

PRESIDENT
Scott Joseph Graves, Esq.

COUNCILLORS AT LARGE
James S. Boone
Craig R. Cormier
Ronald F. Cormier
Edward A. Gravel
Scott Joseph Graves, Esq.
Christine A. Johnson

WARD 1 COUNCILLOR
James M. Walsh, Esq.

WARD 2 COUNCILLOR
Elizabeth J. Kazinskas

WARD 3 COUNCILLOR
Nathan R. Boudreau

WARD 4 COUNCILLOR
Karen G. Hardern

WARD 5 COUNCILLOR
James D. Johnson

CITY OF GARDNER
MASSACHUSETTS 01440-2630

OFFICE OF THE
CITY COUNCIL



June 5, 2019

CITY COUNCIL SPECIAL MEETING

Date: Monday, June 10, 2019
Time: 6:30 P.M.
Location: City Council Chamber, Room 219, City Hall

ANNOUNCEMENT - Any person may make a video or audio recording of an open session of a meeting, or may transmit the meeting through any medium, subject to reasonable requirements of the chair as to the number, placement and operation of equipment used so as not to interfere with the conduct of the meeting. Any person intending to make such recording shall notify the Chair forthwith. All documents referenced or used during the meeting must be submitted in duplicate to the City Clerk, pursuant to the Open Meeting and Public Records Law. All documents shall become part of the official record of the meeting.

#10113 – An Order Authorizing the City to Borrow \$11,000,000.00 for Water Main Replacements
(In City Council and Referred to Committee of the Whole, 6/3/2019).

#10121 –An Ordinance to Amend the Code of the City of Gardner, Chapter 625 Thereof, Entitled
“Water,” to Change Metered Water Rates *(In City Council and Referred to Committee of the Whole, 6/3/2019).*

NOTICE: *The listing of Agenda items are those reasonably anticipated by the Chair which may be discussed at the meeting. Not all items listed may in fact be discussed and other items not listed may also be brought up for discussion to the extent permitted by law.*

CITY COUNCIL OF GARDNER
Scott Joseph Graves Esq.
SCOTT JOSEPH GRAVES, ESQ.
Council President

CITY OF GARDNER, MASSACHUSETTS

IN CITY COUNCIL

ORDERED:

That the City of Gardner appropriates the sum of Eleven Million Dollars (\$11,000,000) to pay costs of replacing water mains throughout the City, and paying all costs incidental or related thereto; to meet said appropriation the Treasurer, with the approval of the Mayor, is authorized to borrow said sum under M.G.L. c. 44, §8, or any other enabling authority. Any premium received upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with M.G.L. c. 44, §20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

10113

RECEIVED

CITY OF GARDNER
Department of Public Works

2019 MAY 17 AM 9:32

CITY CLERK'S OFFICE
GARDNER, MA

- Highway
- Water
- Sewer
- Forestry
- Parks/Playgrounds
- Cemeteries



Dane E. Arnold, Director
 50 Manca Drive
 Gardner, MA 01440-2687
 Telephone (978) 630-8195
 Fax (978) 630-4029
 darnold@gardner-ma.gov

Mayor Mark P. Hawke
 City Hall
 95 Pleasant Street
 Gardner, MA 01440

RE: Water Main Replacement Loan Order

May 16, 2019

Dear Mayor Hawke:

The **Water Department** is requesting an **\$11,000,000 Loan Order** for a Water Main Replacement Program. The Program's goal is to replace approximately 22,000' of water mains throughout the City that date back to the late 1800's – 1930's. It will concentrate in the downtown area for the first year, but will expand to other portions of the City. We plan to phase the project in over 3 - 6 years. We are anticipating start of construction in the summer of 2019 and would continue for several months into the fall. Once we go out to bid and obtain a contractor, details of the project will be provided to downtown businesses.

Last year the Water Department was allocated funds for the replacement of water mains on Acadia Road and Clark Street. In late July, we commenced the replacement of the water main at the intersection of Acadia Road and Ryan Street. We were then going to replace up Clark Street to Brookside Drive and then down Acadia Road. However, we were averaging about 2-3 days of poor weather conditions per week over the summer and our contractor was unable to perform this task during the construction season. With winter around the corner, we made the decision to stop the project for fear of the temporary water services freezing.

In the meantime the Water Department had its 2nd large scale water break, in as many years, on Main Street in the heart of the City on a 1903 water main. This break caused significant damage to the downtown and several businesses were affected. The water break happened during the winter and the Water Department was unable to go to City Council to request funds for design and construction due to the Funds not being certified by the Department of Revenue. Given the critical nature of this water main and potential liability to the City, we chose to use funds allocated for the Clark Street and Acadia Road water main and hire an Engineering Firm to design an extensive City wide water main

replacement program that would include the Clark and Acadia water mains, but also include the downtown area.

Phase 1

Areas include replacement of Water Mains in sections of the Downtown on Main Street Central Street, City Hall Avenue, Vernon Street, Clark Street and Acadia Road. This Phase alone is estimated to cost approximately \$5 - \$5.5 Million.

The project downtown is an extensive project that includes replacement of the water main, service connections, fire service connections, and working in confined areas with multiple utilities nearby - not to mention it will also impact traffic flow and businesses. However, we have little choice given the age and condition of the water mains and potential liability and impact if another break occurs. We will work with the Police Department, Fire Department, Engineers, Contractors, Local Businesses, and City Departments to lessen the impact of this project.

We have discussed limiting the size and scope of the downtown project and spread it out over a longer period of time, but after our discussions, we feel it would be better to impact the business owners, traffic, and residents in a 1 year period and not continual disruption for 3-4 years. It would also increase the cost being spread out over a longer period of time.

Future Phasing

Will likely include replacing a 1900's water main on Central Street, West Lynde Street, Woodland Avenue, and Green Street, through the Uptown Rotary to Pearl Street area. There are also portions of Elm Street, School Street, Walnut Street, Chestnut Street, Robillard Street, Norman Street, and Parker Street that are very old and/or have had several breaks in the past.

Funding

The project will be funded out of the Water Enterprise Fund that is generated based on Water Rates. A Rate Increase IS necessary in order to perform the Water Main project in 2019. The Water Enterprise Fund will be paying off the majority of the loan repayments for the Crystal Lake Water Treatment Facility and Snake Pond Well in FY2021. The idea would be to start the water construction projects this year and start repaying the loan in FY2021 to reduce the impact to the Water Fund.

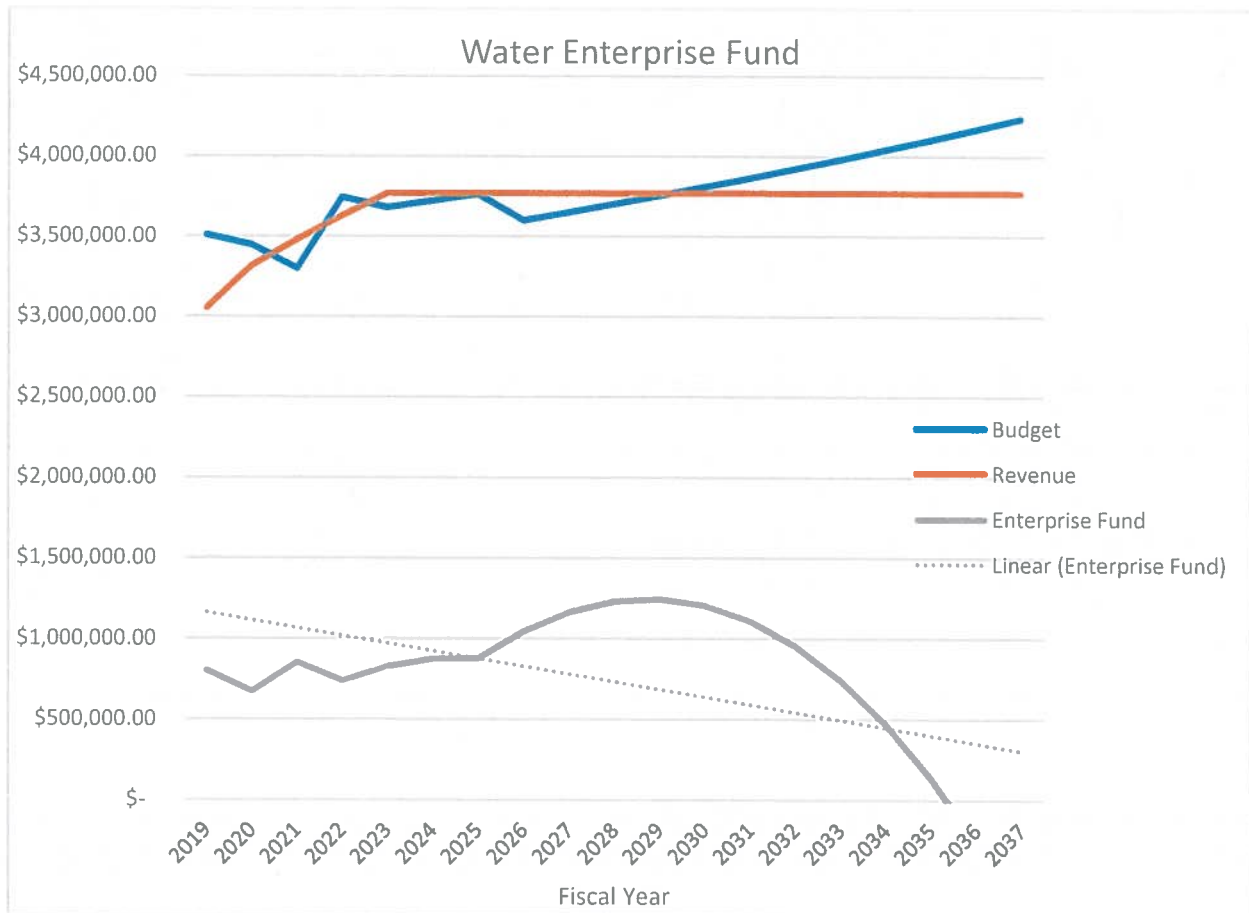
Along with the scheduled water main work, there are also several other big ticket projects in the Water Department that are NOT factored into the current or future rate structure. These projects include painting the Elevated Storage Tank, replacing water meters City wide, Dam work, Crystal Lake Dike work, replacing the filters at Crystal Lake Water Treatment Facility and other large projects.

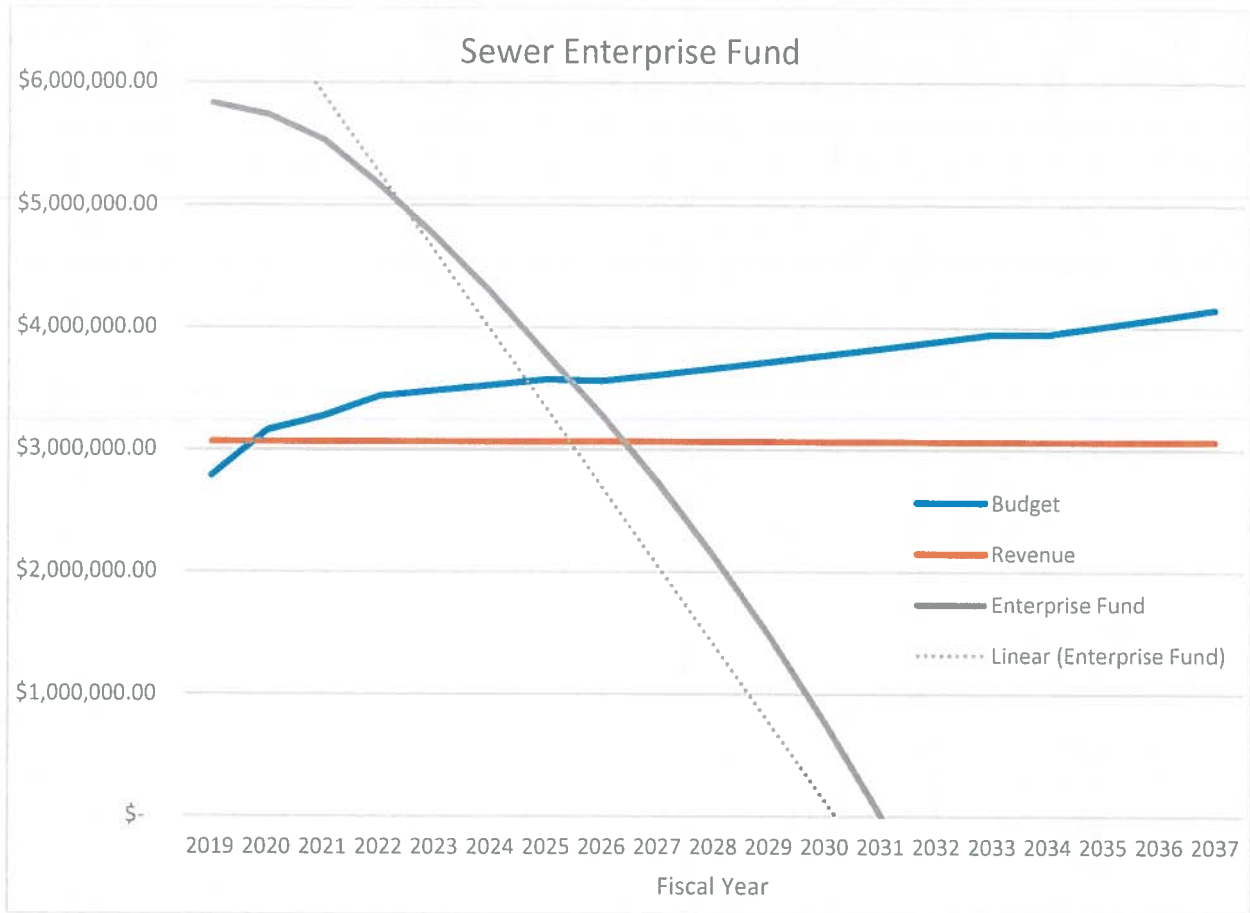
Rates

Currently the Water Rate, which were last raised in 2012, is \$5.26 per 100 cubic feet. This equals about 7/10 of a penny or \$0.007 per gallon. We are proposing a 4 year rate increase starting in July of 2019, matching the approximate rate structure completed in 2009.

Current	\$5.26		\$0.0070 gal
July 1, 2019	\$5.72	8.7% increase	\$0.0076 gal
July 1, 2020	\$6.00	4.9% increase	\$0.0080 gal
July 1, 2021	\$6.26	4.3% increase	\$0.0084 gal
July 1, 2022	\$6.50	3.8 % increase	\$0.0087 gal

We have developed a spreadsheet with the proposed rate structure. In the spreadsheet we have projected some of the future projects and input the estimated loan repayments to forecast the Water Enterprise Fund. We feel this proposed rate structure can support the Water Enterprise Fund for at least another 10 years unless something unforeseen occurs.





We understand the Rate Payers not only pay for water, but the majority of users also receive a sewer bill. The proposed Water Rate increase at this point in time is optimum because sewer rates should remain unchanged for 5-7 years in the future. At the current sewer rate and ongoing upgrades at the Wastewater Treatment Facility, the sewer rates would not need to be addressed until approximately 2025-2026 (6+ years from now). The EPA and DEP has not updated the City's NPDES Permit for the Wastewater Treatment Facility in 5 years. We are hoping when the new permit is issued it will not have a drastic impact to the treatment process.

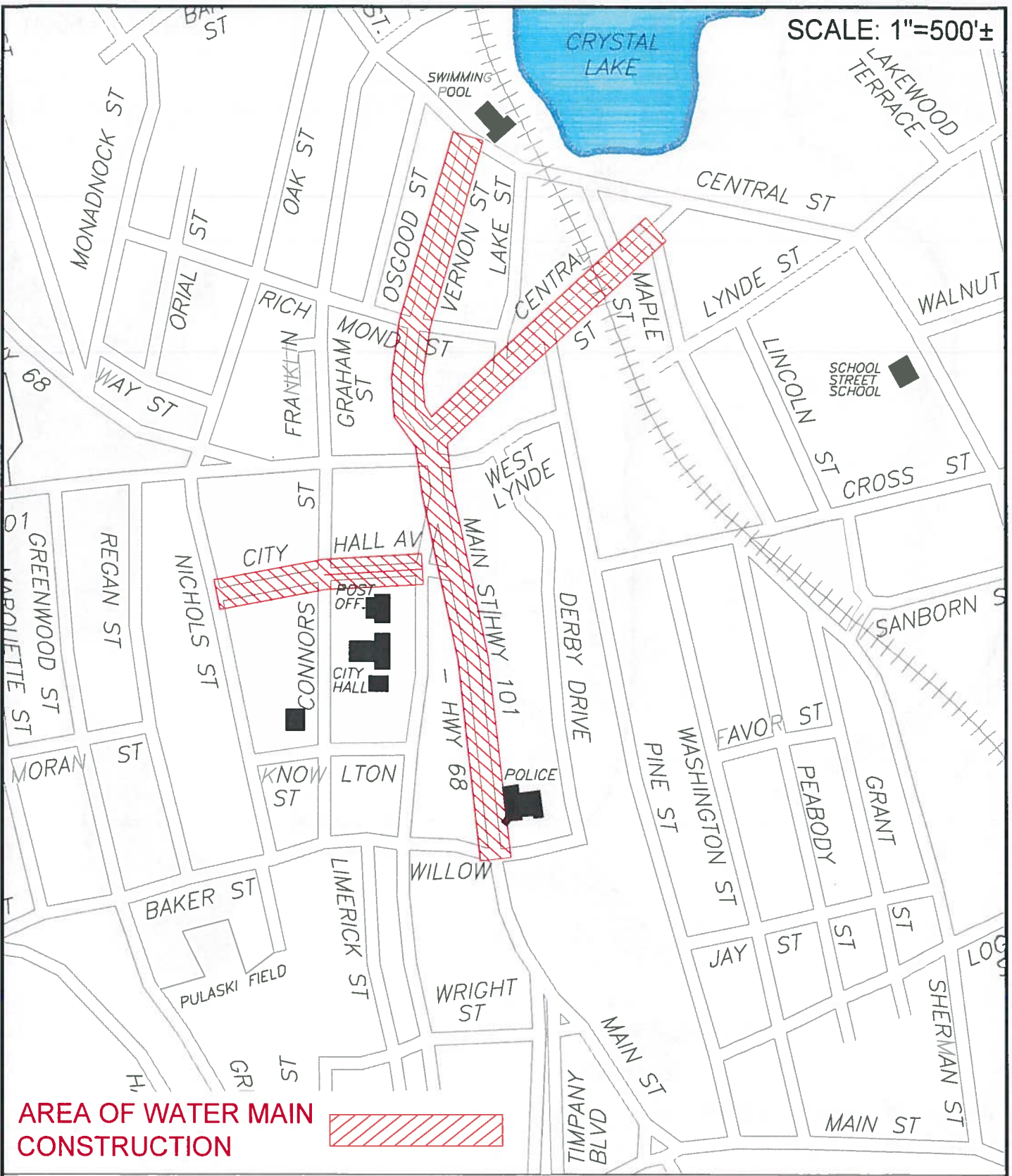
There is no doubt we need to start replacing our Water Mains and we feel this is the best time to undertake this task.

Sincerely,

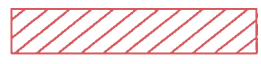
Dane E. Arnold, Director
Department of Public Works

PC: Public Service Committee
Chris Coughlin, City Engineer
Rob Oliva, Assistant Director, Department of Public Works
John Richard, City Auditor

SCALE: 1"=500'±

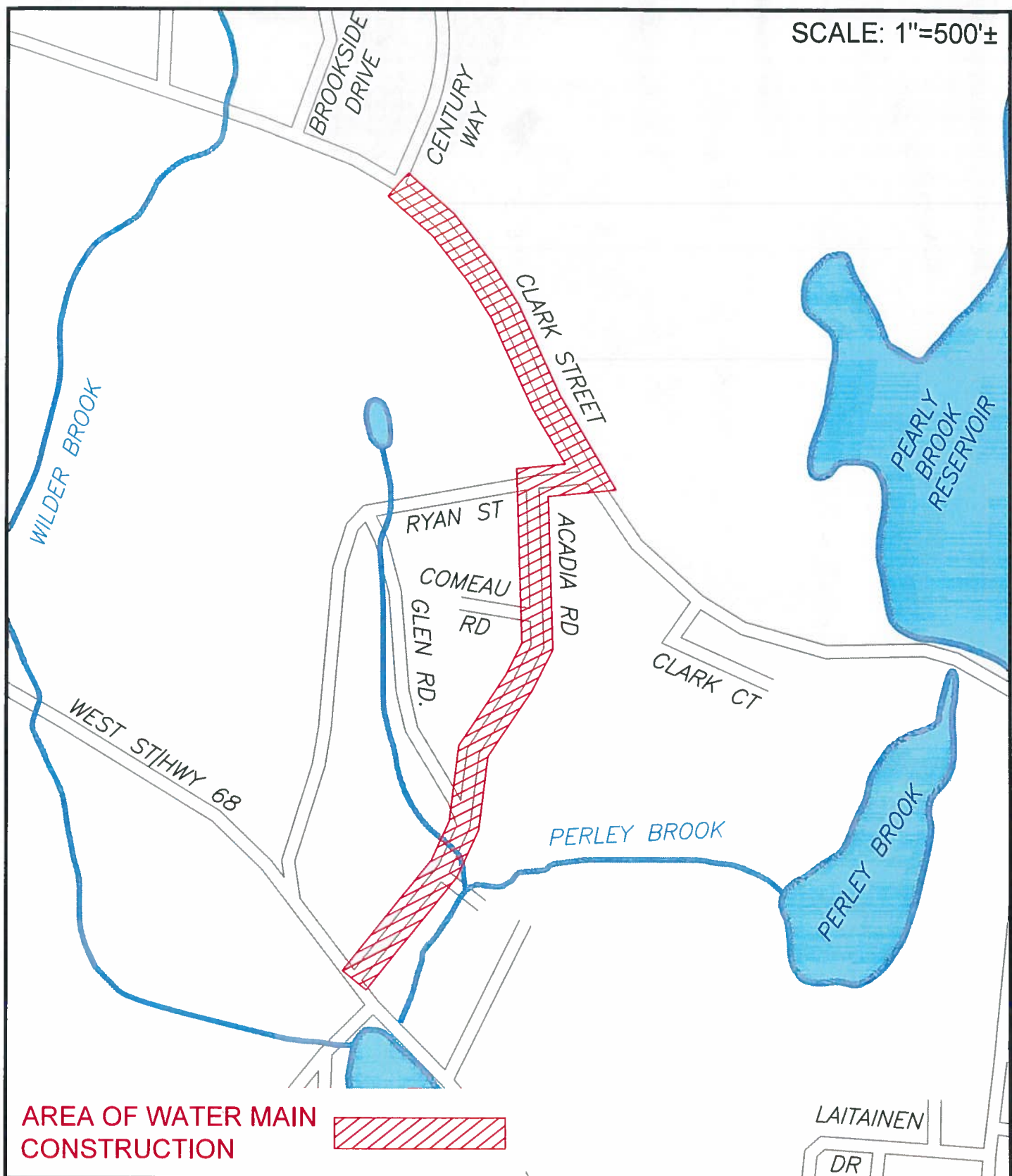


AREA OF WATER MAIN CONSTRUCTION



ATTACHMENT A
WATER MAIN PROJECTS
MAIN ST. / CENTRAL ST. / VERNON ST. / CITY HALL AVE.

SCALE: 1"=500'±



AREA OF WATER MAIN CONSTRUCTION 

ATTACHMENT B
WATER MAIN PROJECTS
ACADIA ROAD & CLARK STREET

ORDINANCE

10121

AN ORDINANCE TO AMEND THE CODE OF THE CITY OF GARDNER, CHAPTER 625 THEREOF, ENTITLED "WATER," TO CHANGE METERED WATER RATES.

Be it ordained by the City Council of the City of Gardner as follows:

Section 1. Chapter 625 of the Code of the City of Gardner is hereby amended to change Subsection A(1) of § 625-8, Water Rates, to read as follows:

A. Metered Water Rates (quarterly).

(1) Uniform rate per 100 cubic feet of metered use:

- a. \$5.72 effective July 1, 2019
- b. \$6.00 effective July 1, 2020
- c. \$6.26 effective July 1, 2021
- d. \$6.50 effective July 1, 2022

Section 2. Effective date.

This ordinance shall become effective on passage and publication as required by law.

2019 Gardner DPW Water Rate Study

10/21

City/Town	Billing Frequency	Service Charge	Min. Charge	Rate per 100 CF	Equivalent Rate	Quarterly Charge	Notes
Templeton	quarterly	\$ 60.00		\$ 6.43	\$ 13.93	\$ 111.44	Tiered rate 12500 (\$8.60/1000 gal), 25000, over 25000 Gallons
Acton	quarterly	\$ 68.00		\$ 4.50	\$ 13.00	\$ 104.00	Tiered rate 1500, 3000, 4500, over 6000 CF with seasonal adjustment
Ashburnham	quarterly	\$ 35.20	\$ 79.20	\$ 3.08	\$ 11.06	\$ 88.44	Flat rate of \$44 first 500 CF then tiered rate 2500, 4500, over 4500 CF
Holden	monthly	\$ 23.57		\$1.66/\$1.99	\$ 10.64	\$ 85.15	Tiered rate 450 (\$1.66), 1500 (\$1.99), 3000, 4500, over 4500 CF
Barre	quarterly	\$ -	\$ 70.00	\$ 7.00	\$ 8.75	\$ 70.00	Min. charge \$70 includes 1000 CF then \$7/100CF
Middleborough	quarterly	\$ -	\$ 57.25	\$ 3.69	\$ 8.54	\$ 68.32	Min. charge based on 3/4" meter and includes 500 CF. Tiered rate 2500, 25000, over 25000 CF
Westminster	quarterly	\$ -	\$ 29.26	\$ 7.29	\$ 7.30	\$ 58.42	Min. charge \$29.26 includes 3,000 gallons (400 CF) per quarter then \$9.75 per 1000 gallons
Marblehead	quarterly	\$ 16.25		\$ 4.85	\$ 6.88	\$ 55.05	Tiered rate 3000, over 3000 CF
Westford	quarterly	\$ 19.28		\$ 4.19	\$ 6.60	\$ 52.80	Service charge based on 5/8" meter. Tiered rate 2500, 10000, over 10000 CF
Gardner (2023)	quarterly	\$ -	\$ 48.75	\$ 6.50	\$ 6.50	\$ 52.00	3.85% increase to previous years rate
Norton	quarterly	25% of charge	\$ 35.00	\$ 3.37	\$ 6.48	\$ 51.85	Admin charge of 25% of water charge. Tiered rate 400, 2000, over 2000 CF. 0.400 CF is \$28
Gardner (2022)	quarterly	\$ -	\$ 46.95	\$ 6.26	\$ 6.26	\$ 50.08	4.30% increase to previous years rate
Gardner (2021)	quarterly	\$ -	\$ 45.00	\$ 6.00	\$ 6.00	\$ 48.00	4.90% increase to previous years rate
Mansfield	quarterly	\$ -	\$ -	\$ 5.85	\$ 5.85	\$ 46.80	Tiered rate 2400, 3900, 6000, over 6000 CF
Gardner (2020)	quarterly	\$ -	\$ 42.90	\$ 5.72	\$ 5.72	\$ 45.76	8.70% increase to previous years rate
Winchendon	---	\$ -	\$ -	\$ 5.27	\$ 5.27	\$ 42.16	
Gardner (current)	quarterly	\$ -	\$ 39.45	\$ 5.26	\$ 5.26	\$ 42.08	
Canton	quarterly	\$ 12.50	\$ -	\$ 3.54	\$ 5.10	\$ 40.82	Tiered rate 1500, 4000, 10000, over 10000
Athol	quarterly	\$ 6.25		\$ 4.28	\$ 5.06	\$ 40.49	
Easton	quarterly	\$ -	\$ 16.00	\$ 2.46	\$ 4.46	\$ 35.68	Service charge based on 3/4" meter. Tiered rate 20000 (\$3.29/1000 gal), 50000, over 50000 Gallons
Fitchburg	monthly	\$ -	\$ 7.09	\$ 4.20	\$ 4.20	\$ 33.60	Min. charge based on 3/4" meter
Hudson	quarterly	\$ -	\$ -	\$ 4.16	\$ 4.16	\$ 33.28	Tiered rate 1400, 2800, 5000, 15000, over 15000 CF
Wilmington	---	\$ -	\$ -	\$ 3.82	\$ 3.82	\$ 30.56	Tiered rate 1000, 2000, 3000, over 3000 CF. Separate commercial, industrial, and municipal rates
Leominster	---	\$ -	\$ -	\$ 3.78	\$ 3.78	\$ 30.24	

May 2019

Chapter 625. Water

Article I. General Regulations

§ 625-8. Water rates.

[Amended 4-17-1990 by Ord. No. 1044; 3-4-1991 by Ord. No. 1068; 9-7-1993 by Ord. No. 1133; 12-6-1993 by Ord. No. 1143; 11-7-1994 by Ord. No. 1174; 3-16-1998 by Ord. No. 1264; 4-7-2003 by Ord. No. 1381; 1-20-2009 by Ord. No. 1483; 11-18-2013 by Ord. No. 1563]

A. Metered water rates (quarterly).

- (1) Uniform rate per 100 cubic feet of metered use: \$5.26 effective July 1, 2012.
- (2) Minimum usage: 750 cubic feet (quarterly).

B. Penalty charge is 1.16% per month (\$1 minimum) for unpaid water and sewer balances.

C. The Public Works Director has the authority to raise water rates with the passage of an ordinance change by the City Council.

D. The rate increases will be publicized in the local newspaper 30 days prior to the effective date of the increase.