

**Minutes of the January 18, 2018 Meeting of the
Southeastern Connecticut Water Authority
Representative Advisory Board (RAB)
Public Hearing & RAB Quarterly Meeting
Groton Public Library
52 Newtown Rd, Groton, CT 06340**

1. Public Hearing Opened

At 7:00 p.m., Dennison Allen, Chairman of the Representative Advisory Board opened the public hearing on Southeastern Connecticut Water Authority's (SCWA) proposed amendment of the current SCWA rate schedule, specifically to add a line item for fees for customers with 4" meters.

The following Representative Advisory Board members and Authority members were present:

Representative Advisory Board (RAB) Members: Steven Coit and Jim Bonanno, **Bozrah**; Carol Russell, **East Lyme**; Martin Artale Jr., **Groton (City)**; Dean Antipas and Mary Lou Smith, **Groton (Town)**; Timothy Norris, **Ledyard**; Anthony Siragusa, **Montville**; Barry Weiner, **New London**; Robert Shabunia, **North Stonington**; Rodney Bowie, **Norwich**; James Fogarty and George Jackson, **Salem**; Chairman Dennison Allen and Jack Malone, **Sprague**; Jeffrey Callahan and Michael Adair, **Stonington Borough**; Jim Thevenet, **Voluntown**.

Authority Members present: Chairman Edward Monahan, Harry Watson, Paul Eccard, Peter Balestracci, Barbara Lee Franciosi, Michael O'Connor, and Nicholas Mullane.

Authority Staff present: General Manager Josh Cansler

2. Outline Of The Public Record And Materials For Public Review

Mr. Cansler outlined the public record of the proposed rate increase, as follows:

- At their November 2017 meeting the Authority discussed the idea of adding a 4" meter line item to the rate structure after inquiries were made by SCWA customers. Currently the SCWA rate schedule only has fees for 3" meters and smaller. General Manager Cansler stated that adding a 4" meter line item to the rate structure will give any other existing, or future customers, the opportunity to install a 4" meter. At that same meeting the Authority voted to recommend, to the Representative Advisory Board (RAB), a proposed amendment of the current SCWA rate schedule, to add a line item for fees for customers with 4" meters. The Authority noted that per RAB Bylaws the Authority could only approve the proposed amendment to the rate schedule after the RAB holds a Public Hearing, and the RAB has the opportunity to provide comment.
- On December 19, 2017, Authority Chairman Monahan formally notified RAB Chairman Dennison Allen of the proposed rate schedule modification, with a copy sent to RAB Vice-Chair Dean Antipas.
- On January 8, 2018, SCWA advised the members of the Representative Advisory Board of the proposed rate schedule modification.

- On January 8, 2018, the region’s municipal clerks were notified of the January 18, 2018 public hearing. The public notice was also posted at SCWA’s office in the customer contact area.
- The January 8, 2018 edition of The Day included a “Public Notice” as follows:

PUBLIC NOTICE

The Representative Advisory Board to Southeastern Connecticut Water Authority (SCWA) announces a public hearing on SCWA’s proposed amendment in its water service rates and fees to add a line item for 4” meters, to be effective on March 1, 2018. The public hearing is at 7 p.m. on January 18, 2018, at the Groton Public Library, 52 Newtown Road, Groton, CT.

- General Manager Cansler stated that there would not be any impact to any of the SCWA customers by this proposed modification, unless they chose to switch to a 4” meter.

Printed materials were presented by the SCWA General Manager, and made available for public review at the public hearing, as follows:

- SCWA Memorandum to the Representative Advisory Board Chairman, dated December 19, 2017
- Proposed New Rate Schedule with modification

3. Public Comment Period – There were no comments from the public, or the RAB members present.

4. Public Hearing Closed

Chairman Allen closed the Public Hearing at 7:05 pm.

5. Call to Order and Roll Call – Quarterly Meeting of the SCWA Representative Advisory Board

Chairman Allen called the meeting to order at approximately 7:06 pm, immediately after the Public Hearing. Based on the fact that a majority of members were present (18 of 25), and/or a majority of the municipalities with appointed representatives were represented (13 of 15), this meeting met the requirements for a quorum, according to the bylaws.

6. Public Comment - None.

7. Approval of Prior Minutes

On a motion of Mr. Thevenet, seconded by Mr. Callahan, the minutes of the October 19, 2017 meeting were unanimously approved, as distributed.

8. Report by the Authority Chairman

Dr. Monahan presented the Authority report, with highlights as follows:

I. Administrative Activities

A. Claim by Raspberry Junction Holding, LLC vs SCWA

Raspberry Junction LLC, owners of the Bellissimo Grande Hotel in North Stonington, filed a legal claim against SCWA for losses incurred during the water outage that resulted from the rupture of a pressure tank in 2015. This claim was forwarded to our insurance company at the time, Gladfelter Insurance. They hired the law firm of Tang & Maravelis, P.C. in New London to handle the case.

Although Gladfelter, working with SCWA, has proposed settlements on two occasions, Raspberry Junction has not agreed to either proposal. With the assistance of Attorney Nick Kepple, SCWA is currently acting to secure the legal assistance which may be needed to represent SCWA's interests in any court proceedings.

Mr. Norris asked what was driving the lawsuit from Raspberry Junction's perspective. Dr. Monahan responded that they were driven by their perceived loss of income after the tank rupture left the customers of North Stonington without water for several hours, and on a boil water notice for several days. Mr. Antipas stated that he had reviewed the case documents online and wanted to point out that this case had already gone to court, and SCWA was found not liable. However Raspberry Junction had chosen to appeal.

B. DPH Safe Drinking Water Primacy Assessment Fee

(Attachment #1 – DPH DWS Circular Letter #2017-14 and CWWA Summary Sheet)

Included in the last State Budget is a new Safe Drinking Water Primacy Assessment to support the State Department of Health (DPH). Starting in FY 2019 DPH will assess each water utility, or company, a fee based on the number of customers served. The fees vary from \$125 for systems with less than 50 connections, to \$4 per connection for larger systems. The statute states that the assessment may be collected from each customer, and may be included as a separate item on every bill. The statute also states that the assessment can be adopted in rates without requiring approval through the usual rate revision process. In November the Authority agreed to add the primacy assessment fees to the customer bills starting with the July 2018 billing cycle. There is no motion required because the Authority is bound by the timeline and requirements of the State Statute.

II. Operational Activities

A. Emergency Interconnections with Ledyard/Groton Utilities

In October SCWA signed an agreement with Groton Utilities to install emergency water main interconnections between all five SCWA Ledyard divisions, and the Ledyard WPCA system. These projects will be fully funded by Groton Utilities in conjunction with a \$15 million DPH DWSRF (Drinking Water State Revolving Fund) funding package they received to assist with financing the upgrade of the Groton Water Purification Plant. SCWA is working with Groton Utilities on the design and engineering of the emergency interconnections, which are expected to be installed next year.

B. DWSRF Emergency Generator Program

Through the DPH Drinking Water State Revolving Fund (DWSRF) program, SCWA received approval for three emergency generator projects. This program provides a 45% grant for new generators, a 25% grant for replacement of old generators, and no interest loans for the remaining costs. The three projects, at the Tower, Montville, and Chesterfield pump stations, were awarded to two separate contractors in June 2017, following a public bidding process.

The Montville Generator Project was completed in mid-November, and the Tower Division Generator was completed in mid-December. The Chesterfield Generator Project was delayed because the contractor, and SCWA, encountered difficulty getting Eversource to install a new regulator valve, which was required before the new generator could be connected. That project was finally completed on Jan 8, 2018.

C. Town of North Stonington - New Center for Emergency Services/Water Main Extension

The Town of North Stonington is constructing a new Center for Emergency Services, which also involved extending the North Stonington water distribution system 1500 feet. The water main extension is now complete. SCWA continues to work with the construction contractors on the new Emergency Services Center water system, as needed.

D. Thames Aquatic Center –Ledyard

SCWA continues to work with the Town of Ledyard regarding support of the proposed Thames Aquatic Center project, as well as the proposed extension of Fairway Drive in Ledyard; both of which are in the SCWA Exclusive Service Area. Although SCWA proposed alternatives to provide water from our Ledyard Center system, DPH granted approval of a well for the Aquatic Center, with the stipulation that they connect to the water main on Fairway Drive extension once it is installed, and that the Aquatic Center use SCWA for all required testing and monitoring of the well. Although the Town has assured SCWA that the project is still a go, there has not been any signs of construction, or well drilling, to date. Dr. Monahan added that he and the General Manager spent many hours last year meeting with the Town of Ledyard to discuss supporting the Thames Aquatic Center with water. He said that he has discussed the Aquatic Center with Ledyard Board members and staff on several occasions, and that no one seemed certain as the current status of the project.

III. Planning Activities

A. Update on Miller's Pond

Several months ago the Schacht family, on behalf of Miller's Pond LLC, presented a memo to SCWA which included ideas and concepts for SCWA to assist the Miller's Pond LLC with moving forward on the excavation permitting process, and operation of Miller's Pond as a regional wholesale water supply. The Authority agreed as a whole that any funds expended on a joint venture, and on excavating and/or developing Miller's Pond, would have to come from revenues from the pond, or outside sources such as state or federal grants. The Authority is currently awaiting completion of the legal review. Dr. Monahan stated that the profits to pay for future water operations, if any, were expected to come from revenue generated by excavation and sale of the gravel/rock in the pond.

B. DWSRF Call for Projects

In April 2017, SCWA submitted application packages and concept designs for three projects under the State DPH Drinking Water State Revolving Fund (DWSRF). This program provides low-interest loans, with the potential for subsidization, for eligible projects in the form of principal forgiveness. In December SCWA was notified that there is sufficient DWSRF funding available for all three of our projects. The three projects are:

- Renovation of Tower Division Pump Station in Ledyard.
- Interconnection between Montville Manor and Seven Oaks systems.
- Expansion of the Ledyard system along proposed Fairway Drive extension.

SCWA is currently working on the DPH Financial Assistance Application, which is required to move these projects forward. This includes initial details of the project such as the preliminary engineering report, initiation of environmental assessment, and additional financial information.

C. Water Supply Plan

Per the terms of the September 2015 Consent Agreement with DPH, SCWA was required to submit an updated Water Supply Plan to DPH no later than January 1, 2018. After soliciting bids from several engineering firms, the Authority selected Lenard Engineering to prepare the Water Supply Plan for SCWA. The final Water Supply Plan was reviewed and completed in mid-December, and three copies of the plan were hand-delivered to DPH on December 21, 2017. Upon delivery we were informed that due to staffing shortages it may be a while before the plan is reviewed.

D. State Water Plan and Water Utility Coordinating Committees (WUCC)

Pursuant to Public Act 14-163, a State Water Plan for the management of water resources in the State of Connecticut is required to be presented by the State Water Planning Council (WPC), to the General Assembly by January 1, 2018. The 120-day public review of the Draft State Water Plan was completed in November 2017. The Eastern Connecticut WUCC officially convened in June 2016. WUCC member meetings are held every second Wednesday of the month, and are open to the public.

E. SCWA Interaction with SCCOG and AWWA

SCWA and the SCCOG continue to interact cooperatively. To this end, Chairman Monahan routinely attends the regular monthly SCCOG meetings, and frequently the SCCOG Regional Water Committee meetings as well. The General Manager participates on the SCCOG Regional Water Committee's Technical Advisory Subcommittee (TAS).

The General Manager represents SCWA as a member of the Connecticut Water Planning Council Advisory Group (WPCAG), which meets monthly; and as a member of the Connecticut Water Works Association (CWWA) Legislative Affairs Committee, which meets monthly between November and June.

9. Report by the Chairman of the Representative Advisory Board - None

10. Appointment Committee Report

Appointment Committee Chair, Jeffrey Callahan stated that there were two items regarding appointments by the Representative Advisory Board (RAB). First the members need to appoint officers to serve as RAB Chair, Vice-Chair, and Secretary. The second thing they needed to address was the appointment of a new member to the Authority.

11. Election of Representative Advisory Board Officers

Mr. Callahan stated that RAB Chairman Dennison Allen and Vice-Chairman Dean Antipas had graciously offered to each serve another year in their respective positions, but that both were receptive to allowing other members to serve as Chair or Vice-Chair since they had already both served for several years in their respective positions. Mr. Callahan asked if there was anyone willing to serve in either position. Mr. George Jackson said he would be willing to serve as either Chairman or Vice-Chairman. As there were no other volunteers, or nominations, Mr. Callahan made a motion, seconded by Mr. Fogarty, for Mr. Jackson serve as Chairman and Mr. Antipas as Vice-Chairman. His motion was approved unanimously by the members present.

Mr. Callahan asked if there was anyone interested in serving as the RAB Secretary. General Manger Cansler has been serving as the Secretary Pro Tem for the past three years, in the absence of any volunteers. Since no one immediately expressed a desire to serve as Secretary, Mr. Callahan recommended that they postpone a vote for RAB secretary until the next quarterly meeting.

12. Authority Appointment

Mr. Callahan reported that the 5-year term Authority term for Mr. Michael O'Connor had expired, and due to increased responsibility at work, Mr. O'Connor felt it would be best not to continue for another 5-year term on the Authority at this time. Mr. Callahan stated that he had sought out nominations to replace Mr. O'Connor, and that he had one candidate to nominate; Ms. Claudia Koerting. He introduced Ms. Koerting, and read a quick bio of her background.

Mr. Weiner, made a motion to close nominations. His motion, seconded by Mr. Norris, was approved. Mr. Callahan then made a motion to appoint Ms. Claudia Koerting to serve as an Authority member, for a 5-year term. This motion, seconded by Mr. Jackson, was unanimously approved by the Representative Advisory Board.

13. Representative Advisory Board Member Reports - None

14. New Business - None

15. Adjourn

On motion of Mr. Jackson, seconded by Mr. Norris, the meeting adjourned at approx. 7:42 p.m.

Josh Cansler, Secretary
Southeastern Connecticut Water Authority