

IPSWICH BOARD OF SELECTMEN
Meeting of Monday, February 12, 2018
Ipswich Town Hall, 25 Green Street

Pursuant to the Open Meeting Law, M.G.L. Chapter 30A, §§ 18 - 25, written notice posted by the Town Clerk and delivered to all Board members, a meeting of the Board of Selectmen was held on Monday, February 12, 2018 at 7:00 pm in Meeting Room A.

With a quorum present, William Craft called the meeting to order at 7:00 pm
Selectmen present: William Craft, Chair; Nishan Mootafian, Vice-Chair; Linda Alexson, William Whitmore

Not present: Edward Rauscher; Jim Engel, Temporary Town Manager; Alexys Parsons, Recording Secretary

Abbreviations used: BOS - Board of Selectmen; TM - Town Manager; ELD –Electric Light Department; COA- Council on Aging

Public Information: Agenda; Meeting Packet

Welcome / Announcements

None.

Citizen Queries:

None.

Berkshire Wind Phase II Expansion Vote & Presentation

Jon Blair, Electric Light Manager, was present to request the Board to approve a certificate on a power purchase agreement to extend the ELD's shares on which the ELD has partial ownership in the Berkshires Wind Phase II project. This is a 4.6 megawatt increase to the existing facility which is managed with a high capacity factor and with very few issues taking the turbines offline. This will help the ELD to continue towards a better diversified carbon free portfolio for the Town. The ELD Sub-Committee and management staff consider this a "no-brainer" as it will have a negligible effect on the rate payers in terms of cost and it will raise the ELD's composite portfolio. Currently, the ELD's portfolio is 2/3 composed of purchases in either hedge contracts or in near-real-time purchases from the market. Typically it's about 50% natural gas, less than 8% coal, 20% nuclear and then a mix of hydro, solar, etc. Ipswich received shares which allows the ELD to say that certain percentages of power is coming from nuclear, wind, hydro, etc. When the ELD enters into ownership shares, it not only adds diversity to the ELD portfolio but will also give Ipswich control and ability to shape what is going to the customers. This project is owned and managed by MMWEC (which Ipswich is a member), so the ELD won't receive the physical electrons from the project across the state but through the grid, ELD is able to claim correct ownership of this wind asset. Approximately 5% of portfolio is wind. In terms of percentages, ELD sells about 110,000 megawatts hours per year and with the capacity factor in this region, it will give the Town about .1 megawatt-hours. Mr. Whitmore also inquired if the Town is interested, could the ELD accrue more shares in this project and in response, Mr. Blair stated that potentially the Town could but most likely not since other participants signed into this agreement, they are then locked in and then it would not be possible but the ELD expressed interest in more shares (if available) for the Town. The ELD's power rate is anywhere between 4-5 cents and this new power will cost the Town 6 cents per kilowatt-hour. Ultimately, that is a 2 cent premium and because this is such a small amount of power, citizens won't see a significant increase in their bills.

Vote: Mr. Mootafian moved, and it was seconded that (1) the Board hereby approves, and the General Manager is hereby authorized and directed to execute, deliver and cause the Town of Ipswich Light Department to perform all of its obligations under the Berkshire Wind Power Purchase Agreement – Phase 2 between the Town of Ipswich Light Department and the Massachusetts Municipal Wholesale Electric Company, (“PPA”), substantially in the form of the PPA attached to this vote; and (2) that the Board hereby approves and authorizes the General Manager to take any other actions or execute any other documents, including execution of amendments to the PPA, necessary or desirable to effectuate the financing of the Berkshire Wind Facility-Phase 2 by the Berkshire Wind Power Cooperative Corporation; and (3) that any actions previously taken by the General Manager which are consistent with the Purpose of this vote and hereby ratified and confirmed. The motion carried unanimously.

Public Hearing: Water & Wastewater Rate Hearing (1 of 2)

Water:

Vicki Halmen, Water and Wastewater Director; and Ray Leczynski, Utility Business Manager, were present to propose a rate increases of 4% for the water rate. An increase from \$8.33 to \$8.66 /100 cubic feet of water effective May 1st of 2018 (equates to one penny per gallon of water). There is significant debt service in the future that needs to be addressed. Constructing a new municipal well, conducting a new water demand and supply study, Capital infrastructure evaluation (to be determined) and water main replacements. Rate projections over the next 4 years are projected be 6%, 6%, 4%, and 2% respectively. With the rate increases they are trying to cover the budget, all debt service, and maintain the \$250,000 balance in the surplus account. Ipswich has a customer base of around 4,500 people.

Water Residential Seasonal Rate Adjustment: Residential summer rate is equal to 1.5 times the base rate (between May and October), managed summer water consumption by managing demand. Recent drought highlights importance of seasonal demand management. Proposed to adjust water residential winter rate of \$4.93/ 100 cubic feet to a residential summer rate of \$12.99/100 cubic feet (May 1 – September 30). Long term debts, the increase of 3% each year, fixed debt and project debt is factored into the O&M. Worst case scenario will be a 6% rate. Surplus is \$600,000 and this department relying on the surplus for water in FY19 and will continue using the surplus in the upcoming years. Estimated surplus in FY20 is 65,000. Recommends 4% for FY19 and projected more for the next FY. Operating Capital fund is between 100,000 and 300,000. The time period of this rate increase was carefully considered for the 5 months as droughts usually happen in July and August. Since the bylaw was passed, the Water Department has the ability to enhance and police the regulations.

Mr. Mootafian moved, and it was seconded to preliminarily move forward with the recommendation of the 4% increase for FY19 and with the understanding that there will be one more hearing on February 20, 2018.

Mr. Whitmore moved, and it was seconded to continue the pattern of 1.5 times the base rate for the seasonal rate.

Under discussion, Ms. Alexson does not approve of this until relief is granted to the residential customers or some of the commercial customers are included in this rate.

Mr. Mootafian moved and it was seconded to support the seasonal program in its preliminary form. The motion passed 3-1.

Wastewater:

Only 2,100 customers. Proposed an 8% increase. Current rate is \$8.46/cubic feet of water would be increased to \$9.14/cubic feet effective May 1, 2018. FY19 budget has not been increased since FY18. Capital spending is in the \$300,000 range. Debt service projected to increase due to projects such as the town wharf pump station, renovation/rehab/ replacement of meters, piping if Ipswich River syphon and other collection impacts. Board previously set a target of \$200,000 of surplus and not to fall behind \$100,000. The 8% increase is in combination with \$234,000 of surplus use. Wastewater department has additional revenue stream through the septage hauling

(typically in excess of \$400,000/year). If the rate is leveled for the next few years, it will cause the Town to struggle in the mid years by taking too much of the surplus. The rate is reevaluated throughout the years.

Vote: On a motion made and properly seconded the wastewater budget was approved unanimously knowing there will be additional questions on this subject.

Vote: Mr. Mootafian moved, and it was seconded to close the water rate and wastewater rate hearings. The motion carried unanimously.

FY19 Budget Review: Water & Wastewater:

Wastewater:

Ms. Halmen, and Mr. Leczynski, were present to go over the Water and Wastewater budget with the Board. The Bottom line is 2.56 million. There was a 5% increase on O&M due to the new systems integration manager. This is a new position that helps utilize assets to improve overall operation as it is a technology based position in conjunction with water and electric utility departments and hopefully with the progress made, this position could trickle over into the other departments as this position has been needed for a while as the department has fallen behind in technology capabilities. It is inquired by the Board if the possibility of outside consultants to come in and help with this project as well as teach current employees on the systems in lieu of hiring for this position. Ms. Halmen stated that in a previous experience with GIS, it was a massive undertaking with a lot of Capital expense as the system wasn't chosen and each department is trying to keep up with the initiative.

Vote: Mr. Mootafian moved, and it was seconded to preliminarily support the Wastewater Department budget as presented. The motion passed 3-1.

Under discussion, Mr. Craft stated to have reservations but expressed that this is an issue that needs to be looked at as it is a town-wide problem. Suggested getting a plan together.

Water:

Focusing on Capital projects, i.e. Town Wharf pump station, collecting system and federal discharge requirement (for new permits). There are funds currently in budget to evaluate wastewater siphons, put in an emergency bypass plan, and a completed existing conditions survey on the Choate Bridge. Budget is 3.52 million. A new addition to the budget is under "Treatment" for an additional Water Treatment Operator as the Water Treatment Plant has four staff members and two of them are planning for retirement. Maintenance was bumped up for the Utility Office building as it has not had much maintenance done in the last few years. Under Capital, continuing the Water System Master Plan, funds are needed to upgrade SCADA communication network, and a design for emergency backup power plan for the water plant and water pump station is needed. They are requesting a 4% rate increase, in addition, this department will need \$182,000 for surplus use (this budget has a built-in \$4 million debt-service). A long-term Capital project is needed for the well and they expect to have recommendations and evaluations for new sources for supply and demand. The Treatment plant is 30 years old and regulations and water quality parameters are constantly changing and there is a need to address long term issues. It was noted that the quality of water at the Pony Express was considered poor due to high iron and manganese levels and would require a treatment plant. Maintenance increased from \$10,000 to \$60,000 as the normal meter maintenance, meter installations/replacements are shifting back into the Operations portion of the budget.

Vote: Mr. Mootafian moved, and it was seconded to preliminarily approve the Water Department budget for FY19. The motion carried unanimously.

FY19 Budget Review: COA:

Sheila Taylor, Director of COA, was present to discuss the COA budget with the Board. Ms. Taylor stated that there weren't many changes to this budget. Dues for the Mass COA increased by \$70.00. Requested increase with Senior Tax Program to raise wages to \$11.00/hour for a raise of \$5,000 for the year. Received a Circuit Breaker Tax credit from the state (up to \$1,080.00 credit). Adjustments have been made to the Outreach Coordinator's salary. Due to increasing attendance, the COA is expanding programming as they have seen a 10% increase in fitness/exercise programs, 12% increase in educational programs and a 17% increase in health and screening programs. Ms. Taylor stated that if the Winthrop School site becomes available, the COA would be interested in renting the space out for the expanded programming/clinics.

Vote: Mr. Mootafian moved, and it was seconded to preliminarily approve the COA budget for FY19. The motion carried unanimously.

FY19 Budget Review: Library:

Patty DiTullio, Library Director, was present to discuss the Library budget with the Board. Within the last year, the library had almost 126,000 visits (3,000 more than last year), record increases in program attendance with 89% more adult program attendance and 74% teen program attendances. The Local Author Fair is now an annual fall event with 25 authors. In total over 10,000 people have attended over 400 programs at the library in the last year. Updates to the library include: an updated meeting room policy that makes it easier to reserve a room, Friends of the Library donated \$15,000 worth of new chairs for these rooms, technology improvements, updated public computers and now offer laptops for in-house borrowing, printing and copying improvements as well as wireless printing for laptops. All 36 libraries in network have migrated into a new circulation system. Continued to collaborate with the schools on many projects. Working on a grant funded project to operate archival collections to local history programs. Significantly increased goals and staff development. Working on a grant for the Children's Room as a new educational play/maker space. Currently making technology enhancements (mobile hotspots, laptop projectors, etc.) and installing charging stations.

The Library provides \$4.50 free service to Town residents for every dollar of municipal funding. No significant changes in budget other than staffing. Ms. DiTullio stated that she is hoping that the process of the strategic plan will be very community based. She would like to position the library and its staff to be meeting more of Ipswich's needs.

Vote: Mr. Mootafian moved, and it was seconded to preliminarily approve the Library budget for FY19. The motion carried unanimously.

FY19 Budget Review: ReCreation:

Kerrie Bates, ReCreation & Culture Director, was present to discuss the ReCreation budget with the Board. Ms. Bates stated that this is a level funded budget. This department made major transitions in "Program Services" and a lion's share of ReCreation budget has been granted out to community/organizations that are delivering school enhancements. As a department, they are growing and had to make a decision to cut some grant programs and moved a majority of the budget to "Programs and Supplies". Current investments include: curation of library images, lighting assets, a new sound system and a trailer for taking shows on the road. A grant was secured from the Ipswich Cultural Council for a theatrical production and are in the process of applying for an Essex Heritage Grant.

Vote: Mr. Whitmore moved, and it was seconded to preliminarily approve the ReCreation budget as proposed. The motion carried unanimously.

FY19 Budget Review: Health:

Colleen Fermon, Director of Public Health, was present to discuss the Health Department budget with the Board. In the last year, there was an increase in soil testing, completed 329 food inspections, issued 152 temporary food permits, increase in disease surveillance (209 cases in 2017 concerning flu and tick borne diseases), issued 560 permits and conducted 571 inspections. BOH adopted the Best Practice Plan for Mosquito Control which focuses on ground/area larvae sightings of salt marshes, catch basin treatments and inspections. Pesticide exclusion allowed for residents who don't want properties sprayed. Residents can apply through the Agricultural Resources department (form on Town website). Also Polish, a non-profit organization that provides preventative dental care for adults and children, is coming to Town. Residents can reach out to Ellen Gould for information at 508-237-5378 or ellengould@PolishTeeth.com.

Concerning the "Permanent Part-Time" item, has not had an increase since FY16. Proposed increase in hourly wage by \$3 more per hour for a total of \$37.00/hour. Last year a part-time Health Inspector was funded for 10 hours a week, Health Department is looking to increase those hours to 21 per week (this increase would be allocated from the "Other Consultants" budget). Proposed increase through Northeast Massachusetts Mosquito Control for cost of greenhead traps to add \$2.57 per trap. "Conferences" was decreased by \$100.00.

Vote: Ms. Alexson moved, and it was seconded to preliminarily support this budget. The motion carried unanimously.

Vote Sale of 2 Chebacco Road:

Glenn Gibbs, Planning Department, was present to answer any questions the Board may have concerning the memo on the sale of 2 Chebacco Road. All money from this sale will reduce the debt for the Pony Express. Under the terms of the invitation for bid, sale of this property would need to be done three months from the BOS' vote. This property is projected to sell quickly as it was estimated to be sold before the May Town Meeting.

Vote: Mr. Whitmore moved, and it was seconded to approve the sale of 2 Chebacco Road for the amount of \$270,000 with the understanding that every cent will be applied to reducing the debt of the Pony Express. The motion carried unanimously.

On a side note, Mr. Gibbs stated that a working group was tasked to look at how to address the Open Space Recreation Fund because funding was being reduced and ultimately would have little funds by 2020. The group recommended to take the benefits out of the Open Space Recreation Fund and that would save the fund \$27,000 per year. Ms. Crosbie recommended to put this as an article for the spring Town Meeting for further discussion.

Approval of Minutes:

Approval of minutes will be postponed until next meeting.

Consent Agenda:

Common Victualler License Application(s):

Maria Travassos – Travassos Bakery Products, Inc. d/b/a East End Bagels, 73 Turnpike Road

Vote: Mr. Whitmore moved, and it was seconded to accept the Consent Agenda. The motion carried unanimously.

New Business:

In Mr. Engel's absence, Mr. Craft appointed Mr. Mootafian to be the active TM on Wednesday, February 14, 2018.

Ms. Alexson moved, and it was seconded to appoint Mr. Mootafian as acting Town Manager on Wednesday, February 14, 2018. The motion carried unanimously.

Mr. Craft stated that the Shellfish Sub-Committee meeting, it was moved that Sunday digging be permitted for recreational digging only on Clark Beach, specifically Richard's Grounds, for the summer season through October 31.

Vote: Mr. Mootafian moved, and it was seconded to permit Sunday recreational digging only on Clark Beach (Richard's Grounds) through October 31. The motion carried unanimously.

Mr. Whitmore is trying to work with the Waste Reduction Advisory Committee who are meeting on Wednesday, February 14, 2017 with a representative from WasteZero to go over potential pay-as-you-throw programs. Mr. Whitmore stated that he doesn't believe that this will be ready for this year and recommends a representative speaks before the Board about ideas prior to Town Meeting.

Mr. Craft announced that there will be an additional BOS meeting on Monday, February 26, 2018 to finish the budget presentations.

Mr. Whitmore reached out to various members of the Finance Committee, School Committee and Waste Reduction Advisory Committee and suggests setting up a community forum. That meeting will be held on Wednesday, February 28, 2018 at 7:00 in Hearing Room C of Town Hall.

Old Business:

None.

Miscellaneous and Correspondence:

Ms. Alexson received complaints about parking on the sand at Pavilion Beach. Ms. Alexson requests the TM follow up with Police Chief to see what is going on with the parking situation.

Ms. Alexson moved, and it was seconded to adjourn at 10:03 pm. The motion carried unanimously.

Respectfully submitted by

Alexys Parsons
02.22.18