

**MARION BOARD OF SELECTMEN
WATER/SEWER COMMISSIONERS**

April 5, 2007

Agenda

SIGNING OF WARRANTS

- ACTION ITEMS:
1. Common Victualler's license, Cumberland Farms ("North")
 2. Request to close Holmes Street, Soap Box Derby
 3. Request to close Point Road, Feast of St. Anthony
 4. Request to close South Street, St. Gabriel's Church Fair
 5. Eagle Scout Recycling Project at Island Wharf
 6. Water/sewer rates

TOWN

ADMINISTRATOR: Next Tri-Town Selectmen's meeting—to be scheduled by
Town Administrators

INFORMATION FOR
APRIL 17 MEETING:

1. Council on Aging Emergency Fund Policy
2. From Chief Miller re Rochester privilege stickers
3. From Michele Bissonnette re ORR Jazz Band and Combo awards

ANY OTHER MATTERS TO COME BEFORE THE BOARD

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Minutes

The meeting was called to order at 6:32 p.m. Present were Chairman Andrew N. Jeffrey, Board members Jonathan F. Henry and Roger F. Blanchette and Town Administrator Paul F. Dawson. Also present were Lee Craver, Andrea Smith of *The Tri-Town Observer*, Brian Fraga of the *Standard-Times*, Town Accountant Judith Mooney, Superintendent of Public Works Robert C. Zora, Department of Public Works clerk Rebecca Carvalho, David K. Pierce, Christopher Collings, Henry and Barbara Mauro, Jared Drake and Helene Craver, secretary.

Mr. Blanchette moved a common victualler's license for Cumberland Farms "north"; the motion was seconded and carried unanimously.

Mr. Blanchette moved to allow Holmes Street to be closed to vehicular traffic on May 19 from 9:00 a.m.-1:00 p.m. for a Cub Scout Soap Box Derby; the motion was seconded and carried unanimously.

Mr. Henry moved to close a portion of Point Road to vehicular traffic on June 10 from noon to 6:00 p.m. for the Feast of St. Anthony; the motion was seconded and carried unanimously.

Mr. Blanchette moved to close a portion of South Street to vehicular traffic on May 5 from noon-5:00 p.m. for the Loft School fair; the motion was seconded and carried unanimously.

Mr. Blanchette moved permission to Steven Barry to commence a recycling project at Island Wharf as part of the Eagle Scout program; the motion was seconded and carried unanimously.

Mr. Jeffrey noted that, at the hearing held April 3, people had more than three hours to express their concerns and questions on the water and sewer rates. Mr. Jeffrey said that, following that meeting, he asked the Town Accountant and Superintendent of Public Works to review all the data to ascertain whether any facts had been overlooked which might change the need for the projected rate hikes; he has asked them to be present and report tonight. Mr. Jeffrey observed that the situation isn't something that can be "fixed" in 48 hours, but the Town will have a consultant study the Town's water and sewer rates, billing cycle, etc.

Mrs. Mooney reported that she had again studied the data, hoping to find the best-case scenario, as she knows that the new rates are difficult for retirees and the elderly, but there was no way around this "tough spike", because the rates are truly what the Town needs at this time and this is the most fiscally prudent way to do it.

Mr. Jeffrey said that they scheduled this meeting tonight to have it televised so people would be able to get additional information and know that there is nothing

more they can do (about the rate hikes). Mr. Jeffrey indicated that the present situation began 25 or 30 years ago, with inaction to address problems with the water and sewer infrastructure. Mr. Jeffrey said that the State required the Town to correct the situation or be faced with fines. Mr. Jeffrey noted that this is the reason for the new wastewater treatment plant, the repair and replacement of the pipes and the search for additional potable water.

Mr. Jeffrey explained that the Town has a small customer base for water and sewer and that is the reason the \$25M improvements have resulted in the raise in the rates. Mr. Jeffrey said that he abhors having to hear that people will have to leave Town because of the increased expenses—this is not what the Board wants. However, this is the only fiscally responsible way to address the associated health and safety issues.

Mr. Jeffrey pledged that the Board would report to the residents in the Fall to explain what steps will be taken as a result of the rate study to be performed by an outside consulting group. Mrs. Mooney said that they had heard the residents on Tuesday night, when the Town was asked to again look at the rates, but the increases are the only fiscally prudent way to address the shortfalls. Mrs. Mooney said that this is a difficult situation, but there are many financial obligations to uphold. Mrs. Mooney said that, after the rate study, they will work with the engineers and investigate every angle; they will come back to the Townspeople with long-range planning so people will know the Town's future plans. Mr. Zora said that the question of installing double meters will be investigated to determine the financial impact and this will be part of the study. Mr. Zora said that he wants everyone to be treated equally and fairly.

Mrs. Mooney explained that water has actually been self supporting, but once it was placed in an enterprise account, the surpluses didn't go back to the general fund and we are just coming into the fiscal results of the long-term borrowing. Mrs. Mooney noted that they were asked why they didn't raise the rates annually to avoid this sudden large increase; the rationale was that they didn't need it and felt it would be a "slap in the face to the ratepayers"—in hindsight, maybe an annual increase would have been better. Mrs. Mooney said that the increase was needed in this fiscal year to help balance the shortfall and that is why the rate increases need to be approved this evening.

Mr. Blanchette said that he has a few ideas that would help bring in money, one of which is to institute quarterly billing, which will make the bills slightly more palatable. Mrs. Mooney said that quarterly billing would help with the cash flow and that should be looked into.

Mr. Jeffrey said that the meeting on Tuesday was the time to air questions and concerns—this is not going to happen tonight, but everyone should feel free to e-mail the Board, Mr. Dawson, Mrs. Mooney or Mr. Zora. Mr. Jeffrey hoped that people would be constructive. Mr. Henry said that it was his philosophy that long-range problems need long-term solutions; the worst thing they could do would be to propose near-term solutions. Mr. Pierce recalled that, at a 2003 Rate Study Committee meeting, a projection had indicated that there would be a spike in rates at this level at about this time when the financing for the improvements came due. Mr. Pierce reminded the Board that there was a small rate base to pay for all the improvements, which causes

problems; if they can consider using a larger base with more towns, it makes the town boundaries go away—those are the kinds of solutions that are needed in the future for small towns to continue to operate. Mr. Pierce pointed to the regional school system as the type of effort that is needed. Mr. Pierce said that he understands firsthand just how difficult these rates are; it is in the national interest to conserve, even if it results in higher prices—it will help in the long run.

Mr. Collings objected that the Board hasn't answered any of the questions raised at the Tuesday night meeting and cited several areas of concern. Mr. Collings strongly objected to the coming vote on the rate increases and the structure he perceived would "favor the rich" Summer residents. Mr. Henry objected to Mr. Collings' manner. Mr. Jeffrey said that he would not entertain further questions. Mr. Jeffrey said that the staff had done the very best they can under the circumstances to make the rates fair for everyone—the situation could not be corrected in forty-eight hours.

Mr. Henry moved the recommended water and sewer rates; the motion was seconded and carried unanimously.

Mr. Jeffrey promised that, in the Fall following a rate study, Town officials will schedule another meeting to discuss future plans. Mr. Jeffrey said that the Board has heard residents' concerns and any suggestions should be addressed to the Town Administrator and they will listen. Mr. Jeffrey committed the Board to report back to the Townspeople and said that making sure the study is done right is a top priority.

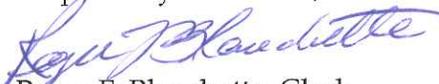
Mr. Drake asked if the costs associated with the water and sewer improvements couldn't be added to the tax base, rather than through the water and sewer rates? Mr. Jeffrey said that nothing will be solved tonight, but nothing is off the table, either. Mr. Jeffrey said that they will look at all different scenarios and their ramifications.

Mr. Henry apologized for losing his temper.

Mr. Dawson reminded the Board that there hasn't been a tri-town Selectmen's meeting in some time; he will be contacting the other Town Administrators to schedule a meeting. Mr. Jeffrey recalled that, in the past when tri-town meetings were held, "nobody came". Mr. Jeffrey noted that they had just carried on a difficult discussion and vote and that one of the solutions may be to team up with other communities. Mr. Jeffrey urged people to attend the tri-town meeting and support possible changes on a regional basis. Mr. Jeffrey thanked those present for attending the meeting.

Mr. Blanchette moved to adjourn at 7:25 p.m.; the motion was seconded and carried unanimously.

Respectfully submitted,


Roger F. Blanchette, Clerk

Date approved: 5/1/07