

Saugus Board of Selectmen  
May 15, 2019

The Saugus Board of Selectmen met on May 15, 2019 at 5:00 PM in the Town Hall 1<sup>st</sup> Floor Conference Room. Present: Selectmen Scott Brazis, Jeffrey Cicolini, Jennifer D'Eon, Mark Mitchell and the Chairman Debra Panetta.

The Chair called the meeting to order and welcomed Board Members, Town Manager, Finance Director/Collector/Treasurer and Consultant Matt Abraham. The Chair asked for a recess to allow time for Selectman Brazis to arrive.

Selectman Cicolini moved for recess. Chair seconds 4-0.

The Chair called the meeting back to order.

The Chair introduced consultant Matt Abraham from Abraham Group for presentation. The Manager explained they try to put a 5 year plan and said we are under an ACO with mandated expenditures on system repairs and has talked about creating a water & sewer commission to be less political. Mr. Abraham said he looked at 5 year window and paid attention to retained earnings and capital plan and their objective was create a 5 year rate plan and eliminate shortfalls and conducted analysis over last 2 years and looked at capital plan consisting of phase II of the lift station on Lincoln Ave; sewer rehab work; purchasing a mini excavator and new truck; water meter replacement program and a meter reading vehicle and explained rate setting drivers consisting of salaries, debt and other expenses and presented a comparison of last year and this year and said if they do nothing he projects a deficit and presented options.

Selectman Cicolini said he and the Chair attended a meeting with 2 Finance Committee Members and the consultant on water & sewer rates and suggested the Board focus less on percentage but on actual dollar increase and said they discussed West Lynn Creamery going out of business and the impact will be shared among the remaining users and said he would support a 7% increase. The Chair agreed and said she wants to be responsible and will support a 7% increase even though she wishes it could be lower. Selectman Cicolini said they would lose a substantial amount of retained earnings and in dollars, the average is \$6.00 or \$12 per year and asked consultant his recommendation. Mr. Abraham said he did not come with a recommendation but it would be larger than 7%. Selectman Cicolini thanked them for the time they put into this and agreed there should be a separate sewer commission so decisions can be made without it being a political issue. Selectman Brazis noted they are righting a wrong over many, many years.

Selectman Cicolini moved based on discussion and comments the Board make the recommendation to go with the lowest of 4 options, a 7% increase in sewer rate and work with the Manager throughout the year to monitor and keep an eye on the rate for following year and to recommend to the Finance Committee and Town Meeting. Chair seconds 5-0.

The Chair thanked everyone for coming. The Manager thanked the Board.

Selectman Brazis moved to adjourn. Chair seconds 5-0.

Meeting adjourned at 5:53 PM.