



TOWN OF KINGSTON
Office of the Sewer Commission/Wastewater Department
26 Evergreen Street
Kingston, MA 02364

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Elaine A. Fiore - Chair
William Watson – Vice Chair
Brian M. Donahoe

Minutes09/16/24

The meeting discussed the need for a public hearing on October 2 to address a \$506,098 operating budget shortfall for FY 25, with a total budget of \$1.8 million. The sewer commissioners have not raised rates since 2010, leading to significant cost increases in payroll, chemicals, and electricity. The FY 25 budget includes a \$419,000 debt shortfall for uncommitted third and fourth tanks and a \$426,000 initial payment for leaching fields starting in 2026. The total shortfall is \$3.699 million. The commissioners are considering a rate increase to cover these costs, with potential additional revenue from septage costs and town office billing.

Action Items

- [] Send the letter announcing the public hearing to the commissioners.
- [] Schedule another meeting next Tuesday to further discuss rate increase options.
- [] Review the latest betterment fee calculations and projections.
- [] Coordinate with the planning department on ways to maximize the user base and sell available capacity.

Outline

Public Hearing Overview and Budget Shortfalls

- Bill Watson opens the meeting and introduces the agenda, focusing on the upcoming public hearing on rate increases.
- David Walsh discusses the need for a public hearing on October 2 at 5pm to address budget and debt issues.
- David Walsh highlights that it has been 14 years since the last rate increase, with significant increases in costs such as payroll, chemicals, electricity, and vehicle costs.
- The FY 25 budget is \$1.852 million, with an operating budget shortfall of \$500,009, which will be offset by allocating \$600,000 from article money.

Debt Shortfalls and Leaching Fields

- David Walsh explains the debt shortfall due to the third and fourth tank not being fully committed, amounting to \$419,000 in FY 22.
- The leaching fields project will start in July 2025, with an initial payment of \$426,006, falling into the FY 26 budget.
- The total budget needs to cover operating costs and debt is \$3.699789, with a significant portion coming from the leaching fields project.
- Discussions with the accounting and legal departments are ongoing to explore tax write-offs and other potential solutions.

Operating Budget and Revenue Shortfalls

- David Walsh details the operating budget shortfall of \$506,098 for FY 25, with a significant increase in costs over the past year.
- The town allocated cost for the sewer system has increased from \$312 to \$340, primarily due to higher electricity and disposal costs.



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- David Walsh questions the specifics of the debt and operating cost shortfalls, seeking clarification on the capital and operating costs.
- David Walsh confirms that the \$506,098 shortfall is for operating costs, while the \$419,000 debt shortfall is related to capital costs.

Rate Increase and User Fees

- David Walsh discusses the need for a rate increase to cover the operating budget shortfall and debt, with a focus on user fees and consumption.
- The town's accounting department and legal team are exploring options to potentially offset some costs through tax processes.
- David Walsh mentions the possibility of writing off additional costs as tax write-offs, but this is still under investigation.
- The meeting aims to get approval for a letter announcing the public hearing and discussing rate increase and budget issues.

Betterment Funds and Long-Term Solutions

- David Walsh emphasizes the importance of understanding the long-term impact of betterment funds on covering capital costs.
- Speaker 4 provides details on the betterment funds, noting that \$1.750609 will be coming in for FY 25.
- David Walsh highlights the need for a business plan to maximize the sale of betterment funds and address the \$845,000 unmet need for capital costs.
- David Walsh suggests increasing septage costs and billing the town offices for usage as additional revenue streams.

Public Hearing and Next Steps

- The meeting agrees to schedule the public hearing for October 2 at 5pm and to discuss the rate increase and budget issues.
- David Walsh proposes a motion to approve the letter announcing the public hearing, with a minor change, to address concerns about mixing operating and capital costs.
- The motion is seconded and approved, with a plan to have another meeting next week to finalize the details.
- The group discusses the need for a business plan to maximize revenue and address the long-term financial needs of the sewer system.



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