

**MINUTES
UTILITIES COMMISSION MEETING
MAY 17, 2004**

Mayor Margo G. Bailey called the meeting to order at 7:30 p.m. In attendance were Council members Whaland Clark, Mabel Mumford-Pautz, Harrison C. Bristoll, Jr., and James R. Johnson, W.S. Ingersoll, Town Manager, Joan Merryman, Stenographer, and guests.

Mayor Bailey asked if there were any additions or corrections to the minutes of the previous meeting of April 19, 2004. Mr. Clark moved that the minutes of the previous meeting be approved as submitted, was seconded by Mrs. Mumford-Pautz and carried unanimously.

Mayor Bailey stated that cash on hand and in the banks was \$603,114.02.

Mr. Sipes stated that the first compound meter was installed to try to measure some of the low flows on commercial buildings.

Mr. Sipes stated that a replacement mower was purchased for the lagoon.

Mr. Sipes stated that the vulnerability assessment due by the end of June was completed and a certificate of completion was forwarded to MDE, with verification to EPA.

Mr. Sipes stated that the valves at the Radcliffe Pump Station had been repaired in-house.

Mr. Sipes stated that a sinkhole developed on Rt. 213 and the SHA and Chestertown Utilities fixed it together.

Mr. Sipes stated that a small trailer was purchased for the John Deere Mower.

Mr. Sipes stated that the dirt pile MDE wanted the Town to remove had been removed. He said that an inspection report was filed and the only thing left to do was grade and seed.

Mr. Sipes stated that the rerouting on the gravity sewer at Heron Point was completed.

Mr. Sipes stated that a truck needed replacing. He looked for used trucks but was unable to find one to fit the needs of the department. He found a new truck from the State contract and with options added that the department wanted totaled \$22,680.00. He said that with the options added he did not think they would be able to find a better price.

Mrs. Mumford-Pautz moved to purchase a truck for the Utility Department for \$22,680.00, was seconded by Mr. Bristoll and carried unanimously.

Mr. Ingersoll introduced Ordinance 4-2004 for Water Upgrade Financing. He said this would build the water upgrade plant, which was originally estimated in 1999 at \$1.5 million. The 2004 price would be \$1.8 million.

Mr. Ingersoll introduced Ordinance 5-2004, which would repeal a bond ordinance that was written in 2002 for \$1.5 million and replace it with a bond issue through the State for \$1.8 million.

Mr. Ingersoll stated that Ordinance 6-2004 was to raise water and sewer bills by approximately 10% (13%) and read the Ordinance into the record. He said if passed, this Ordinance would be enacted on June 7, 2004.

Mr. Ingersoll stated that if passed, the Ordinance would raise the residential rates from \$15.00 a quarter to \$17.00 a quarter for water and sewer. Commercial rates would raise from \$30.00 a quarter to \$34.00 per quarter for water and sewer. He said slightly lower rates were used for uses over 10,000 gallons. There were also changes to hook-up categories and definitions included. Mr. Ingersoll stated that the raises were necessary because the Town was upgrading water and sewer to meet all EPA standards for BNR and ENR.

Mr. Ingersoll stated that the documents 4-2004 and 5-2004 were long and copies would be distributed to anybody interested. He explained that the Ordinances provided for a new reservoir, covers for the old and new reservoirs, a deep water well, a new treatment building, and all of the accessory piping that went along with it.

Mr. Clark moved to approve the three Ordinances (4-2004, 5-2004, 6-2004) introduced by Mr. Ingersoll, was seconded by Mr. Bristoll and carried unanimously.

Mr. Ingersoll stated that he met with Wayne Morris concerning the decision the Council made about the newly annexed area of Quaker Neck. He said the Town would consider installing the new pump stations on John Hanson extending the line to the new system that was being built, if the County would allow the 44-units that were along the gravity line to hook-up without any further charges to the property owners. He said if the County did not want to do that the Town had the option of building a new pumping station and bringing it under the bridge to a forced main found by the old sewer plant.

Mrs. Mumford-Pautz moved to allow for a pumping station at Quaker Neck, if the County would not allow the water hook-up for the 44-units running along the gravity line; or if an answer was not received within a 7-day period from May 17, 2004. The motion was seconded by Mr. Clark and carried unanimously.

Mr. Ingersoll stated that he had received many questions regarding the status of the sewer plant. Mr. Ingersoll stated that the plant was monitored by the State and the lagoon was being upgraded but had the capacity at this time of using 900,000 gallons per day for discharge. Currently, the Town discharged approximately 500-600,000 gallons of treated discharge per day.

Mr. Ingersoll stated that the new sewer upgrade, costing \$4.4 million, would have a design capacity of 1.2 million gallons per day but no increase of 900,000 gallons would be requested as it would trigger new standards.

There being no further business, Mr. Clark made a motion to pay the bills. Mr. Bristoll seconded the motion and it carried unanimously.

Mr. Clark moved to adjourn the meeting at 7:49 p.m., was seconded by Mrs. Mumford-Pautz and carried unanimously.

Submitted by: 
Jennifer Stead
Stenographer

Approved by:
Margo G. Bailey
Mayor