

**MINUTES OF THE
REGULAR MEETING OF JANUARY 10, 2012**

WATER COMMISSIONERS PRESENT:

Mr. Robert L. Burnham, Chairman
Mr. John S. Lovewell, Water Commissioner

EWD STAFF PRESENT:

Mr. Shane A. Ben David, Foreman
Mr. Fred R. Domont, Water Superintendent
Mrs. Pia Webster, Administrative Assistant

OTHERS PRESENT:

Paul E. Cote, P.E., Associate, Tata & Howard Incorporated

MEETING CALLED TO ORDER:

The Board of Water Commissioners of the Town of Edgartown held their Regular Meeting on Tuesday, January 10, 2012, at 4:00 p.m. at the offices of the Water Department located at Fifty-Eight Kavanagh Way, Edgartown, Mass. At 4:00 p.m., Chairman Robert L. Burnham called the meeting to order.

APPROVAL OF MINUTES:

The Commissioners considered the **Minutes of the Special Meeting of December 27, 2011**. Referring to the second full sentence in the first paragraph on page 4, Water Commissioner John S. Lovewell wanted to know who Paul Fernandes was. The computer guy, replied Superintendent Fred R. Domont. The founder and head of Brava Enterprises, the billing system, answered Administrative Assistant Pia Webster.

Mr. Lovewell then made a motion to accept the Minutes of the Special Meeting of December 27, 2011 as written, seconded by the Chairman. The motion carried unanimously by voice vote.

OLD BUSINESS:

PAUL COTE, TATA & HOWARD: USDA LOAN & GRANT; SCADA SYSTEM.

Addressing engineer Paul E. Cote of Tata & Howard Incorporated, Chairman Burnham explained that the Board had invited him to the meeting to help clarify the matter of the

discrepancies in the expenditures from the USDA loan for the Wintucket Control Center. “This was brought to our attention by the Town Accountant in the fall,” he reminded those present. *[For background, refer to pages 1-2 of the Minutes of the Special Meeting of October 28, 2011; pages 1-3 of the Minutes of the Special Meeting of October 31, 2011; pages 4-5 of the Minutes of the Regular Meeting of November 8, 2011; page 2 of Minutes of the Special Meeting of November 14, 2011; and pages 2-3 of the Minutes of the Special Meeting of November 22, 2011.]*

Before Mr. Cote could begin, Adam R. Moore, Executive Director of the Sheriff’s Meadow Foundation (SMF), arrived at the meeting. (The time was 4:05 p.m.) The Chairman opted to address the Sheriff’s Meadow agenda item at that time, since its handling was expected to be relatively brief.

ADAM MOORE: SHERIFF’S MEADOW FOUNDATION LEASE PROPOSAL.

Mr. Moore was present to address the particulars of a document titled “Elements of a Potential Lease Swap between Sheriff’s Meadow Foundation and the Edgartown Water Department.” He had spoken to the Superintendent, he said, about leasing the site of the decommissioned Shurtleff Well and Pump Station for the price of zeroing out the monthly rent the Department paid for the Lily Pond well field in the Caroline Tuthill Preserve. (The current monthly rent for the latter was \$849.80.) The Shurtleff site would be used for commercial storage and workshop space. *[For an earlier discussion of this subject, see pages 2-3 of the Minutes of the Regular Meeting of June 16, 2011.]*

Mr. Moore continued that he had also found a suitable space for the foundation’s purposes at the airport for \$600 per month. Having looked over the Shurtleff facility with Mr. Domont and keeping in mind that something similar could be had for less, Mr. Moore proposed that instead of a one-for-one exchange on the leases, the Water Department receive a \$600 monthly credit toward its Lily Pond rent.

As for the structures on the site, Mr. Moore related that at this time the foundation was not interested in all three buildings, just the middle one. “We’d put a roof on that and credit that toward the rent,” he said.

“How long we talking about?” inquired Mr. Lovewell regarding the length of the lease. “Maybe just a couple of years,” said Mr. Moore. “Maybe a one-year lease that could be renewed.” Mr. Lovewell wondered, “What if Lily Pond goes belly-up?” A discussion ensued about writing all such contingencies into any agreement that was entered into. “We’d spruce up and maintain the property,” noted Mr. Moore.

The Superintendent, who up to now had been silent, stated, “I do not recommend this for a couple of reasons.” First, he stressed, the Shurtleff property lay in a residential area with a history of contentious encounters. “Anytime we do anything there,” he said, “we get phone calls.” Mr. Domont made it clear that if the foundation lacked an alternative site, he would be “more sensitive” to their situation.

“But under the circumstances, though,” the Superintendent went on, “it would handcuff the Commissioners,” he said, reminding Mr. Moore of the prospective sale of the Shurtleff property. That was his second objection, said Mr. Domont. Chairman Burnham suggested writing into the lease that the agreement could be ended after 30 days’ notice. “Excuse me!” declared the Superintendent, who had not finished what he had to say.

The Chairman questioned whether the neighbors would find the sight of the stored equipment offensive. Mr. Moore offered to give the Board a list of what would be kept on the site. “Excuse me!” repeated the Superintendent, who then left the room for a moment. The Executive Director added that items like lawn mowers would be stored indoors. “I’ll write it up in more detail for you to consider,” he said, then adding, “I didn’t realize Fred [Domont] had concerns.” Mr. Domont returned quickly.

Mr. Moore expressed gratitude to the Commissioners for their part in establishing the two new trails in the Tuthill Preserve, one of them in the area of the Lily Pond Well and Pump Station. [*Ibid.*] Foreman Shane A. Ben David commented on his enjoyment of the latter trail, which he and Mr. Domont had recently walked with Director of Stewardship Kristen Fauteux. The Superintendent agreed with the Foreman. He then tried to carry on with his assessment on the lease swap.

“I don’t like putting our money into the buildings,” interrupted Mr. Lovewell. “Call the Building Inspector,” suggested Mr. Domont to Mr. Moore. The Superintendent pointed out that at this point they did not even know if what the foundation proposed was even allowed. Mr. Moore said he would do that.

“Are you aware of this?” asked Mr. Lovewell, showing Mr. Moore a site plan of the area by Schofield Barbini & Hoehn Inc. Mr. Moore had not been. Moreover, Mr. Lovewell stressed, the lease agreement would have to indicate the 10-foot water main easement on the property. “Would you need water there?” inquired Mr. Domont. “It would be nice,” replied Mr. Moore. “Then we’d have to put something in there,” said the Superintendent. The discussion wound down. Mr. Moore thanked everyone for their time and attention and left the meeting.

Chairman Burnham turned to Mr. Domont and stated that once he opened the meeting, he could “conduct the meeting in any way I see fit.” He was, after all, the Chairman. But not the king, countered the Superintendent.

PAUL COTE: USDA LOAN & GRANT; SCADA SYSTEM [*Continued*].

Returning to the discussion of the USDA loan and grant expenditure discrepancies, the Chairman sought to assure Mr. Cote that he had not meant to impugn him personally with regard to this matter. Mr. Cote said he understood. The engineer then referred to an old loan spreadsheet that showed the breakdown of approximately \$3.9 million in work paid for with three stages of loans and grants. “This complicated things from the beginning,”

he observed. For the each stage, he continued, most of the loan had to be spent before the grant could be released. The first stage included the Nunnepog Well and Pump Station and the Edgartown Meadows Water Main Project. Chairman Burnham noted that initially some of the bills for those projects were paid for out of the Repair and Maintenance Account.

Mr. Cote recounted what had happened with the expenses for the Chapter 21E cleanup of the Wintucket Control Center site. At first it appeared that the Division of Capital Asset Management (DCAM) would allow for full coverage of the cleanup expenses. Then, halfway through the project, DCAM changed its policy. So \$165,000 worth of engineering expenses would be covered “but not the last of it.” At this point Chairman Burnham revived the proposal of hiring an independent auditor to investigate the loan expenditures from the very beginning.

Mr. Cote continued that the second stage of the loans covered the Wintucket Control Center project. He had set up the spreadsheet – the one with which all had become familiar last fall – that broke down the spending of \$1.927 million. He and Department staff had kept track of the expenditures. “Then we got noise from downtown,” he said.

The Superintendent, too, had found the “noise” unexpected. Mr. Domont related how at the time of the \$760,000 loan closing in July, the message from USDA was that the Department had not fully expended that stage of the loan. “They said we should spend about \$50,000 to clean it up,” he said. So he and Foreman Ben David got to work and did that.

“We were going by the spreadsheet,” the Superintendent went on. But then he had received an e-mail from the Town Accountant indicating that “we were a couple of hundred thousand dollars overdrawn!” “That’s where I’m confused,” said the Chairman.

Referring to the two Warrant Articles submitted by the Town Accountant involving the transfer of funds from the Surplus Account to the Water Control Center Account, Mr. Domont questioned whether the transfer of the \$103,000 would amount to paying twice. “If we already paid it, why do we have to pay it again?” he asked. “I’m confused.... They may be totally right, and I may be totally wrong ... but I’m confused.” “So the question is,” said the Chairman, “do we owe it to them or not? ... I don’t like giving out a hundred thousand dollars to the Town if we don’t have to.”

“We’re all being falsely accused,” argued the Superintendent, who insisted that every item on the spreadsheet list had been submitted to Ronald M. Koontz, Area Loan Specialist at USDA Rural Development. The only money the Water Department owed, he said, was a \$6,000 requisition from Barbato Construction Co., Inc. that had to be paid to finish up the SCADA project. He even thought it possible, he surmised, that some transfers had been made into an account in the wrong department.

“It’s been suggested we hire our own accountant, said Chairman Burnham, adding, “I’m leaning toward that.” Mr. Domont thought that the best way to resolve the issue was to

hire an auditor to track all the payments. The Chairman emphasized that the auditor ought to be “an independent.” But the Superintendent recommended using the Town’s auditor. The discussion continued.

Mr. Cote noted that Mr. Koontz was aware of the numbers contained in the Town Accountant’s Warrant Articles. Mr. Lovewell wanted to know if Mr. Cote had prepared the second spreadsheet that the Commissioners were looking at that evening. No, replied Mr. Cote, it was Mr. Koontz’s work.

Returning to the first spreadsheet, Mr. Lovewell asked why the expenses for Phase 2 of the Edgartown Meadows Project were not listed. Because they were paid for out of the Repair and Maintenance Account, responded Admin Assistant Webster. Mr. Domont explained that, strictly speaking, that phase was not part of the project *per se* but was done for the purpose of completing a loop that would get water from the West Tisbury Road to the Edgartown-Vineyard Haven Road.

Mr. Cote commented that he thought Mr. Koontz would be happy to hear about the audit. The Chairman called for a Special Meeting later in the month to vote on the hiring of an auditor. Also, action had to be taken soon on the Mill Hill Standpipe. After consulting a calendar, the tentative date of Tuesday, January 24, was set.

Turning to the subject of the supervisory control and data acquisition (SCADA) system, Mr. Lovewell declared, “I’m disappointed in the engineering!” He had been told, he said, that Mr. Cote was going to approve the shop drawings. “But there’s nothing on paper!” he insisted. The engineer explained that the SCADA project had been done as a change order attached to the Wintucket Control Center contract. He had drawn up a scope, as well as a list of things the installer had to do.

“And I have concerns about the day tanks,” said Mr. Lovewell. “Done!” said Messrs. Ben David, Burnham and Domont at once. *[See pages 4-5 of the Minutes of the Special Meeting of December 27, 2011.]*

Mr. Lovewell was not finished. The overflow elevation for the standpipe was 175 feet, he said. “I want it at one-seventy-three,” he said, adding, “Is that possible?” “Anywhere you want,” replied Mr. Cote.

Mr. Lovewell also wanted an upgrade of some drawings done of the pump stations. He requested that the elevations be put on the main screen containing all the stations, as well the individual elevation on the individual station screens. “What you’re asking is easy to do,” said Mr. Cote. “They’re just labels.”

CHAIRMAN’S REPORT: MARTHA’S VINEYARD CENTER FOR LIVING.

In response to the Chairman’s perplexed look, Mr. Domont reminded him that in the previous meeting Chairman Burnham had expressed his intention to speak to Town Counsel Ronald H. Rappaport about the latest developments in the Martha’s Vineyard

Center for Living matter. [*Ibid.*, page 2.] The Chairman responded that he had not called Mr. Rappaport. Mr. Domont related that unless Commissioners wished to pursue the matter further, Town Counsel was under the impression that the Board was leaning toward asking the Center for Living to take their project down Machacket Road to the lot next to the capped landfill. "Article 97 is complicated and costly," the Superintendent said. Mr. Lovewell agreed: "I favor across the street." Echoing those sentiments, the Chairman concluded, "So at this time, we'll abandon this proposal and let it die."

NEW BUSINESS:

DISCUSSION/POSSIBLE VOTE: ARTICLES FROM TOWN ACCOUNTANT.

Next, the Board considered two Warrant Articles submitted to the Selectmen by the Town Accountant on behalf of the Board of Water Commissioners. The Articles read as follows: Vote to transfer from Water Surplus the sum of \$33,258.00 to the Water Control Center USDA Project for BAN paydowns for prior years; and Vote to transfer from Water Surplus the sum of \$69, 857.96 to the Water Control Center USDA Project for expenses not reimbursed by USDA.

"I don't think we have any say whether they go on the Warrant," observed Chairman Burnham. However, he continued, if an audit were to determine subsequently that the figures were incorrect, the Article would have to be postponed indefinitely at Annual Town Meeting. Alternately, offered Mr. Domont, if any mistake were discovered after passage at Annual Town Meeting, an Article to transfer the funds back into the Surplus Account could be presented at a subsequent Town Meeting. The only problem he had, he said, was with the wording "expenses not reimbursed by USDA."

Mr. Cote explained that the second Article was worded that way because Mr. Koontz of the USDA had adjudicated certain expenditures to be ineligible for reimbursement.

"I don't think we have to vote on anything," said Chairman Burnham, adding, "Maybe the Articles should be withdrawn." After still more discussion, the Chairman concluded that he would speak to Town Accountant Kimberly G. Kane the following day.

OTHER BUSINESS:

DISCUSSION: MEETING WITH FINANCIAL ADVISORY COMMITTEE.

"It was smooth," remarked Chairman Burnham about the session the previous day with the Financial Advisory Committee and the Selectmen regarding the Fiscal Year 2013 Operating Budget. He continued, "They raised one question about the electric bill ... and they were happy with the explanation." Mr. Lovewell said he was "happy to hear that they thought more work was needed before proceeding toward a Water District."

PAYROLL.

The Commissioners signed payroll forms.

ADJOURNMENT:

There being no further business, Chairman Burnham asked for a motion to adjourn. Mr. Lovewell made a motion to adjourn, seconded by the Chairman. The motion carried unanimously by voice vote, and Chairman Burnham adjourned the Regular Meeting at 5:08 p.m.

Respectfully submitted,

Pia Webster
Administrative Assistant

APPROVED:
BOARD OF WATER COMMISSIONERS
TOWN OF EDGARTOWN

Robert L. Burnham, Chairman

John S. Lovewell, Water Commissioner