

**West Windsor Utility Advisory Committee Meeting, January 19, 2015, by teleconference
Draft minutes**

Call to order: Glenn Seward called the meeting to order at 4:05 p.m.

Present: Tina Halsted, Ralph Bailey, Jim Bonney, Jeff May, David Leavitt, Jeff Nelson, Steve Hawko, Tom Kennedy, Glenn Seward, Tom Kenyon, and clerk Connie May.

Changes or additions to agenda: None

Public comment: No public present.

Current financial status: \$33,691.57 in checking account. \$118,229.31 in money market account. \$6,161.34 in dues receivable inherited from MFW; this balance being whittled down. Current charges \$53,436.25 not yet collected.

Ratify approval of use of utility escrow funds for water system emergency expenditures: These expenditures necessary in face of base-lodge fire and financial difficulties of water company. Call went out to committee members to approve \$10,000 from escrow for these expenditures; response unanimously in favor. Ratification sought for formal record. *Motion* made to ratify the decision to spend up to \$10,000 of utility escrow for emergency water-company expenditures. Seconded. No discussion. Motion passed unanimously.

Water company transfer: Town executed asset purchase agreement with Snowdance for water-company transfer last week. Glenn's understanding is that Snowdance will now petition Public Service Board (PSB) to request that Town be made emergency receiver of that system, which will expedite Closing.

Glenn has heard that the Property Owners Association (POA) is trying to place contingencies on that transfer through the PSB – such contingencies to include a full financial accounting from Snowdance to the POA. This has not yet been verified with the PSB, but Glenn made it clear that the Town is not in a position to wait for the POA to address past issues with Snowdance and will not allow this to interfere with or stall the transfer. Point made that the POA should negotiate differences with Snowdance separately from the transfer. Jeff Nelson said that people wonder where some money went that users paid, but as far as he knew, the POA request for financial information was not tied to the transfer. He will check with the POA attorney, however, as soon as possible and get back to Glenn. Some disagreement about whether the current owner of the water system is required to give financial reports annually, or only at the time a rate increase is requested. Point made that we need to do all we can to support the Town, Glenn and the Select Board to facilitate the transfer. Comment also made that the water company has no liquid assets.

Financial problems with the water company worsen daily. Dues receivable amount to \$52,000, with some people owing multiple-year dues in the range of \$1500 to \$2000. Glenn hopes that once the Town takes over the system, people will start to pay, as they have done with the sewer dues receivable. If they don't, rates will increase for other users, because money needed to operate water system, which is not budgeted for a profit.

Glenn expects that the \$10,000 from the escrow account will be used in full for such expenses. The system needs to pay the water-system operator in order to keep her, so \$2,452.52 was used to pay her for the month of December. Electrical bills will also be forthcoming for work done after the fire to get the pumps in the base lodge up and running. Glenn reiterated that the Town must take over the system as quickly as possible to get it on solid footing. Glenn expects that after the Town takes over the system, the users will face a special assessment, and collection of past receivables will occur. Rates will be revised but will be as low as possible; the next billing is in early to mid-June. The Town will send informational notes out to users once Town acquires system and once PSB gives OK for such communication. Jeff Nelson offered help with that from the POA.

Future water rates and system improvements: Proposed draft budget sent to committee members calculates rate of \$495/user and assumes 85% collection rate. In those figures is an escrow account. Glenn asked committee members to review budget and send any thoughts or suggestions to him.

The preliminary engineering report of the system was completed some time ago, and the Town has signed an agreement with the engineering company to continue an evaluation in order to provide a long-term capital plan. Engineers see two points of immediate concern: relocation of pumps, and the condition of tanks on upper loop. The immediate focus is to move the pumps out of the base lodge basement to property the Town owns. That effort will be funded by low-interest State money. The tanks will be evaluated in the spring; replacement, if needed, will represent a fairly significant expense.

Town not in a position to get involved in ownership and demolition of base lodge, due to State regulations regarding demolition of commercial buildings, as well as to related expenses which could be in the six figures and which should not be the taxpayers' responsibility. Building should come down, as it's a health and safety hazard, but task up to present owner. Possibility of saving foundation for another building is slim.

Future role of WWUAC in systems' management: Involvement of Select Board in water and sewer system management will not be as active going forward, so Glenn asked committee members to think about what they'd recommend: to have the committee take more of an active role, or to hire someone to manage the systems.

Adjournment: Committee thanked Glenn for all his hard work, and he replied that though he is stepping down as Select Board Chair in March, he will remain a member of the Board for another year to help new Chair transition into the role. Meeting was adjourned at 5:00 p.m.