



Three Rivers Fire District
50 Springfield Street
Three Rivers, MA 01080

Prudential Committee Minutes

May 14, 2014

Chairman Domey called a meeting of the Prudential Committee to order at 7:05 p.m. The Pledge of Allegiance was recited.

IN ATTENDANCE:

Raymond Domey, Chairman
Donald Reim, Vice Chairman
William Jalbert, Clerk
John Chmura, District Treasurer
Michael Hassett, District Counsel

John Sasur, Water Superintendent
Scott Turner, Fire Chief
Patrick O'Connor, District Clerk
Diane Baldyga, District Secretary
Al Nardi, Project Manager for Anderson St. and AT&T Tower

Approval of Minutes

The Committee reviewed the minutes from the meeting of April 9, 2014.

MOTION (JALBERT, REIM): To approve the minutes from the meeting of April 9, 2014. Approved 3-0.

Public Comment

None.

Opening of Bids

Project Manager Al Nardi read excerpts from the actual advertisement placed in newspapers soliciting bidders for the final phase of the Anderson Street Project. Nardi verified that all bids were received by 2 p.m. on April 28. The mandatory pre-bid conference was attended by the bidders, and the 5% bid deposit on the bid price was collected. He proceeded to open the three (3) bids that were received and read them aloud. Each bid was perfunctorily checked for essential criteria. Clayton D. Davenport Trucking, Inc., of Greenfield bid \$54,999.00. Pioppi Construction, Inc., of Southbridge bid \$52,755.00. A. J. Virgilio Construction, Inc., of Westfield bid \$47,455.00. Project Manager Nardi and Attorney Michael Hassett relocated to the back of the room to more thoroughly review, verify, and record all bid specifications and documents on the Bid Tally Form for the three bids received.

In the meantime, the Committee discussed the need to amend the Warrant Article for Phase 3 of the Anderson Street Project at the Annual District Meeting by increasing the amount to be appropriated by \$5,000. Project Manager Nardi and Attorney Michael Hassett returned with their evaluations and recommendations. The low bidder was A. J. Virgilio Construction, Inc., of Westfield at \$47,455.00. The bid is in order with the exception of a missing certificate that states who the corporation allows to sign the bid. Hassett said that all Virgilio has to do is supply that one paper. Since Virgilio is president, treasurer, and clerk of that corporation, it makes sense that he can sign its paperwork. He is the only bidder that offered a completion date, which was May 12. Chairman Domey said that the project cannot start until July 1 as the cash only becomes available at that time. Nardi said the Committee has 10 days after the bids are open to award the contract. It will take a month to get insurance and paperwork together, to get the missing corporation vote paper, and to contact the references. This will place the anticipated starting date closer to July 1. Nardi and Hassett think the amount of the bid is a good price and not too much lower than the other two bidders. Nardi will check the references while Hassett obtains the missing document. Virgilio should also be informed of the starting date. Domey said that Virgilio could start earlier, but will not get any money until July 1. After scheduled inspections by Nardi, the money will be available for payment. Sasur commented that waiting until later in the summer would provide for better conditions at the site. The other two bidders' paperwork was also in good order.

MOTION (JALBERT, REIM): To award the bid of the final phase of the Anderson Street Project to A. J. Virgilio Construction, Inc., of Westfield pending completion of the paperwork. Approved 3-0.

Communication Tower Lease Update

Attorney Hassett was told by representatives from AT&T (Ed Pare and Michael Elsier) that the holdup on the contract is in New Jersey where the documents are being looked at. The timing of bonuses and the extensive size and complexity of the contract affected the full review. Both representatives mentioned that a substantial amount had been completed. Chairman Domey spoke with Mike Marciniec, Planning Board Chairman, who said that he does not anticipate any problems because of the location and height of the tower.

Report of the Treasurer

- **Annual Audit.** Discussion on the audit was postponed until June's meeting.

MOTION (REIM, JALBERT): To postpone discussion of the annual audit until June's meeting. Approved 3-0.

- **Annual District Meeting.** This Annual District Meeting will be held on Tuesday, May 20. District Clerk O'Connor reported that 25 copies of the Warrant and 100 ballots were printed. Treasurer Chmura requested an advance copy of the Warrant. W.S. Sasur informed the Committee that he will be away on vacation and unable to attend the meeting.
- **Easement for North Street Property.** W.S. Sasur, Gerry Skowronek (Superintendent of Palmer's Wastewater Treatment Facility), Palmer's legal counsel, and Town Manager Charles Blanchard examined the completed easement. It was approved, signed, and notarized. A copy will be placed in the District's safe deposit box. Chairman Domey will ask Attorney Dennis Tully, special Counsel to TRFD, to have the easement officially recorded with the Hampden County Registry of Deeds.
- **District Insurance Plan.** Chmura has the coverage sheets for the District's Insurance Plans to obtain competitive bids. The Water Superintendent suggested getting at least three (3) quotes. He mentioned that at one time the coverage was rotated among the town's insurance agents every three (3) years. Domey will write letters to local agents and the MIAA (Massachusetts Interlocal Insurance Association) to obtain similar quotes for comparison.
- **Fire Chief's Credit Card Status.** Fire Chief Turner reported that the credit card should be in next week. It has a \$1,000 credit limit.
- **Financial Statements.** Treasurer Chmura submitted April's Profit & Loss Statements to the Committee. He made the following points:
 1. Approximately 80 percent of District expenses were spent.
 2. The Fire Department was about \$78,000 under budget before salaries are paid out in June.
 3. The Water Department spent about 76 percent of its budget and was almost \$84,000 under budget before salaries are paid out.
 4. The Water Department has collected almost \$300,000 in receipts to date, leaving approximately \$67,000 still outstanding—about \$26,000 under 60 days and \$40,000 over 90 days. Ten (10) customers owe \$1,000 and are over 90 days in arrears. The Water Superintendent said that most of these are rental properties. Chairman Domey wants the renters to deduct the water bills from their rent to pay the Water Department. Sasur maintains that statistics should be based on a five (5) year average because no shut-offs occurred for one year in the course of developing the Water Shut-Off Policy. It was also noted that Capone's Pool Water had paid his account in full and currently has a \$2,000 credit.

MOTION (REIM, JALBERT): To accept and approve the Treasurer's Warrant. Approved 3-0.

MOTION (REIM, JALBERT): To accept and approve the Treasurer's Report. Approved 3-0.

Report of the Fire Chief

Fire Chief Turner presented his report:

- **Call Report.** The month of April 2014 received a total of nineteen (19) calls—nine (9) all calls and ten (10) duty-officer calls.
- **Memorial Day Breakfast.** The breakfast is on Sunday, May 25, from 9 a.m. to 10:30 a.m. The Fire Department will conduct a ceremony at four cemeteries and return to the station for breakfast. Turner invited the Committee to attend.
- Duty-officer calls may be eliminated in the future replacing them with all calls. Presently, a duty-officer is still on between 6 p.m. and 6 a.m. This change will make available an official vehicle, a small crew, and manpower to help out.

MOTION (JALBERT, REIM): To accept the report of the Fire Chief. Approved 3-0.

Report of the Water Superintendent

W.S. Sasur discussed the following items:

- **Water Department/District Office Building Update.** The next meeting is on May 15. The Committee is preparing a request for qualifications (RFQ) for architectural services. It must wait until July 1 when money will become available for an architect to make further plans.
- **Coordinated Water Study Update.** No new business to report until after the annual district meetings of the three water districts.
- **Chudy Street Project.** The Water Superintendent provided the Committee with a map and an overview of this project which will replace the 2-inch lines with 6-inch lines. Homes may be without water for a few hours to a day. This will be done in June and July.
- **Lead and Copper Tests.** After adjusting sodium hydroxide dosages to lower the copper levels in the water, the copper level now meets all regulatory requirements.

- Water Management. The Water Management Act requires towns not to exceed its withdrawal rates. In 2009 and 2010, the District's rates were exceeded due to leaks. The Water Department has been diligent in correcting these leaks, but Sasur feels that the law is unfair to small districts.
- Water Rates Review. W.S. Sasur presented a handout of a 2014 Water Rate Study for the years 1998 through 2016. It showed what was budgeted and expended, the rates per thousand gallons, billed gallons, billed water, total water revenue, accumulated surplus, and actual amounts collected. It also gave estimated revenue at various rates. Sasur discussed the rates with Auditor Stephen Chiacchia, who recommended the need for a rate increase as well as a dedicated fund for meter rentals.

W.S. Sasur handed out a Table of Recommended Improvements that has not been done due to insufficient funds. Last year, he had recommended an increase to \$3.50. Vice Chairman Reim is worried about incurring too many expenses at one time. Chairman Domey asked about grants, projects with the three District Consortium, and savings from bulk chemical purchases. Clerk Jalbert asked how long it would be before the three villages tie in together. W.S. Sasur stressed that recommended projects may never get done and that Water Department reserves will continue to dwindle at the current water rate. He strongly urged the Committee to increase the rate to \$3.50 per thousand gallons. Treasurer Chmura said this would raise household rates about \$40 a year.

The Water Superintendent distributed two other handouts. One details his recommendations for increasing water rates, meter charges, fire protection charges, service entry fees and service charges "to create a sound and reliable system." The other is a survey by Tighe&Bond based on 2012 Massachusetts Water Rates. It listed the water rates charged by Bondsville, Palmer, Thorndike, and Three Rivers. Three Rivers' rate is below all but Thorndike. W.S. Sasur would like the Committee to review the material presented and to have a vote on this next month so that changes would begin with the new fiscal year billing. Chairman Domey feels that although the rate increase may be justified, the new District Building should be a priority with the voters. Water rate increases may need to wait another year.

- Computerize Water Department Operations. Chairman Domey stressed the need for a computerized program that will show the operation of the district on a day-to-day basis providing 100% accountability as required by the State of Massachusetts. A user-friendly system is needed that will easily generate reports and statistics, do billing, and run like a business. W.S. Sasur said that his entire department's information is electronically on file, but one has to know where to get information as it may be located in a number of programs. Domey advised bringing in a consultant to achieve an integrated system so the department is up to date, and he also recommends training everyone once a system is implemented. The Water Superintendent will have a report for next month's meeting that will attempt to accommodate the department's needs.
- Dedicated Meter Account. A discussion on the need for a dedicated account to fund new water meters in five years was again strongly advised by the Water Superintendent. Domey said that the money currently being charged for the meters should be put in an account now. He told W.S. Sasur that this will be discussed next month.

MOTION (JALBERT, REIM): To accept the report of the Water Superintendent. Approved 3-0.

Old Business

No Old Business.

New Business

Chairman Domey requested \$102 to pay for a post office mail box for District business with access by the three members of the Prudential Committee and Treasurer Chmura.

MOTION (JALBERT, REIM): To approve \$102 for the cost of a mail box for District business. Approved 3-0.

Domey would like to establish an email account on Outlook for the District. The email address would be TRFDPrudential@outlook.com.

MOTION (JALBERT, REIM): To establish an email account on Outlook for District business. Approved 3-0.

Having no further business to conduct in open session, Chairman Domey requested a motion to adjourn. The next regular meeting is scheduled for 7 p.m. on June 11, 2014.

MOTION (JALBERT, REIM): To adjourn from the Open Meeting at 9:25 p.m. Approved 3-0.

Submitted by:

Approved as to Form and Content:

Diane Baldyga, Recording Secretary

Raymond Domey, Chairman

Date: _____

Date: _____