

Water and Sewer Rate Advisory Committee 9/22/22

Meeting Minutes

Attending: Patrick Luddy, Gino Cresta, Amy Sarro, Neal Duffy, Charlie Patsios, Ralph Souppa

The committee discussed the rate options presented by the finance team at the previous meeting. Ralph Souppa reiterated a concern that there is a lack of spread in the base rate between Tier 1 and Tiers 2/3. Neal Duffy asked about how much we have spent in retained earnings in past years and Patrick Luddy provided an answer that in FY18 we used \$200,000 for water, and in FY20 we used \$330,000 for sewer. Both Amy Sarro and Patrick Luddy suggested it is not prudent to spend down to the 20% floor of retained earnings - that is part of the financial guidelines. Charlie Patsios had a question about new connection fees for water and sewer, and Gino Cresta explained that there is no real charge on the water side, but that we do have a new Inflow and Infiltration fee for new sewer connections. Charlie Patsios shared information from his water bill from West Yarmouth which also has a tiered system and base rate tiers based on connection size.

The committee discussed the two rate recommendations put forth by the finance team. Option #1 included a 2.5% across the board increase of all consumption rates and a \$0.30 and \$0.40 increase to the Tier 2/3 water and sewer base rates respectively. Option #2, the finance team recommendation, included the same increases to the Tiers 2/3 base rates but has a staggered increase to consumption rates 2.5% for Tier 1, 2.75% for Tier 2, and 3 % for Tier 3.

Charlie Patsios and Neal Duffy favored Option #1, where Ralph Souppa and Amy Sarro favored option #2. There was much discussion on voting members and who could vote, and after further analysis of the two options, Charlie Patsios moved to recommend option #1 to the Select Board with Ralph Souppa seconding and all present voting in favor (Neal Duffy, Charlie Patsios, Amy Sarro and Ralph Souppa).

The whole committee agreed that more work should be done to prepare for the FY24 rates, and further analysis should be done on any possible changes prior to rate setting. Charlie Patsios did recommend Ralph Souppa as Chair but he declined. Charlie Patsios also stated he was not interested in being Chair, so it was decided that Neal Duffy would continue to facilitate the meetings and there would be no official Chair of the committee.

