

BUDGET NARRATIVE

Description of Department Function

Describe the overall mission or purpose of the Department.

Major Duties:

This Department maintains, tests, and monitors the water and complete delivery system for the Town. The system is composed of six wells, four treatment facilities, two water tanks, water mains, hydrants, valves, Scada system, and the Walnut Street booster pumps. The water that is delivered to all customers consistently meets or exceeds all D.E.P. standards. The Water Department reads all water meters four times a year. The Water Department also response to all water emergencies breaks 24 hours a day 7 days a week.

Reports:

Lead and copper samples required-40 samples 2 times year.
Winter/summer Bacteria samples required-19 samples per month.
CT Determination for Ground Water Rule-monthly.
Stage 2 Disinfection BY-Products quarterly.
Notification of Water Use Restriction-yearly and as needed.
TTHM/HAA5 compliance-4 samples yearly
Monthly/Quarterly testing for PFAS 6.
Consumer Confidence Report (CCR)-yearly.
Annual Statistical Report (ASR)-yearly.

Accomplishments

Describe the major describable accomplishments or measurable activities in FY24.

The department complied with all state testing and reporting.

Construction was completed for a new PFAS treatment plant located at the George D'Angelis wells #1 and #2.

At the May Spring Town Meeting \$ was appropriated for final design for construction of a new PFAS treatment plant at well #3 located off of Birch Street. At the Fall Town Meeting, \$ 7.1M dollars was appropriated for the construction of a new PFAS plant at well #3 located off Birch Street.

FY25 Departmental Goals

Describe the initiatives and accomplishments planned for FY25.

Under the supervision of the DPW Director and DPW Superintendent oversee the construction of the new PFAS plant and startup of the new PFAS treatment plant at well #3.

Institute the long-awaited unidirectional flushing program.

Assist Kleinfelder with completing the *Millis Lead Service Inventory & Replacement Plan*.

Spending Highlights for FY25

Explain any significant budget changes from FY24.

The department anticipates a significant rate increase to pay for both PFAS plants in FY25.

Non-tax Funding

List any expected non-tax revenues that will be use to fund department activities, including an estimate to be received.

Water Enterprise 7100

WATER ENTERPRISE	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 ACTUAL	FY2024 TM ADOPTED	FY2025 REQUESTS	FY2025 PROPOSED
WATER DIVISION							
<i>Personnel Services</i>							
Salary Department Head	\$51,941	\$54,259	\$56,088	\$60,738	\$37,849	\$37,995	
Salaries Clerical	\$32,187	\$32,932	\$35,753	\$49,387	\$29,927	\$31,358	
Salaries Clerical Overtime	\$4,379	\$5,585	\$2,213	\$0	\$5,000	\$5,000	
Wages	\$193,982	\$215,248	\$188,341	\$189,720	\$165,216	\$181,683	
Water License Fee	\$7,967	\$7,695	\$53,139	\$46,462	\$40,680	\$134,537	
Wages Overtime	\$34,755	\$61,849	\$62,769	\$69,819	\$59,400	\$60,588	
Longevity	\$2,108	\$2,591	\$1,926	\$3,535	\$2,775	\$3,550	
Stipends	\$9,185	\$9,390	\$9,142	\$8,608	\$21,550	\$26,695	
Total	\$336,504	\$389,548	\$409,370	\$428,267	\$362,397	\$481,405	\$0
<i>Expenses</i>							
Testing Water	\$42,435	\$66,329	\$17,873	\$27,083	\$80,000	\$80,000	
Services Engineering	\$44,152	\$58,971	\$29,596	\$18,986	\$50,000	\$50,000	
Police Details	\$815	\$1,414	\$711	\$5,363	\$9,000	\$9,000	
Training	\$1,016	\$925	\$2,826	\$250	\$4,000	\$4,000	
Inspections	\$1,800	\$0	\$3,395	\$525	\$4,000	\$4,000	
Equipment Hired	\$19,964	\$31,117	\$30,957	\$11,379	\$40,000	\$40,000	
Supplies & Expenses	\$111,159	\$77,238	\$111,600	\$183,963	\$110,000	\$125,000	
Propane Gas	\$2,505	\$5,863	\$2,933	\$1,150	\$7,332	\$7,332	
Stormwater	\$0	\$3,532	\$3,532	\$3,542	\$3,744	\$5,000	
Water/Sewer	\$684	\$600	\$1,009	\$1,066	\$0		
Telephone	\$4,524	\$3,641	\$4,124	\$2,970	\$9,000	\$9,000	
Electricity	\$96,287	\$93,139	\$84,737	\$98,808	\$106,651	\$125,000	
Postage	\$3,326	\$3,255	\$3,032	\$3,422	\$4,450	\$4,450	
Clothing	\$3,436	\$3,152	\$2,935	\$3,507	\$3,600	\$3,600	
Advertising	\$495	\$5,361	\$927	\$2,487	\$4,000	\$4,000	
Membership	\$1,008	\$595	\$1,299	\$1,023	\$1,000	\$1,250	
Equipment	\$23,409	\$23,505	\$16,055	\$13,774	\$22,000	\$22,000	
Vehicle Supply/Repair	\$7,111	\$10,600	\$3,606	\$7,801	\$15,000	\$15,000	
Diesel Fuel	\$9,906	\$11,164	\$11,121	\$14,762	\$10,000	\$10,000	
Farm & Walnut St Tank Maintenance			\$213,995	\$213,995	\$214,000	\$214,000	
Miscellaneous Expense	\$22,346	\$39,325	\$40,172	\$14,885	\$28,958	\$29,000	
Water LTD Principal	\$392,843	\$418,000	\$446,667	\$441,667	\$426,667	\$301,667	
Water STD Principal	\$0	\$0	\$0	\$0	\$0	\$0	
Water LTD Interest	\$186,132	\$174,189	\$169,618	\$155,528	\$134,020	\$116,162	
Water STD Interest	\$13,165	\$3,250	\$0	\$104,978	\$160	\$0	
Special Projects				\$3,165			
Reserve Fund		\$0	\$0	\$12,284	\$50,000		
Transfer to General	\$247,840	\$261,248	\$294,833	\$302,204	\$309,759	\$317,503	
Total	\$1,236,356	\$1,296,410	\$1,497,553	\$1,650,567	\$1,647,340	\$1,496,963	\$0

Water Enterprise 7100

Articles

Unpaid Bills of PRI	\$989	\$601	\$484	\$10,936	\$1,908		
CHLORINE/PH ANALYZER REPLCMT					\$31,200		
DPW Vehicles & Equipment	\$86,685	\$49,158		\$53,856	\$58,250		
DRINKING WTR RISK/RES ASSESS		\$28,500					
WTR TANK ASSESS/MGMT PROG		\$112,772					
RADIO COMM SYSTEM		\$18,333					
DPW New Facility		\$200,000					
DPW Excavator			\$12,509				
D'Angelis Wells Plant Design Part B			\$200,000				
Wels 3-6 Plant Design Part A			\$255,600				
Water System Response Plan			\$30,000				
PRELIM DES. PFAS TP AT WELL 3			\$165,000				
WELL #3 PFAS FINAL DESIGN					\$272,900		
Transfer from Completed Water Projects					-\$141,193		
WTR MGMT ACT PERMIT RENEWAL				\$56,864			
LOCAL 4704 CONTRACT WAGES				\$6,400			

Total	\$87,674	\$409,364	\$498,592	\$293,056	\$223,065	\$0	\$0
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TOTAL BUDGET	\$1,660,534	\$2,095,322	\$2,405,516	\$2,371,890	\$2,232,802	\$1,978,368	\$0
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Water Fund Revenue

Penalties/Interest	\$15,294	\$17,635	\$16,157	\$15,508	\$10,500		
Service Fee (Revenue Ser)	\$1,062,040	\$1,214,764	\$1,120,689	\$1,128,550	\$1,269,090		
Liens Added	\$53,564	\$65,361	\$62,782	\$53,259	\$50,000		
Paine Well - Capital Assessment	\$432,060	\$456,837	\$481,307	\$800,313	\$560,847		
Entrance Fees	\$230,025	\$234,352	\$237,660	\$174,980	\$100,000		
Meter On/Off Charge	\$2,096	\$2,830	\$2,224	\$3,315	\$100		
Water Cross Connect	\$7,739	\$10,106	\$11,839	\$9,356	\$7,500		
Water Drain Layer L	\$800	\$950	\$1,200	\$1,000	\$700		
Miscellaneous Final	\$9,411	\$11,082	\$9,476	\$8,141	\$10,000		
Miscellaneous Revenue	\$25,400	\$24,500	\$25,191	\$24,024	\$0		
Bank Account Interest	\$9,992	\$10,127	\$4,018	\$4,665	\$1,000		
Total	\$1,848,421	\$2,048,545	\$1,972,544	\$2,223,110	\$2,009,737	\$0	\$0

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Position	FTE	FTE	FTE	FTE	FTE	FTE
Director - McKay	0.41	0.41	0.41	0.41	0.25	0.25
Operations Manager - Gilmore	0.44	0.44	0.44	0.44	0.25	0.25
Department Asst I - Williams	0.33	0.33	0.48	0.48	0.25	0.25
DPW Superintendent - Rachmaciej	0.42	0.42	0.42	0.42	0.25	0.25
Water & Sewer Super. - McKenney	0.50	0.50	0.50	0.50	0.50	0.65
Facilities Manager - Kandola	0.33	0.33	0.33	0.33	0.25	0.25
DPW Foreman - Wanders					0.25	0.25
Water & Sewer Tech - Hillary	0.50	0.50	0.50	0.50	0.50	0.65
HEO/Laborer - Wagner	0.50	0.50	0.50	0.50	0.50	0.65
HEO/Laborer - Chamberlain	0.50	0.50	0.50	0.50	0.25	0.25
HEO/Laborer - Lovett	0.33	0.33	0.33	0.33	0.25	0.25
SUBTOTAL/TOTAL	4.26	4.26	4.41	4.41	3.50	3.95

CAPITAL PROJECT DETAIL SHEET

Project Title: Lead & Copper Rule Compliance Requirements	
Department: DPW Public Works	Category: 1
<u>Description and Justification:</u> please see recommendations and quote. The total request is for \$ 187,000.00.	Please send a photo depicting the capital request as a separate file. Do not drop it in to this template.

RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency	8	187000	187000					
H. Other								
TOTAL		\$187,000	\$187,000					

Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees
			(9) Stormwater Enterprise Fund Fees



February 2, 2024

Mr. James McKay, Director of Public Works
Town of Millis
900 Main Street
Millis, MA 02054

SUBJECT: FY25 Budget Recommendation for Lead & Copper Rule Compliance Requirements

Dear Mr. McKay:

1. BACKGROUND

The 1991 Lead and Copper Rule (LCR), promulgated under the authority of the 1974 Safe Drinking Water Act, helps protect public health by regulating water suppliers on how to treat and control for lead. The Lead and Copper Rule revisions (LCRR), finalized in 2021, significantly increase the administrative and compliance responsibilities for public water systems.

A major new requirement included a Lead Service Line Inventory (LSLI)— the documentation of the water service line material for every account, with the goal of eventually replacing any lead service lines. Millis' water system dates to the early 1900s and currently includes almost 3,000 water services. It has long been the Town's practice to use copper when installing new services and to replace lead lines when observed, either through water main improvement/rehabilitation projects or when fixing service line leaks. However, documentation of service material was not previously required, and so was not a routine part of recordkeeping.

Working with Kleinfelder, under a \$200,000 Lead Service Line Inventory (LSLI) grant from the MassDEP, the Town of Millis continues to make steady progress towards meeting the 2024 requirements of the LCRR. At the same time, new rulemaking (Lead & Copper Rule Improvements or LCRI) will add additional programmatic requirements (described in Section 3). Similar to the stormwater MS4 program, the LCRR/LCRI represents a significant new programmatic compliance requirement. This letter describes LCRR progress to date, anticipated requirements under the LCRI, and recommendations for program budgeting in FY25.

2. LCRR OCTOBER 2024 REQUIREMENTS AND MILLIS PROGRESS

There are four major requirements for water systems due in October 2024 under the LCRR. These requirements, the progress made under the Grant, and anticipated FY25 needs are summarized below:

LCRR Requirement due by October 16, 2024	Millis Progress and Status
<p>1. LSL Inventory</p> <p>Millis must complete, and submit to MassDEP, an inventory (material and verification method) of all water service lines connected to its distribution system, <i>whether or not they are owned or controlled by the water system</i> (public-side from main to corporation stop <u>and</u> private-side from corp to meter). All services must be classified as either Lead, Galvanized Requiring Replacement (GRR), Non-Lead, or Unknown.</p>	<p>Phase 1 of the Grant project is about 75% expended. Kleinfelder has conducted records review and two rounds of field inspections. The Millis records were rather limited. So far, 430 customer lines and 178 public lines have been verified as non-lead, with only one lead line identified.</p> <p>Based on results to date, statistics indicate (to a 99% confidence) that there is a <u>very low likelihood of any individual property having a lead line</u>. That is, fewer than 1% of the lines would be expected to be lead.</p> <p>However, the current grant will not be sufficient to fully identify all unknowns in 2024. There are expected to be about 50% unknowns on each side (customer and public). Public side verification typically requires costly procedure of test pitting or vacuum excavation. The Town will need to budget for the completion of the remaining inventory (see Section 4), as well as annual updates.</p>
<p>2. LSL Replacement Plan</p> <p>Millis must submit a plan to MassDEP detailing how the water system will finalize populating material information for any Unknown service lines, and how the water system will prioritize, fund, and fully remove any identified LSLs or GRRs connected to its distribution system.</p>	<p>Item 1, the inventory task, is still in progress, but as indicated above, only 1 service has been identified as lead so far. Some communities have hundreds of lead services. With very few LSLs expected, Millis's Plan will focus heavily on how the Town will continue the identification of Unknowns, as well as how the Town will proceed with replacement of any LSLs or GRRs. FY25 will focus on the completion of the Inventory.</p>
<p>3. Modified Lead Tap Sampling Plan</p> <p>The existing Lead Tap Sampling Plan will need to be modified to include any newly identified LSLs.</p>	<p>Although the inventory is not yet ready, Millis was required to perform an Interim update to the Plan, due to the new D'Angelis WTP coming online. The Tap Sampling Plan may need to be revised again when the FY24 Inventory is done.</p>
<p>4. Public Notice</p> <p>When ready, (Oct 2024), Millis must make the Lead Service Line Inventory (LSLI) available to the public and notify customers who have lead service lines, galvanized downstream of lead ('galvanized requiring replacement or GRR') or lines of unknown material.</p>	<p>Once the current grant project is complete and the initial inventory completed to the extent feasible with current funds, the Inventory will be published, and customers notified in or before October 2024. The LCRR requires annual public notification of the updated inventory results.</p>

3. FY25 LCRR REQUIREMENTS AND LEAD & COPPER RULE IMPROVEMENTS (LCRI) RULEMAKING

Starting in January 25, under the LCRR, systems must begin a new requirement to perform lead sampling at all schools and childcare facilities, to adopt new sampling procedures, and provide 24-hour notification in the event of action level exceedances or disturbances to any lead services.

At the same time, systems are working to comply with the LCRR, EPA is undertaking Lead and Copper Rule Improvements (LCRI) rulemaking, which would further accelerate some requirements relating to lead, but may delay deadlines for others. The Draft LCRI regulations were published in November 2023, and the comment period closes on February 5. Kleinfelder experts are working closely with the New England Water Works Association and American Water Works Association to review the LCRI and help public water system clients to understand this complex rule, along with its implications in relation to the already complex LCRR. While many water systems are advocating for delayed compliance deadlines to allow time to focus on the Inventory component, other public health advocates are pushing for even more aggressive language and deadlines.

We do not know when the LCRI would be final, nor what exactly the final language will be. What we do know is that continuing to comply with the Rule in either format will be a significantly increased administrative challenge and operational cost. New compliance components of both LCRR and LCRI will include:

- The replacement of any lead or GRR services under an aggressive deadline.
- Completion of classifying Unknown services under an aggressive deadline.
- Updating and publishing the Inventory at least annually, including customer notifications to LSL, GRR and UNK services.
- Major changes to lead tap sampling procedures with a focus on capturing the ‘worst case scenario’.
- Potentially offering free lead water testing to homes with LSLs, GRRs and Unknown material services.
- A lowered Action Level (currently 15 ppb; the LCRR and LCRI both lower it to 10 ppb).
- The increased potential for required changes to treatment to enhance corrosion control.
- Extensive public notification (Tier 1 24-hour) and mitigation (providing pitcher filters to customers under certain circumstances).

4. LCR COMPLIANCE BUDGETARY RECOMMENDATIONS, FY25

Based on the known requirements of the LCRR, results to date of the LSLI grant, and potential implications of the LCRI, we recommend that the Town budget for the following activities in FY25. Due to the Infrastructure Investment and Jobs Act funds prioritizing lead services mitigation, we do expect there to continue to be grant funding available in FY25 for certain activities, and we will support the Town in applying for applicable grants. The scope and budget will be refined in Summer 2024 during the initial Lead Service Inventory:

LCRR Requirement	Recommended Budget *	Tasks / Notes
LSL Inventory & Mapping Updates	\$150,000	Continue to populate data for service lines of Unknown material (via visual inspection and/or other methods). In FY25 we recommend focusing efforts on the private side inspections, which include about 2,000 unknowns.
Sampling -	\$17,000	LCRR: School & Licensed Childcare Facility sampling (required to sample both public and private facilities built before 2014; 5 sites per school, 2 per CCF) Required to sample / attempt to sample 20% of facilities per year starting in 2025. From an equity and efficiency perspective, we recommend to sample all in the first year. According to the Dept. of Early Education and Care (EEC) website, the Town has 13 licensed childcare programs. According to the DESE website, the Town has 4 schools (includes all grades). Required to sample both public and private; 5 sites per school, 2 per CC. Note: the LCRR only requires testing of K-8 schools, and secondary schools only upon request. However, we assumed all 14 for this budget to be conservative / inclusive. It's possible but currently unclear if there could be funding from DEP to defray costs for this task. LCRI: LCRI would delay the schools requirement or allow earlier testing results BUT would require the offer of free tap sampling for any LSL/GRR/Unknown services.
LCR Compliance Site Sampling Assistance	\$10,000	LCRR requires all new sampling techniques to be employed, which includes 5 th liter sampling, It also very likely that new sampling sites based on inventory results will be chosen to help meet the Town's regulatory requirements. This assumes consulting support for sampling training / outreach / reporting.

LCRR Requirement	Recommended Budget *	Tasks / Notes
Public outreach / Reporting assistance & 'disturbance' mitigation	\$10,000	Assist with notifications to customers per various LCRR Public Notification requirements for disturbance of an LSL, potential LSL, or unknown material SL (e.g resulting from service replacements). Provide required pitcher filters and replacement filters to customer (assume \$50 per customer for supplies & up to 50 customers)
Total recommended budget	\$187,000	

Notes:

- *Budget is for planning purposes only, as regulation is subject to change. The Inventory item may require more than what is noted, but the sampling requirements might be deferred under the LCRI. We still recommend the total overall budget of at least \$187,000, with possible reallocation between tasks as regulations dictate.
- Replacement of any lead or GRR pipes inventoried is not budgeted for FY25 but should be budgeted to begin in FY26.

We hope this information is of assistance to the Town. If you have any questions regarding it, please feel free to contact me by e-mail at kryan@kleinfelder.com or call me at (617) 498-4778.

Sincerely,

KLEINFELDER



Kirsten Ryan
Sr. Project Manager

cc: File