

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