

PUBLIC HEARING ON FY2008 WATER AND SEWER RATES
(CONTINUED FROM 7 MAY 2007)

Appropriations Committee

Chairman Brodeur, Tramontozzi,
Boisselle, Conn, Forbes, Heavey,
Infurna, Seaboyer, Wright, Mortimer
Absent: Buonopane

Appropriations called to order by Chairman Brodeur at 8:08 p.m.: continuation of the public hearing on Fiscal Year 2008 water and sewer rates.

Order No. 07-179, Amending Melrose Revised Ordinances, Chapter 228, Article II, Section 228-15 (Water Rates Established) by deleting: after the words Residential rate "\$4.15" and insert in place thereof "\$4.70"; delete after the words Commercial rate "\$5.20" and insert in place thereof "\$5.75"; further delete "effective July 1, 2006" respectively and insert in place thereof "effective July 1, 2007" respectively.

Order No. 07-180 Amending Melrose Revised Ordinances, Chapter 228, Article IV, Section 228-30 (Sewer Rates Established) by deleting the words "rate of \$7.10" and insert in place thereof the words "rate of \$7.80"; further delete after the words rendered as of "July 1, 2006" and insert in place thereof "July 1, 2007".

Chairman Brodeur says the final MWRA assessment will not be available until after July 1. Chairman Brodeur opens the floor for public comment.

Susan Burke, 108 Sylvan Street, says she read about the water and sewer rates in the newspaper a few weeks ago. She is surprised not to see more about it. Lots of people don't even know that the Aldermen are setting new rates. It sounds like it will be a steep increase and there was an increase just last year. It will be tough for her.

No one else comes forward.

Chairman Brodeur says that the MWRA's capital debt drives up the rates. The state legislature is sometime generous in the amount of debt service relief it appropriates, but sometimes not.

Chairman Brodeur closes the public participation part of the public hearing.

Alderman Conn says that Ms. Burke's comment is a testament that nobody listens to the Aldermen. He says he rails about the rates every chance he gets. It goes on every year and the City has to increase rates every year because the MWRA's assessment to the City increases every year. At the beginning of the year the Aldermen had the Chairman of the MWRA in to explain the assessment. The MWRA borrowed an obscene amount of money for several years and it now has a huge debt. Fifty-seven communities now have to pay that debt. The fix is really at the state level, but Melrose and the other communities will see an increase every year. It is alarming that there is not much response from the public.

Alderman Wright says if the Board of Aldermen does not approve the increase in rates the state will charge the City and take it out of state aid. No matter what the aldermen

do this evening, the amount of money the MWRA wants will be taken from the City. The assessment falls at the state's feet. The MWRA determines what each community has to pay, and Melrose has to pony up the money. The Board of Aldermen has let the state know how Melrose feels about it. The MWRA has been before the Board along with the state delegation, and Alderman Seaboyer represents the City at the MWRA meetings. It's up to them to listen.

Alderman Seaboyer says the MWRA communities are victim to the state's decisions. Every community has a different rate. Melrose is fortunate that this year's increase is less than last year's, but it is still an increase. The MWRA has taken measures to decrease rates this year but it has not gone far enough. There will always be an increase because its costs always increase. The state legislature has not passed its FY08 budget and therefore the MWRA cannot pass its budget. He hopes the Aldermen are able to finalize the rates by the end of June but he thinks it is more likely that they will be finalized at the end of July. The rates before them this evening are the projected rates based on the MWRA's current assessment.

Chairman Brodeur says the Aldermen need to pass the rates to allow the water and sewer departments to operate and expend funds. The board can choose to continue to bill using the current rates. If an amended rate is voted on after July 1, it will be necessary to make it retroactive to July 1 so the budget doesn't run in a deficit. Bills won't be sent out until the end of the quarter.

Alderman Conn motions to continue the public hearing to July 16, 2007 at 8:00p.m., 2nd by Alderman Boisselle. All in favor.

Chairman Brodeur says communicating to the state representative and senators is very important. They listen. That's how debt service relief started.

Alderman Infurna motions to adjourn, 2nd by Alderman Boisselle. All in favor.

Appropriations adjourns at 8:27 p.m.

Maribeth Harrington
Clerk of Committees