



CliftonLarsonAllen LLP
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To: Brian Howard, Town Manager
From: Hannah York
Date: September 23, 2026
Re: MWRA Project Funding and Reconciliation

I have reviewed Neil's memo and can confirm that the MUNIS transactions did occur in fiscal year 2022, as stated. Furthermore, the expenditures charged to the MWRA account are not allowable uses of the grant or loan funds, so this error must be corrected. In order to make the grant/loan accounts whole, the Town must appropriate from another enterprise source; such as operating funds or stabilization funds.

Hannah York, CPA
Principal, CLA



TOWN OF RANDOLPH
INC. 1793

TOWN OF RANDOLPH DEPARTMENT OF PUBLIC WORKS

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TO: Brian Howard, Town Manager
FROM: Neil McCole, DPW Superintendent
DATE: September 22, 2026
SUBJECT: MWRA Project Funding and Reconciliation

In January of 2020, the MWRA awarded the Town of Randolph \$1,076,258.00 through project number WRA-P11-27-3-1139. This project is for Sewer Infiltration and Inflow (I&I) design and construction. The award was broken into a 75% grant of \$807,193.50 and a 25% loan of \$269,064.50. The funds were wired into the Town's MMDT account and are considered cash on hand, not a reimbursable award. The monies were slated for use on the rehabilitation of the Martindale Pump Station. While only a small amount of these funds were utilized for that project, it has since been completed. In order to use the balance for a different project, the Town must provide a reconciliation to MWRA of funds spent and the balance available.

While researching the information needed, I discovered that in April of 2022, a clerical error was made when the monthly MWRA Sewer Assessment of \$683,062.20 was mistakenly charged to the WRA-P11-27-3-1139 project in MUNIS as follows:

MUNIS Org: 22450044 Object: 580000 Total: \$512,296.65 (75% Grant)

MUNIS Org: 33450308 Object: 580000 Total: \$170,765.55 (25% Loan)

The Sewer Assessment is paid in monthly installments over 10 months of the Fiscal Year. It should have been charged to the Sewer Enterprise Fund MWRA Assessment line in the FY2022 budget in MUNIS as follows:

MUNIS Org: 63450002 Object: 569200 Total: \$683,062.20

At the end of the FY2022 Fiscal Year, the Sewer Enterprise Budget was dramatically under budget due to this clerical error. Only 9 of the 10 months were charged to Sewer Enterprise Fund MWRA Assessment line. The unspent funds were transferred to Enterprise Fund Retained Earnings.

On April 3, 2023, via Council Order 2023-019, the \$683,062.20 was included in a transfer from Retained Earnings to the Water Treatment Stabilization Fund. Unfortunately, as the sewer assessment is not an eligible use of the MWRA funds, the

Town must transfer these funds back to the grant/loan to make it whole. I am requesting that they be transferred out of Stabilization and back into MWRA Grant and Loan funds, as outlined above.

Since my arrival to Randolph in 2024, the DPW has launched a new approach to sewer system analysis, maintenance, and repairs. The most notable impact is the purchase of a Sewer Camera Truck to bring the sewer main CCTV process in house to identify repairs ahead of road paving. The time has come to take the sewer evaluation to the next level.

The DPW is contracting with Duke's Root, a national sewer main company with 75 years of experience in analyzing sewer systems. Duke's will be using the latest technology with their Sewer Line Rapid Assessment Tools (SL-RAT) to perform an Acoustic Pipeline Monitoring assessment to review existing conditions of the sewer mains throughout Town. Results will be mapped in a GIS tool and reported via their dashboard software. Identified areas of concerns will be scheduled for DPW camera inspections to determine any maintenance and repairs as next steps. The SL-RAT process is planned for Fall/Winter 2026.

Duke's will also be contracted for a Spring 2027 project for Sewer Infiltration and Inflow MicroDetection. Again, using the latest technology in the field and online, a GIS map will be created identifying areas that the DPW can further investigate with the Sewer Camera Truck. BETA Engineering group has already completed the pre-work needed to focus on the areas of the sewer system most likely to be experiencing I&I. Repairing I&I locations is an important step in controlling costs of unnecessary sewer metering on water that does not require treatment (i.e. ground water or treated water from water breaks/seepage). The annual MWRA Sewer Assessment is based on the three-year average flow from the Town's sewer system. The FY2027 Annual MWRA Assessment is \$7.7 million.

The two Duke's projects mentioned above are eligible as MWRA projects. The existing funds from the MWRA project WRA-P11-27-3-1139 will be expended on these important sewer projects. Any additional funds from WRA-P11-27-1139 will be used on physical repairs such as sewer main lining, root control treatments, and pipe replacement. The first step is authorizing the transfer of the \$683,062.20 out of the Water/Sewer Stabilization Fund and back into the two MWRA Accounts, the grant and loan accordingly. Once that is done, I can work with the MWRA to reconcile the accounts and repurpose the available funds on hand for the Duke's projects.

Please let me know if you have any questions. Thank You!

Council Order: 2023-019

**Introduced by: Town Manager Brian Howard
April 3, 2023**

Transfer of Water/Sewer Retained Earnings to Water Treatment Stabilization Fund

To see if the Randolph Town Council will vote to transfer \$3,313,150 from the retained earnings of the Town's Water/Sewer Enterprise Fund into the Water Treatment Stabilization Fund.

Explanation: The Water Treatment Stabilization Fund is intended to help defray the increase in fees that will be necessary to fund the new Tri-Town Water Treatment Facility currently under construction. Prior to this allocation, the fund has a balance of \$8,373,663.

4/3/2023: Motion to approve Council Order 2023-019 as presented made by Councillor Clerger, seconded by Councillor O'Connell.

Roll Call Vote: 8-0-0 (Absent: Egan)

Motion Passes.

Yays: C. Alexopoulos, W. Alexopoulos, Brewer, Burgess, Clerger, Gordon, Huff-Larmond, O'Connell

Date of Vote: 4/3/2023


Cheryl D. Sass
Town Clerk & Registrar

