

REPORT – ORDINANCE COMMITTEE
August 19, 2024

The Standing Committee on Ordinances and Rules to which was referred the following reports as follows:

#1 on agenda

having considered the same, report FAVORABLE AS AMENDED by Motion of Councilor Thompson, 2nd by Councilor Lally.

MINUTES – ORDINANCE COMMITTEE
August 19, 2024

The Standing Committee on Ordinances and Rules was called to order at 6:00 p.m. by Councilor Farwell, Lally, Thompson, Nicastro and Teixeira present.

Agenda read into the record.

Motion to take Item #7 out of Order by Councilor Lally, 2nd by Councilor Teixeira. Motion carried.

The Committee first considered the following:

#1 on agenda

Comments by Councilor Farwell
(subsidizing from the general fund, report received, CDM Smith, study)

Comments by Troy Clarkson, Chief Financial Officer
(budget director, DPW business manager, based on increase of revenues, without an adjustment in the rates, then we will be forced to reduce the budget, reduce services, proposal will provide sufficient revenues for upcoming year, have looked an impacts for adjustments, room to make some adjustments and still make revenue requirements for this year, need to talk about an effective rate, need this to set the tax rate)

Comments by Patrick Hill, Commissioner of DPW
(met with CDM Smith, discovered that in 2020 that sewer rates were supposed to mirror the water rates, sewer rates were the ones effective in 2020, after running the numbers, 18% increase is still less than what the ordinance states today, 7 block rates, 1st block discuss scenarios, revenue generation)

Comments by Councilor Farwell
(re rates before the council)

Comments by Councilor Thompson and Nicastro
(re date of ordinance, discussion on accuracy of proposed rates and what was before the council)

Brief recess called at 6:13pm.

Returned to session at 6:24 p.m.

Comments by Councilor Farwell
(correct information, interested in current rates and then discuss the proposed amounts)

Comments by Patrick Hill, Commissioner of DPW

(Current: Block 1, \$2.93, Block 2, \$3.91, Block 3 \$5.20, Block 4 \$6.91, Block 5, 9.22, Block 6 \$14.23, Block 7, Block 7 \$ 16.26)

Proposed:	Block 1 0-750	\$2.93
	Block 2 751-1250	\$4.61
	Block 3 1251-2500	\$6.14
	Block 4 2501-5000	\$8.15
	Block 5 5001-10,000	\$11.06
	Block 6 10,001-25,000	\$14.80
	Block 7 25,001-anything greater	\$19.67

Comments by Troy Clarkson, Chief Financial Officer
(copies of spreadsheet)

Comments by Councilor Farwell
(report, table 20, FY2026, \$8 a month increase)

Comments by Patrick Hill, Commissioner of DPW
(based on 18% across the board, can adjust and send out, difficult until they have the percentage, blocks 1 and 2 are the average homeowner, make up 50%)

Comments by Councilor Thompson
(sewer block rate increase, water rate increases?)

Comments by Patrick Hill, Commissioner of DPW
(retained earnings in water, not in sewer, retained earnings are not expected for water next year, but waiting)

Comments by Councilor Thompson
(wiggle room?)

Comments by Patrick Hill, Commissioner of DPW
(wiggle room in his budget, costs to save there by not doing the capital projects, selling solar credits, rate increase needed)

Comments by Councilor Farwell
(need a motion)

Motion to Amend by Councilor Nicastro to strike the second column establishing rates for blocks 1-6 and insert in its place the following:

USAGE in Cubic Feet	Sewer Rate per 100 Cubic Feet
0-750	\$2.93
751-1250	\$4.61

1251-2500	\$6.14
2501-5000	\$8.15
5001-10,000	\$11.06
10,001-25,000	\$14.80
Block 7 25,001-anything greater	\$19.67

Motion received a 2nd by Councilor Thompson. Motion carried unanimously.

Comments by Councilor Thompson
(CDN Smith report)

Comments by Patrick Hill, Commissioner of DPW
(revenues and debt discussions, cuts where they can)

Comments by Troy Clarkson, Chief Financial Officer
(manage the debt)

Comments by Councilor Thompson and Patrick Hill, Commissioner of DPW
(budget projections)

Comments by Councilor Thompson
(Average homeowner)

Comments by Patrick Hill, Commissioner of DPW
(block 1 and 2, includes businesses)

Comments by Councilor Nicastro
(how will these proposed increase impact the intermunicipal agreements)

Comments by Patrick Hill, Commissioner of DPW
(Abington and Whitman, run on percentage of flow, different billing structure, changes will not affect them, costs to plant go up, then theirs go up, Stonehill pays on a top tier system, could have an affect)

Comments by Councilor Thompson
(effective date, retroactive, notice, would prefer prospective)

Comments by Patrick Hill, Commissioner of DPW
(adjustment on the 3rd quarter approach, if we don't do retroactive, huge impact to the budget at 1.5 million deficit)

Comments by Troy Clarkson, Chief Financial Officer
(similar to tax bill adjustments for estimates, could split it on 3rd and 4th quarters to space it out)

Comments by Councilor Teixeira

(quarterly fees, storm water)

Comments by Patrick Hill, Commissioner of DPW
(we want to get this right, business manager)

Comments by Troy Clarkson, Chief Financial Officer
(centralizing billing in DPW)

Comments by Councilor Teixeira
(notice?)

Comments by Patrick Hill, Commissioner of DPW
(mailing done)

Comments by Councilor Farwell
(does not like retroactive collection, not to exceed a set amount for retro billing)

Comments by Patrick Hill, Commissioner of DPW
(might be no increase anyways for the lower block users)

Comments by Councilor Farwell
(connection fee increases, need to recommend something out, can do a separate ordinance to increase the other fees, concerned about retroactive bills)

Comments by Councilor Thompson
(policy request for splitting retroactive over 3rd and 4th quarter, does not like retroactive but need to keep enterprise fund healthy, notice to users)

Comments by Patrick Hill, Commissioner of DPW
(general estimates, could send the bill out and give them 6 months to pay without interest)

Motion by Councilor Lally to Amend by inserting the following language
“Users shall be given the option to pay retroactive fees for Q1 and Q2 over Q3 and Q4 billing with no interest.”

Motion received a 2nd by Councilor Thompson. Motion carried unanimously.

Motion to report FAVORABLE AS AMENDED by Councilor Thompson, 2nd by Councilor Lally. Motion carried unanimously.

Motion to adjourn by Councilor Lally, 2nd by Councilor Thompson. Motion carried unanimously.

The meeting was adjourned at 7:00 p.m.

Documents: Chart from DPW Commissioner, proposed rates spreadsheet