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FAIRHAVEN BUDGET WORKING GROUP

MEETING MINUTES

October 6, 2026

Meeting Location: BPW Meeting Room, 5 Arsene Street, Fairhaven, MA

Call to Order and Attendance

The meeting was called to order by Mr. Ken Blanchard at 6:00 p.m. Attendance was taken by roll call and noted below:

Voting Members in Attendance:
Robert Baldwin, Kenneth Blanchard, Kevin Gallagher, Gunnar Hexum, Jason Lanagan, Mark Rees

Voting Members Absent: Daniel Lopes

Non-Voting Members in Attendance:
Keith Hickey (remotely), Richard Trapilo

Guest: Anne Carreiro – Assistant Town Administrator of Finance / Town Accountant, Vincent Furtado – Director of Public Works

The Pledge of Allegiance was recited by all in attendance.

Media Notification: The established media notification was read by Mr. Blanchard.

New Business:

1. Approval of Previous Meeting Minutes

The Budget Working Group reviewed the minutes of the September 22, 2026 meeting.

Action: The September 22, 2026 minutes were approved unanimously.

2. Statement by The Chair: Chairman Kenneth Blanchard read a statement into the record relative to the topic of tonight's discussion on Fairhaven's Wastewater Treatment Plant. The statement is attached to these minutes.

3. Fairhaven Wastewater Plant Privatization Feasibility Discussion with Public Works Director Vincent Furtado:

The Budget Working Group discussed investigating the feasibility of privatizing the Fairhaven Wastewater Treatment Plant operation and maintenance. The chair emphasized that the group's purpose is to evaluate alternatives for operating the new wastewater facility responsibly and efficiently, without criticizing current operations or personnel. The working group aims to determine whether private operation could provide better value for taxpayers compared to municipal operations, while acknowledging that either approach could be appropriate depending on the facts.

Nitrogen Upgrade Project Budget

Mr. Furtado explained the nitrogen upgrade project, detailing how the EPA's focus shifted from removing suspended solids to nitrogen removal due to algae growth and oxygen depletion in the New Bedford Inner Harbor. He outlined the $70 million upgrade, including $11.6 million in loan forgiveness, with Mattapoisett's share being approximately $9 million at 0% interest over 30 years.

The repayment schedule was set up with quarterly billing starting in January, and Mr. Furtado noted that while the town couldn't avoid the upgrade, they worked to make it as cost-effective as possible.

Wastewater Treatment Outsourcing Discussion

The discussion focused on wastewater treatment plant operations and the decision to outsource rather than operate municipally. Mr. Furtado explained that New Bedford's experience with outsourcing to Veolia demonstrated challenges with staffing requirements and residency restrictions, though the contractor model provides more predictable costs and compliance. The conversation covered technical details about nitrogen removal processes and regulatory requirements, with emphasis on how contract operators handle permit compliance and chemical management.

Wastewater Plant Privatization Discussion

The discussion centered on whether to privatize or maintain municipal operation of the new wastewater treatment plant and existing treatment facilities. While Mr. Furtado argued that municipal operation would be more cost-effective as a not-for-profit entity, Mr. Langevin and Mr. Trapilo suggested exploring private options through a study or request for proposals (RFP) to compare costs over a 10-year period. The group acknowledged that while municipal operations might be cheaper in the short term, private contractors could potentially offer more stability and expertise if key staff members were to leave in the future. The conversation highlighted the need for the Board of Public Works to consider this option as part of their purview. Mr. Furtado expressed a willingness to bring this item to the attention of the Board of Public Works at their next scheduled meeting.

Wastewater System Outsourcing Discussion

The group discussed the potential outsourcing of Fairhaven's wastewater system, with Mr. Hickey expressing concerns about the Board of Public Works' willingness to consider outsourcing if it proves less expensive over a 10-year period. Mr. Hickey further noted that previous bid processes were not completed after going through the RFP process, which discouraged potential bidders. The discussion highlighted the need to balance cost considerations with the impact on current wastewater employees, with Budget emphasizing the importance of examining all options to mitigate projected deficits and potential layoffs across the board. The group agreed to explore cost-based analysis without immediately proceeding with an RFP, and to research why other municipalities outsourced their wastewater systems.

Budget Analysis and Transparency Discussion

The group discussed the need for a transparent and comprehensive comparison of budget information, with Mr. Furtado agreeing to respond to future questions electronically. The discussion focused on analyzing the general ledger, employee positions, and indirect costs to better understand operational efficiency before considering any privatization options. Mr. Furtado emphasized that the problem lies in the general fund rather than the water and sewer enterprise funds, which are meeting their obligations.

Additional Wastewater Treatment Privatization Discussion

The Budget Working Group further discussed wastewater treatment and potential cost savings through privatization. The group debated whether savings in the sewer fund would benefit ratepayers or negatively impact the general fund. A motion was made, and seconded, to ask the Board of Public Works to conduct a transparent cost-based analysis comparing in-house operations with potential privatization options. Voting in favor: Mark Rees, Kenneth Blanchard, Kevin Gallagher, Gunnar Hexum, Jason Lanagan. Voting in opposition: Robert Baldwin.

At the conclusion of the discussion members of the Budget Working Group thanked Mr. Furtado for his informative presentation, frank comments, and continued professionalism.

Next Meeting Topic

Members discussed topics for the next meeting of the Budget Working Group. The group decided to discuss economic development initiatives, including potential hiring of an economic development director and exploring new growth opportunities.

Public Comment: No member of the public utilizing the on-line platform indicated an interest in offering comment. Resident Robert Ginrod, in attendance, briefly addressed the Budget Working Group.

Committee Member Items

Next Meeting: Tuesday, October 20, 2026, at the BPW Meeting Room beginning at 6:00PM

Adjournment

The Chair inquired as to any further business. Seeing none, the meeting was adjourned.

Respectfully submitted: Kevin A. Gallagher, Clerk

Addendum:

Wastewater Treatment Plant

Budget Working Group Discussion with BPW

October 6, 2026

Opening Remarks

Before we begin, I want to make the purpose of today's meeting perfectly clear.

The Budget Working Group is made up of concerned Fairhaven taxpayers who have volunteered something that is increasingly difficult to find—our time. None of us would be here if we did not genuinely care about the financial future of Fairhaven and the preservation of the services our residents depend upon.

The voters have spoken clearly on two recent occasions that there is **little appetite for Proposition 2½ overrides**. To me, that sends an important message: **before asking taxpayers for more money, we have an obligation to determine whether we are operating as efficiently and responsibly as possible with the money we already have.**

That is the fundamental reason this Working Group exists.

Our responsibility is not to criticize department heads, employees, boards, or committees. We are not here to question anyone's commitment, professionalism, or leadership. Quite the opposite. We want to work collaboratively with the people who know these operations best.

Our approach is simple:

Understand the operation. Understand the costs. Identify the facts. Examine alternatives. And determine whether there are opportunities to save money without sacrificing the quality, reliability, or safety of essential services.

If the facts demonstrate that an alternative does not make financial or operational sense, then we should say so and move on.

But if the facts demonstrate that there is an opportunity to reduce costs, improve efficiency, transfer operational risk, or provide taxpayers with better long-term value, then that opportunity should be presented to the appropriate authority for consideration.

Why We Are Here Today

The wastewater treatment plant deserves particular attention because Fairhaven is making a **major long-term investment in a new wastewater facility**.

That makes this an important decision point.

We are not simply looking at how Fairhaven operates today's system. We are looking ahead at what it will cost to operate and maintain a new, modern, nitrogen-compliant facility for decades to come.

The question before us is not:

"Is BPW operating the wastewater system properly?"

The question is:

"What is the most financially responsible and operationally effective way for Fairhaven to operate and maintain this major new municipal asset?"

One option may be continued municipal operation.

Another option may be contracting some or all operations and maintenance to a qualified private wastewater management company, while **Fairhaven retains ownership, regulatory authority, policy control, and appropriate oversight.**

We are not here today to advocate that outsourcing is necessarily the answer.

We are here to determine whether it is an option that deserves a serious, fact-based evaluation.

That distinction is important.

If a qualified private operator could provide the same or better level of service at a lower long-term cost, reduce certain operational risks, provide specialized expertise, or make staffing more flexible, taxpayers deserve to know that.

Conversely, if municipal operation is demonstrably the better financial and operational choice, taxpayers deserve to know that as well.

Either conclusion is valuable. What we cannot afford is to make a major long-term decision without examining the alternatives.

And because the new facility is coming online, this may be one of the best opportunities Fairhaven will have to conduct that evaluation before establishing decades of operating practices and costs.

Vinnie, Thank You

Vinnie, on behalf of the entire Budget Working Group, I want to acknowledge your expertise and your commitment to Fairhaven's wastewater operation.

You have institutional knowledge that cannot simply be found in a spreadsheet, and we respect the experience you bring to this discussion.

We also hope that today's conversation demonstrates to future department heads and boards exactly what this Working Group is intended to do: **ask difficult financial questions respectfully, listen to the people who know the operation, and let the facts guide the conclusion.**