

Approved 5/14/2018

**CITY OF BROCKTON
WATER COMMISSION
Minutes
April 18, 2018**

Present: Ossie Jordan, Chairman/Commissioner
Bernie Hassan, Commissioner
Jim Bragg, Commissioner
Dan Murphy, Commissioner
Brian Creedon, Water Systems Manager

Absent: Harland Osgood, Commissioner
Larry Rowley, DPW Commissioner

Attending: John Condon, CFO
Andrew Nocon

Chairman, Jordan called the special meeting to order at 10:00 A.M. Mr. Creedon noted that Commissioner Osgood and DPW Commissioner Rowley will not be attending. Chairman Jordan noted that only new business will be considered during this meeting.

Chairman Jordan called for the 10:10 agenda item on a proposed Aquaria Contract Amendment that will drop the Fixed Charge amount for the remainder of the contract from 4.07 million Gallons per Day (MGD) to 3.81 MGD. He asked Mr. Condon to speak about the amendment and asked if the Letter of Intent (LOI) with Aquaria is dead. He explained that the City Council had many questions about the amendment which comes from the fact that Aquaria will have to make major capital improvement to regularly produce 4.07 MGD. He also stated that the LOI was dead on Jan. 3, 2018. The council has asked that he go back to Aquaria for a better deal and has postponed the vote on the amendment and asked him to see if a price much below \$70 Million is possible. He noted that we are in the present contract for 10 more years.

Mr. Jordan noted that the MWRA solution is not allowed by Mass regulation if an in basin solution is present. **Mr. Murphy moved to table the amendment which was seconded by Mr. Hassan and passed unanimously.**

Mr. Jordan called for the 10:30 item on the Agenda, the Annual Rate hearing and asked Mr. Condon to speak on it. Mr. Condon noted that the revenues were inadequate for this year's budget. He stated that the Water Enterprise fund owes the General Fund 5.4 million since FY 2017 which was used to pay for insurance, pensions and other cost. He introduced Andrew Nocon, from the Finance Office and distributed an analysis he did on our rate structure. He stated that two blocks used a greater percentage than they paid. The block that used from 1,251 to 2,500 used 18% of the water consumed but paid 14% of fee issued and that the block using from 2,501 to 5,000 used 19% in 2017 but paid for 17%. He proposed a 2018 rate of block 1 \$4.62; block 2 \$6.27; block 3 \$7.92; block 4 \$8.25; block 5 \$8.58; block 6 \$8.80. This block change should bring in \$2 million dollars.

Mr. Murphy brought up the possible need of a town rate increase which Mr. Nocon stated that some municipal users pay rate are far below the average Brockton rate and agrees that the inter-municipal agreements must be revisited. One question the commissioners questioned is a possible change in the block structure making it more simplified. We also need to look at our fees to determine if they are too low

The Rate Hearing meeting is scheduled for Thursday April 26 2018 at 6:30 p.m. at the Arnone School..

**Mr. Hassan moved to adjourn. This motion was seconded by Mr. Bragg and passed unanimously.
The meeting adjourned at 11:55 AM.**

Respectfully submitted and certified by:

Brian M. Creedon,

Water Systems Manager
Clerk of the Commission