeks.

Jared MacDonald agreed to defer to the next meeting

James Potter suggested to take on another section to go over for a second reading at the next meeting. Section 1&2 will clean up. Section 3&4 we'll continue discussions at the next meeting and make edits.

Judy Froman suggested to post information on the news section on website that we are going through this policy. Residents can keep an eye on the Sewer Commissioners agenda to see where we are in the policy.

Tim Lydon said Section 3 is a very important section, so feedback from section 3 is very important.

### **3.D. Sewer Enterprise Fund Financial Policy Proposal**

James Potter said the Sewer Enterprise Fund Financial Policy has been needed for this system. Since we don't have a Financial Policy for Retained Earnings, it allows us to pick dollar amounts. We need to decide as a Board, to stabilize our financial security of the system. If we have a policy, we can start to have a format that we adhere to.

Jared MacDonald said it is important to have a formula, a way to create the number.

It is good to have a policy that the residents can see. They can see how the bill amount was calculated, and see that we are abiding by the formula.

James Potter said we can put together a Financial Policy, for the next meeting, that will be a goal of what we want to achieve with Retained Earnings and help to stabilize the Retained Earnings account. The Enterprise Fund only has Retained Earnings. We don't have any other funds to get money from.

Peter Meier questioned the status of the IMA with Wareham.

Judy Froman said we should be cautious about pushing an IMA, because we don't have our new system up and running. We couldn't sustain only using our system.

Judy Froman said regarding retained earnings we need to identify the costs that we know about, and what types of costs are involved with infrastructure if they did fail. There has to be some types of information regarding how long wastewater sewer pipes last and how long pumps last. We need to map out how many pipes there are, when they were placed there, and when they might expire. We need to look at the projected needs. The types of thing we know would be expenses, and the timing of when those dollars would need to be spend. That will give a perspective of what needs to be in retained earnings.

James Potter said we will draft a Financial Policy for the next meeting.

George Slade said in creating a policy like this we have to recognize the primary stakeholders/the rate payers.

James Potter said we need to explain what retained earnings is and the impact it has when we take money from retained earnings.

### **3.E. Cape Cod & Island Water Protection Fund Reimbursement discussion**

James Potter said we have to address how Bourne wants to handle any reimbursement for a sewer project from the Cape and Islands Water Protection Board. It's a reimbursement reward for doing the wastewater and stormwater projects. Every project will be reviewed separately. We are in the process, we have eligibility, but we don't know what the grant award would be back to the town. The reimbursement award isn't necessarily paid in one sum, it may be paid overtime.

Do we want to have a policy for how that money is utilized/saved or do we want to have a discussion regarding is it split or 100% going to the Sewer Enterprise fund. The current wastewater facility is on the list for this year for the Cape and Islands Water Protection Board to consider a reimbursement back to Bourne. What is the Boards desire to do with the money? Does it go directly to retained earnings, does it get split, does it go to the town should we use it to subsidize? Mass DEP has an Intended Use Plan (IUP) project list If you're on an IUP project and involved with the SRF Loan Program, your eligible.

We received information that Bourne's contribution towards the plant was around 4 ½ million dollars. The reimbursement would be a percentage of the 4 ½ million. The Board hired a financial management company to help with the reimbursements and the percentages they are going to set aside in the fund.

Jared MacDonald said a policy would be a good idea that would outline the different returns that we may get, to give us a guideline.

James Potter said there are so many options. With the money if it is sewer related do we put it towards retained earnings so we can build retained earnings, if there is a partnership in the project do we split the money, we could pay down debt. The award is based on the size of the project and the cost of the project. If you don't do projects the money can go to other communities.

Glenn Cannon questioned any project that Bourne would potentially be reimbursed on has to be IUP approved by DEP and has to be SRF Eligible or SRF approved.

James Potter said you have to go through the SRF process and take the loan.

#### **4) New Business**

##### **A. Any new sewer business (not foreseen 48 hours ahead of this meeting)**

Jim Potter said he saw the presentation regarding directional drilling in Wareham. They spoke about making it to MMA with pipe. Wanted to let everyone know that if anyone pursued a project like that Bourne would have a say, because they would be coming into our town. They would also have to go through state and federal agencies and the permitting process. It sounded like the company trying to sell its services.

Tony, Glen, and myself had a conference call with the Executive Board for the Cape and Island Water Protection Fund Board regarding our potential for asking for reimbursement on the Wareham Capital Improvements. This ties into our Home Rule Petition, that we are bringing to Town Meeting so we can work on the language that would amend the Cape and Islands section language that would incorporate Bourne and Wareham's IMA into the section. We are looking for our share of the project as a potential reimbursement.

#### **5) Adjourn**

**Voted:** Jared MacDonald moved and seconded by Judy Froman to adjourn at 9:30 P.M.

**Roll Call Vote:** Judy Froman - Yes, George Slade - Yes, Jared MacDonald - Yes, James Potter - Yes. Peter Meier's screen froze.

Vote: 4-0-0.

Respectfully submitted – Carole Ellis, secretary.