

Denton Utility Commission

Meeting Minutes

April 11, 2018

4:00PM

- I. Mr. Getchell called the meeting to order at 4:00 PM and thanked all those who were in attendance.
- II. Those in attendance were Scott Getchell, Adam Jones, Al McCullough, Leroy Woomer and Don Mulrine
- III. On motion by Mr. McCullough and a second by Mr. Woomer the minutes from the meeting on March 14, 2018 were reviewed and unanimously approved.
- IV. Open Issues
 - a. The Water/Sewer Rate Models were to be reviewed independently for discussion. The discussion detailed pages 20-30 which highlighted 3 options proposed by the independent study on rates. Upon discussion and analysis of the 3 proposals included in the rate study option 1 is not feasible where option 2 and 3 could be options however the rate drop mentioned for the waters rates is not a favorable due to expenses that will rise eventually. In conclusion we had stated that we need a little more analysis on the rate model to get some concrete recommendations and will meet next month with thoughts on the rate recommendations.
 - b. Scott provided an update on the Wastewater Treatment Plant Upgrade. He received approved plans for the erosion/sediment control. Also, received feedback on comments that were submitted. It was necessary to address issues that needed to be corrected and hopefully be ready to go to bid next month.
 - c. There was additional discussion to the NLC Service Line Warranty Program presented by Mr. Mulrine during the previous meeting. The board decided that we have no recommendation. Some discussion pointed out that we would only be endorsing one company and would that be an issue, plus would we really be making enough money on the program to make it worth the possible issues that could arise if a complaint is filed.
 - d. Mr. Mulrine was referred to regarding the current FY19 budget process and he stated that the town budget is currently being worked on. There was no new update and there will not be a finalized budget until June. We had talked about having a member of the Town Council meet with us in June/July for discussion.
 - e. There were no other open issues however Mr. Mulrine did want to bring to our attention that there were a number of roads in town that will need water/sewer maintenance done in the future and they need to be on our radar.
- V. New business
 - a. There was no new business to discuss
- VI. The meeting was adjourned at 5:02 PM and the next Meeting will be ~~May 2nd~~ *May 1st* at 4:00 PM at the Wastewater Treatment Facility.

Respectfully Submitted,
Adam Jones, Secretary

Denton Utility Commission

Meeting Agenda

May 1, 2018

4:00PM

- I. Mr. Getchell called the meeting to order at 4:00 PM and thanked all those who were in attendance.
- II. Those in attendance were Scott Getchell, Adam Jones, Al McCullough, Leroy Woomer and Don Mulrine, Phil Clark, Mark Chandler and Dallas Lister.
- III. On motion by Mr. McCullough and a second by Mr. Jones the minutes for the meeting on April 11 were reviewed and unanimously approved.
- IV. Open Issues
 - a. Rate model – discussion on rates against study done. Discussion on water and sewer rates, in reference to the Water rates we all agree that there will be no decrease and to leave rates as-is. Discussion for sewer rates, we decided that they need to be increased based on analysis. The suggestion is that we do first increase and see next year how the financial picture looks. Discussion entailed maintaining water rates as they are today and to increase the sewer rates to the recommended levels by consultant. Motion by Al, second by Leroy, all were in favor. This will be discussed with the town council.
 - b. Wastewater treatment plant upgrade – Nothing really to update, however daily engaged with MDE so we can get this out to bid. Close to bid, hoping to be to bid by next meeting.
 - c. FY19 – Budget – Not ready yet upon report from Don hopefully will have in June.
 - d. No other open issues
- V. New business
 - a. Dallas brought up possible discussions for new utilities that may be brought to the town that the DUC may need to review and discuss. (i.e. gas, broadband)
 - b. Don will bring PowerPoint presentation for power plant meeting had recently.
 - c. No other new business
- VI. The meeting was adjourned at 4:47 PM and the next meeting will be tentative at June 6, 2018 at 4:00 at the Wastewater Treatment Facility.

Respectfully Submitted,
Adam Jones, Secretary

Denton Utility Commission
Meeting Agenda

June 6, 2018
4:00PM

- I. Mr. Getchell called the meeting to order at 4:07 PM and thanked all those that were in attendance.
- II. Those in attendance were Scott Getchell, Albert McCullough, Adam Jones, Leroy Woomer, Don Mulrine and Phil Clark.
- III. On motion by Mr. McCullough and a second from Mr. Jones the minutes for the meeting were reviewed and unanimously approved.
- IV. Open Issues
 - a) **Water/Sewer Rate Model** – In discussion and review of last meetings water and sewer rates, Mr. Mulrine proposed that the Denton Town Council suggested that we raise the rates by 2 increments instead of one. There was discussion of doing 2 increments and pros and cons. The question is to whether the advisory board would be ok with the increased incremental adjustment. Based on that data that had been provided by the rate study, the rates will need to go up eventually and we are ok with the increase and re-analyzing the cost/income data in the future. Mr. McCullough motions that we endorse the council's recommendation to increase rates to 2020 rate schedule second by Scott. All are in favor with the Council's suggestion of the increase.
 - b) **Wastewater Treatment Plant Upgrade** – Scott has provided bid set for the plant upgrade and will be having a pre bid meeting on June 22nd. This will be out to bid until July 13th for the proposed construction. Plans were presented for DUC to review. Expectation is that Scott will get 6 or so bids in for the construction project. Schedule is tentatively to have something awarded by the August Council meeting if all goes as planned.
 - c) **FY19 Budget Process** – Don mentioned that Mark has numbers and putting together capital plan now. Budget will come here first then to the council so that we can see before council approves.
 - d) Don presented PowerPoint presentation for the power plant proposed for the Town of Denton. It was presented and discussed the goal is 2020 for

the build 2022 for it to go online is the thought. Utility board will eventually need to be included on this as there will be some utility needs. However, this is still a while out and in the beginning stages of planning.

e) **Other Open Issues**

Email from Leroy proposes that Mr. Jones, who ran the rate study for us would run projections to show Council what the increased rates would look like on projections for income that would be generated over the expenses. It was noted that the rate study and contract work done by Mr. Jones had been completed and this was not an option under our current contract.

V. New Business

- a) **Water Meter Fee** – Mr. Clark proposed to increase rates for meter fee and because of new meters there are additional costs and the costs have never gone up. There are 2 issues, one being costs per new house and the other being the cost of replacing each meter. Suggested connection fee is \$350 and quarterly rate to \$8.75 v. \$4 for meter fee to budget for replacement meters over 10 years. Motion by Mr. McCullough to increase to the suggested amount and second by Mr. Getchell and all were in favor.

Other New Business – We were updated on the Legion road issue, and the influx of water 35,000 gallons per day from the sewer line. The sewer pipe cracked and there will be a \$15-\$20k expense to fix sewer pipe. Thought it was hit but there was no evidence on the top or bottom that could be proven.

- VI. The meeting was adjourned at 5:08 PM and the next meeting will be tentatively scheduled at 4:00 on July, 11 2018 at the Wastewater Treatment Facility.

Respectfully Submitted,

Adam Jones, Secretary

Denton Utility Commission
Meeting Minutes

July 26, 2018
4:00PM

- I. Mr. Getchell called the meeting to order at 4:02 PM and thanked all those that were in attendance.
- II. Those in attendance were Scott Getchell, Adam Jones, Leroy Woomer, Councilperson Lister, Don Mulrine and Phil Clark. *Mrs. Sara Rich and Mr. Gary Long were also in attendance on behalf of Choptank Community Health.*
- III. On motion by Mr. Woomer and a second from Mr. Getchell the minutes for the meeting were reviewed and unanimously approved.
- IV. Open Issues
 - a) **Water/Sewer Rate Model** – In review of last meetings recommendation for rate increases that were suggested from council, Mr. Lister made a statement that MDE had also reviewed the rate study and we were not charging enough. It was noted that we had discussed the increases last month for the recommendation of 2 years' worth of increases. Additionally, there was discussion on increasing maintenance fees and making sure we are conscious of the possibilities of repairs needed. We received the rate model and still continue to endorse the Council's recommendation.
 - b) **Wastewater Treatment Plant Upgrade** – Mr. Getchell provided a progress update for the plant upgrade. The plant upgrade has gone through the bid process and the low bidder was M2 Construction out of PA. The actual cost is 1.7M against a 1.3M budgeted cost. Mr. Getchell needs council approval to move forward contingent upon securing additional funding. Mr. Mulrine is currently working on trying to secure the funding, Mr. Getchell suggests that these are usual happenings. Mr. Getchell noted that the company that won the bid is a good company. The hope is that all goes seamlessly and all approvals will be done and construction can start in the fall. Once approval is complete, Mr. Getchell will also send over the documentation over to the company so they can start the project. Mr. Lister wanted to make sure that we were confident that the Number given by the bid was fairly accurate as he gave an example where a project has run over budget.

- c) **FY19 Budget Process** – Preliminary budgets were distributed to UC members for review. Mr. Getchell noted a few things on the budget to take into consideration, there was a \$23,000 increase on water budget and sewer went up \$403,000. Mr. Getchell made a recommendation that we read over budget and discuss at the next meeting. The commission accepted the budget and will review and discuss during our next meeting.
- d) **Other Open Issues** – There are no other open issues.

V. New Business

- a) **Choptank Community Health** – We were joined by Sara Rich and Gary Long of Choptank Community Health to discuss water /sewer fees. Both Mrs. Rich and Mr. Long thanked the board and wanted to discuss their allocation fee. They explained that the utilization projected exceeds the need of the facility. Mr. Long spoke about the calculation and how it looks appropriate however has examples of lower usage from different sources. Their goal was to bring forward to the board a request to lower the allocation fee, as they have already paid said fees they were requesting a reduction and refund. Mr. Getchell disclosed that they are clients of his company and offered help with his histories with the town and similar instances he has seen. Mr. Getchell noted the Wesleyan Center and Baptist Church, Wal-Mart etc. about charges and stated that the town has produced by the book numbers and agreed that historically this amount has been upheld. There were also examples where a local Baptist church came monthly for a year to dispute their fee and the amount was never reduced or refunded. It was explained to Mrs. Rich and Mr. Long that the fees represent their purchasing the capacity of the utility and that the Town must guarantee that reservation/purchase forever. This calculation is based on ERU's and fixture count and in past experience the number is calculated within a standard that the town has put in place and has not been changed. Mr. Lister also expressed that he echo's Scott's comments and have never added relief to other entities. Mr. Mulrine suggested that maybe a discussion with Jeff Ghrist about lowering the MDE's to help the formulas and make them more beneficial for Choptank Community health. Mr. Getchell also suggested that Wal-Mart made the same request for a lowering of their allocation fee, upon review of the actual usage the town's numbers were correct. Mrs. Rich offered a suggestion that if the capacity is too high is there a possibility to sell back the capacity. Dallas reiterated that our numbers are less than MDE and based on past histories. Mr. Getchell made a statement to go

back in a year and see what the numbers look like for informational purposes. Mr. Getchell once again reiterated that the scale is consistent across the board. Mrs. Rich summarized, stating that they would occupy building and check utilization annually. Then will then follow up and with a conversation and check-in. The board restated that there are no promises on any refunds at all.

b) Other New Business

c) Dallas wanted to go back to 2 meetings ago and think about items that are utilities and handed out the Town of Denton's vision to review. The document outlines the direction that the council would like to take the Town of Denton and outlines a strategic plan. Mr. Lister wanted to reiterate that the increases of utilities and taxes are designed with a plan to make the town better. Infrastructure and utilities are main pieces of the vision into 2025. The town is currently working with a broadband company (fiber optic) with the goal of renting space on the broadband. The town will own the fiber and collect a franchise fee. The Natural Gas infrastructure looking positive as we progress into the strategic plan. Just wanted to get this in front of us to be thinking about and use the strategic plan as changes happen.

d) Mr. Mulrine discussed a meeting with Cambio WiFi to provide to residents and eventually phone. This will go to council for approval, Cambio has been vetted by state and Maryland broadband. The mobile broadband will go from Visitor center to wastewater treatment plant. Don will bring fiber map for town and county to show what is available.

VI. The meeting was adjourned at 5:27PM and the next scheduled meeting will be at 4:00 PM on August 22nd at the town office. *(Please note new meeting place)*

Respectfully Submitted,

Adam Jones, Secretary

Denton Utility Commission
Meeting Minutes

August 22, 2018
4:00PM

- I. Mr. Getchell called the meeting to order at 4:01 PM and thanked all those that were in attendance.
- II. Those in attendance were Scott Getchell, Adam Jones, Leroy Woomer, Councilperson Lister, Don Mulrine, Mark Chandler and Karen Monteith.
- III. On motion by Mr. Woomer and second from Mr. Getchell the minutes for the meeting from July 26, 2018 were reviewed and unanimously approved. *Note: There was a question about a statement in the minutes on a comment from Mr. Lister that was clarified.*
- IV. Open Issues
 - a) **Water/Sewer Rate Model** – Mr. Lister stated that Council had voted to increase the sewer rates to the 2020 rates. There will be a Public hearing next and it can be ratified. Mr. Woomer questioned the increase on the meter maintenance fee. There will be no increase on meter maintenance fees only on new connections.
 - b) **Wastewater Treatment Plant Upgrade** – Mr. Getchell stated that bidding is finished, MDE requires checklist of items to be completed which has been submitted. We are awaiting their approval to proceed to the next step. Once completed we will be able to give the contractor green light to go ahead.
 - c) **FY19 Budget Process** – Preliminary budgets were distributed to UC members. Mrs. Monteith discussed FY19 for Water Fund and Sewer fund budget proposal for the UC to discuss and understand. Karen disclosed that MDE has reviewed the proposed increase and the increase will satisfy the DS requirements to get the grant. Mr. Getchell proposed that we should take a vote to agree to adopt budget as presented. Motion by Mr. Getchell, Second by Mr. Jones all approved.
 - d) **Fiber Optic System** – It was disclosed that Council approved Cambio Wi-Fi to use Gay St./5th Ave. and Legion/Engerman. This will provide Wi-Fi to the Town of Denton. We are currently in process of running

fiber from the IT building to the water tower on Gay St. This will produce proposed speeds close to 3x faster than Comcast offers. They will offer bundled packages for phone/internet/TV. There will eventually be maintenance costs that we need to develop and keep in mind.

- e) **Power Plant** – Mr. Mulrine had a talk with Mr. Mark Gillis, still negotiating on the unit itself. Issue is with the merger of the gas line, which is a separate company. Working on alternates for gas line and there will be more to come on this project.

V. Other Open Issues

- a) **No other open issues**

VI. New Business

- a) **Other New Business**

- b) No new business

- VII. The meeting was adjourned at 5:08 PM and the next scheduled meeting will be at 4:00 PM on September 19th at the town office.

Respectfully Submitted,

Adam Jones, Secretary

Denton Utility Commission
Meeting Minutes

September 19, 2018
4:00PM

- I. Mr. McCullough called the meeting to order at 4:06 PM and thanked those that were in attendance.
- II. Those in attendance were Albert McCullough, Adam Jones, Leroy Woomer, Don Mulrine and Mark Chandler
- III. On motion by Mr. Woomer and Second by Mr. Jones the minutes for the meeting from August 22 were reviewed and unanimously approved.
- IV. Open Issues
 - a) **Water/Sewer Rates** – Both the sewer rates increase and the new meter installation fee of \$350 were both approved and will be taking effect on October 1st. There will be announcements made to the public.
 - b) **Wastewater Treatment Plant Upgrade** – Mr. Getchell was not in attendance however we did receive an update from Mr. Mulrine. Mr. Mulrine, Mayor McNinch and Delegate Ghirst met with officials and seem optimistic that we will get the MDE grants. We are currently awaiting approval on the contractor.
 - c) **FY19 Budget Process** – Mr. Mulrine let us know that the budget was approved at the last meeting with all of the board's recommendations. It will be online for public view.
 - d) **Fiber Optic System** – There was a new line pulled for Choptank Community Health. Cambio has filed with Maryland Broadband to receive the broadband and has been approved. At this point it is a matter of connections and adjustment details to use Legion Rd. as the primary Fiber point. Once connections and hardware received they can setup for Wifi services to be offered. We will have a 3 year contract with Cambio and then will need to setup a utilities agreement. The project could be completed in a couple months.
 - e) **Power Plant** – As of 5:00 Monday they came off PGM, so project is on hold. Gas Company has not committed to pipeline.

f) **Other Open Issues** – No open issues

V. New Business

Other New Business – No new business

VI. The meeting was adjourned at 4:21 PM and Scott will reach out to the board regarding a future date and time for the next meeting.

Respectfully Submitted,

Adam Jones, Secretary

Denton Utility Commission
Meeting Minutes

November 28, 2018
4:00PM

- I. Mr. Getchell called the meeting to order at 4:04 PM and thanked all that were in attendance.
- II. Those in attendance were Scott Getchell, Albert McCullough, Adam Jones,, Don Mulrine and Phil Clark.
- III. On motion by Mr. McCullough and Second by Mr. Getchell the minutes for the meeting form September 19th were unanimously approved with a minor change as a name was mis-spelled.
- IV. Open Issues
 - a. **Wastewater Treatment Plant Upgrade** - Mr. Getchell updated the commission on the project and noted that the construction has started and is underway. Right now, erosion and sediment control installations have started as well as the products submittal review process. The bulk of the project however will happen in the spring. The concrete work for the UV structure of the treatment plant will be started in the spring.
 - b. **Other Open Issues** – No other open issues.
- V. New Business
 - a. **Water Main Replacement Project** – Mr. Getchell supplied maps for a plan to replace water mains for discussion. There were 2 estimates one was the original project scope and the other was a modified scope. The Subject water mains need to be replaced and are looking at options on what parts of the project we can do and where we can cut. The full scope of work project cost is estimated at \$1.89MM and the modified scope removes some water main replacements and the cost is estimated at \$986M. The utility commission is recommending that we price out a scope of work that would have us estimated at \$1.5MM. The town would get a loan for the project with a potential for a 50% principal forgiveness. There were loan amortizations based on 20 and 30 year terms and the interest rate is the same for both at .90% so the cost of the money is the same. The commission recommends that town council looks at the full

scope minus Crouse Park which is at an estimated cost of \$1.5MM. Mr. Getchell will modify scope of work and resend out.

b. **Other New Business** – No other new business

VI. The meeting was adjourned at 4:45 PM and Mr. Getchell will be reaching out regarding a date for our next meeting.

Respectfully Submitted,

Adam Jones, Secretary