

**Draft Minutes of the October 19, 2020 Water Authority Meeting  
Southeastern Connecticut Water Authority  
1649 Route 12, Gales Ferry, CT**

*Due to the COVID-19 pandemic this meeting was held virtually using public meeting guidelines established by the Governor to limit the spread and impact of the virus. Members attended via the Zoom app, either by calling in, or logging in through their computer.*

**Present**

**Authority:** Chairman Edward Monahan, Vice-Chairman Harry Watson, Treasurer Paul Eccard, Barbara Lee Franciosi, Claudia Koerting, Peter Balestracci, and Nicholas Mullane.

**Authority Staff:** General Manager Josh Cansler

**Call to Order**

Chairman Monahan called the meeting to order at 5:15 p.m.

**Public Comment on any Item on the Agenda** – None

**Approval of Prior Minutes**

On a motion of Mr. Eccard, seconded by Mr. Mullane, the Authority approved the minutes of the September 14, 2020 Water Authority Meeting, by a unanimous vote of all members present.

On a motion of Mr. Eccard, seconded by Mr. Balestracci, the Authority approved the minutes of the October 1, 2020 Special Water Authority Meeting, by a unanimous vote of all members present.

**Correspondence** – None

**General Manager's Report**

**1. Bond Anticipation Note (BAN)**

At the December 2019 meeting the Authority approved a Bond Resolution for refinancing of the 2007 bond, to allow for capital funds to complete some key projects, such as Tower Division upgrade and well, interconnection of Seven Oaks and Montville Manor, and replacement of some hydro-pneumatic tanks.

After several months delay, due to the COVID pandemic, SCWA met with representatives from the State Treasury, DPH, and OPM to discuss the refinancing. During this meeting, which was held via Zoom, SCWA was informed that extending the 2007 Bond was not really an option because the proposed refinancing would extend the bond beyond the useful life of the projects constructed with that 2007 Bond. The Treasury representatives also stated we could not use the Bond in conjunction with DWSRF projects. DPH has offered a 25% subsidy with a 75% loan on the Tower Division Upgrade (estimated project cost \$800,000), and a 50/50 subsidy/loan for the Seven Oaks to Montville Manor Interconnection project (estimated project cost \$435,000). As a result our Bond Counsel suggested issuing Bond Anticipation Notes (BAN), possibly in conjunction with the DWSRF funding.

At the September meeting the Authority voted to move forward with the issuance of a series of one-year Bond Anticipation Notes for a series of small capital projects over the next 2-3 years, at which point the Bond Anticipation Notes will be rolled into a new bond. Last month SCWA sent out Requests for Proposal (RFP) to various area banks and financial institutions requesting bids for issuance of a BAN. The Authority received one proposal, from Chelsea Groton Bank, for issuance of a Note for \$175,000, at an interest rate of 2%. At a Special Meeting on October 1<sup>st</sup> the Authority voted to accept Chelsea Groton's bid. Mr. Cansler stated that the Closing occurred on October 15<sup>th</sup>, and they had received the money the same day, minus the Bond Counsel fees.

## **2. SCWA Operations during the COVID-19/Coronavirus Pandemic**

SCWA staff are continuing to work a full schedule with social-distancing measures and sanitation procedures in place. General Manager Cansler stated that as of today (October 19<sup>th</sup>), none of the staff at SCWA have been infected by the virus. Because of safety concerns, and the Governor's ban on in-person public meetings, the scheduled Authority and RAB meetings are being conducted virtually until further notice. In addition, DPH is still conducting weekly webinar meetings via computer, which the General Manager has been attending.

## **3. Installation of Pressure Reducing Valve (PRV) between Ledyard Division and Gray Farms Division**

In August and September SCWA installed a Pressure Reducing Valve (PRV) along the interconnection between the Ledyard Division and the Gray Farms Division. The interconnection was installed by Groton Utilities last year as part of project to install emergency water main interconnections between all five SCWA Ledyard divisions, and the Ledyard WPCA system. This PRV will allow SCWA to bypass the Gray Farms pump station by using water from the Ledyard Division, which is currently operating at only about 20% of its capacity. The Gray Farms Division needs a complete upgrade of several equipment systems, to include the hydro-pneumatic pressure tank.

Testing of the interconnection and PRV was successfully conducted on September 11<sup>th</sup>. Mr. Cansler stated that SCWA is currently awaiting approval from DPH to turn the interconnection on, and close-down the Gray Farms pump station. He stated that DPH has had the application for 8 weeks, and that he has been pressuring them to approve the application because there are several immediate repairs needed at Gray Farms and it doesn't make sense to invest money in a pumphouse that will be abandoned.

## **4. Tower Division - Well #3**

General Manager Cansler stated that they are planning to replace the main leading from the pump station to the main distribution line starting in November. He said this will be a two phase project. The first phase will take about 7-10 days and will require a one day water outage, followed by a boil water notice which will last about 24 hours. The second phase will be completed in the spring.

Mr. Cansler said that although a lot of time and effort has gone into replacing Well #3, which failed in 2018, he and the Foreman are debating whether SCWA might be better off putting money into a storage tank on-site versus the well. He said he had two reasons for considering the switch in priorities. First, the temporary pump that was placed in Well #3 after it failed is still producing 100 gpm, and the Tower System has now made it through three summers at the current capacity. Second, the cost to replace Well #3 is much higher than originally anticipated. The original engineering estimate was approximately \$40,000. Unfortunately the two proposals received were for \$130,000 (to replace at the original capacity), and \$70,000 (to replace at 70-80% of the original capacity).

Mr. Cansler stated that if SCWA went ahead and built a 200,000 gallon storage tank, which will be required with any future upgrades anyway, the capacity of the wells as they are now is adequate. Mr. Eccard asked if DPH would approve of a tank. Mr. Cansler stated that DPH has been insistent that all water systems have at least one day's capacity storage. Tower Division currently only has 10% of a day's storage, so he thinks that DPH will enthusiastically support it. Ms. Franciosi asked if the tank would be an eyesore in the neighborhood. Mr. Cansler stated that the tank would only would be visible from the playground next door. It would not be a water tank on a tower.

#### **5. Green Village II - Salem**

In July SCWA was approached by a developer who is planning to construct a 48 unit, 55+ Community complex at 470 Norwich Road in Salem. It will be called Green Village II. Because Salem is in the SCWA ESA (Exclusive Service Area) the State DPH directed that SCWA own/operate the pumphouse and water distribution system once completed. The developer plans to complete the complex within a year. The complex will have townhouses with individual garages per unit. Each unit will have individual meters. In September SCWA submitted an Offer of Service application which was approved by the Eastern Water Utility Coordinating Committee (WUCC) on October 3, 2020.

General Manager Cansler stated that on October 7<sup>th</sup>, he sent a draft Agreement between SCWA and Green Village II to Attorney Nike Kepple for his legal review. He said that once the agreement is finalized it will have to be approved by the Authority.

#### **6. SCWA Response to Administrative Order DWS 19-072-063**

In September 2019, SCWA received an Administrative Order from DPH requiring a series of corrective actions in response to the vandalism at the Tower Division pump station on September 23, 2019. The Authority hired Attorney Rich Cody, of Suisman Shapiro, to prepare a Request for an Appeal, and a Request to Stay the Administrative Order, on behalf of SCWA. On November 13, 2019 DPH granted the Request to Stay the Administrative Order. Although a Hearing has yet to be scheduled, the subject of the Administrative Order was discussed briefly during the July Bond Refinancing meeting with representatives from Treasury, OPM, and DPH.

#### **7. Claim by Raspberry Junction Holding, LLC vs SCWA**

In 2016, 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 Attorney Stephanie Berry, of the law firm of Tang & Maravelis, in New London, to handle the case.

After a series of hearings at the lower courts, the case was forwarded to the Connecticut Supreme Court, which issued a ruling in April 2019 reversing the trial court's granting of the summary judgment motion. The case was remanded back to the trial court for consideration of the summary judgment argument, based on the alternative grounds of the economic loss doctrine, which the trial judge declined to rule on. At a Pre-argument Conference in February 2020 the judge proposed a settlement range that was much higher than our insurance company was willing to accept. On March 9<sup>th</sup>, we received word that the judge sent the appeal back to the State Supreme Court for adjudication. On September 30, 2020, attorneys representing Gladfelter Insurance filed their Brief to the Courts for the next round.

## **8. Vitale Aquatic and Tennis Club –Ledyard**

The new Vitale Aquatic and Tennis (VAT) Club in Ledyard opened for business in July 2019. Because the club is within the SCWA Exclusive Service Area of Ledyard, and DPH originally granted the VAT club approval based on SCWA being their certified operator, the Authority sent a letter to DPH in September 2019 requesting more clarification regarding SCWA's responsibilities related to water purification at the club. As of October 19, 2020, SCWA has not received a response to our letter.

## **9. Insurance Claims**

Recently SCWA has reached out to our insurance carrier with two claims by SCWA customers. The first claim, by a homeowner claiming that a SCWA water main break caused his basement to flood, was found to be unjustified by the insurance adjustor. The second claim was regarding an exceptionally high invoice from a contractor who repaired a service line for a customer, even after pointing out that the service line leak was on the other (SCWA) side of the curb box. The insurance company is still working on this case, as of October 19th.

## **10. PFAS (Per- and Polyfluoroalkyl Substances)**

To address concerns regarding PFAS, Governor Lamont released a State PFAS Action Plan last November. The Action Plan calls for the establishment of a Safe Drinking Water Advisory Council to advise DPH regarding the potential development of Maximum Contaminant Levels (MCLs), prioritize testing locations and parameters, and establish treatment requirements. There has not been any updates over the past 6 months regarding PFAS, presumably due to the ongoing COVID-19 crisis, which has shut most state offices down.

## **11. Fiscal Year 2020 Annual Audit**

General Manager Cansler stated that Sandra Welwood conducted her annual audit visit of SCWA in August and September. She intends to present her audit findings to the Representative Advisory Board (RAB) Finance Committee and the Authority prior to the January 2021 RAB meeting. Based on the ongoing pandemic her presentation will probably be virtual. Ms. Welwood will be available to answer questions during the Finance Committee's presentation to the rest of the RAB that same evening.

## **12. 2021 Authority Meeting Schedule**

*(Attachment #1 – 2021 SCWA Meeting Schedule)*

General Manager Cansler stated that the proposed Authority Board and Representative Advisory Board (RAB) meeting dates for calendar year 2021 were attached. He proposed that the Authority continue to meet at SCWA on the second Monday of each month, unless the Monday conflicts with a federal holiday. He said the only conflict in 2021 is in October, when Columbus Day falls on the second Monday. He recommended moving the Authority meeting in October to the third Monday of the month.

Mr. Cansler said the RAB had already approved their meeting dates, which will remain the same; quarterly meetings, at rotating locations within the SCWA district, on the third Thursdays of January, April, July, and October.

Mr. Watson made a motion for the Authority to approve the proposed 2021 meeting dates as presented. His motion, seconded by Mr. Eccard, was approved by a unanimous vote of all members present.

### **13. Regional Considerations**

**a) Drought Update:** On October 5, 2020, the Connecticut Interagency Drought Workgroup announced a Stage 3 drought for Hartford, Tolland, Windham, and New London counties. Stage 3 is considered a “Moderate Drought”, potentially impacting water supplies, agriculture, or natural ecosystems. The highest drought stage is Stage 5. SCWA posted Drought Advisories on our website and our Facebook page. SCWA staff are continuing to monitor well production at all Divisions, which are all operating normally to date.

Mr. Cansler stated that on September 9, 2020 SCWA sent out a notice, through CodeRed and our website, asking customers of the Montville Manor Division to voluntarily reduce outdoor water usage. Although the wells and system at Montville Manor are keeping up with demand, this system generally operates close to the maximum daily well production capacity. After the Voluntary Notice failed to have enough of an impact, SCWA sent out a Mandatory Conservation Notice on September 14<sup>th</sup>. On September 15<sup>th</sup> and 16<sup>th</sup> SCWA hired a water hauling company to top off the tanks at Montville Division using water from the nearby Seven Oaks Division. At the same time the SCWA Field Crew conducted an extensive leak survey, followed by repairs of several small leaks which reduced water consumption levels dramatically.

**b) Planning for Future Water Demands North Stonington:** General Manger Cansler stated that in late September he received an inquiry from an Attorney, Ken Labbe, who is heading up an effort to address long-term water needs in the area near the Rt.187/Rt. 2 traffic circle in North Stonington, and the I-95 interchange at Pawcatuck. They are also trying to solve a short-term shortage of quality water at the KOA in North Stonington and several surrounding facilities. Mr. Labbe indicated that they are trying to involve all the regional utilities.

Mr. Cansler said that potential solutions include development of the so-called Romanella aquifer/wellfield near the 187/2 circle, extending the water main from Groton Utilities down 187 (7 miles), and extending a water main from the Westerly water main in Pawcatuck. General Manager Cansler suggested extending our North Stonington system 1.5 miles down Route 2 to the circle.

**c) Water Utility Coordinating Committee (WUCC):** The Eastern Connecticut Water Utility Coordinating Committee (WUCC) last met (virtually) on May 27, 2020, to elect new officers and discuss implementation of a Statewide Coordinated Water System Plan (CWSP).

**d) SCWA Interaction with SCCOG:** SCWA and the SCCOG continue to interact cooperatively. To this end, Chairman Monahan attends the monthly SCCOG meetings if there are items relating to water on the agenda. He also attends meetings of the SCCOG Regional Water Committee, which meets only as needed. The General Manager participates on the SCCOG Regional Water Committee’s Technical Advisory Subcommittee (TAS).

**e) SCWA Interaction with the Water Planning Council (WPC):** The General Manager, representing SCWA, is co-chair of the CT Water Planning Council Advisory Group (WPCAG), which meets monthly. All meetings are currently being conducted virtually via Zoom.

**f) SCWA Interaction with AWWA and CWWA:** General Manager Cansler is also a member of the Connecticut Water Works Association (CWWA) Legislative Affairs Committee, which generally meets monthly between Nov. and June, however due to the COVID-19 crisis CWWA hasn’t met since February.

**Other Business**

General Manager Cansler mentioned that SCWA received the Sanitary Survey Inspection Report in July for the survey that was conducted at Montville Division by DPH in November 2019. As part of the survey DPH had requested another copy of the tank inspection reports for the three Montville Tanks. There is one concrete treated atmospheric water storage tank at the pumphouse, and two tanks (one concrete and one steel) that hold untreated (raw) groundwater.

The inspection of these three tanks was conducted by Mass Tanks in 2016. Since the tank inspections are only required every 10 years the same tank inspection reports were provided at both the 2016 and 2019 Sanitary Surveys. In 2016 no mention was made of any deficiencies on any of the tanks; however in 2019 DPH stated in their Sanitary Survey Report that the untreated concrete tank had cracks that needed to be repaired. This was listed as significant deficiency and SCWA was given 120 days to make repairs.

Mr. Cansler stated that in his response to DPH that New London County is currently in a severe drought, and Montville is under Mandatory Water Restrictions, so it would not be possible to take the tank out of commission and repair it until next spring. General Manager Cansler said SCWA's preference would be to put the money towards expediting the interconnection between 7 Oaks and Montville divisions prior to the next potential drought season. If that was not possible, he was requesting a 6-month extension on repair of the tank. He mentioned that since DPH did not say anything about the cracks when they had the tank inspection report 4 years ago, so an additional 6 months shouldn't make a difference. He also reiterated that the water in the tank is raw, untreated, water.

**Report from Chairman** - None

**Report from Authority Members**- None

**Public Comment** – None

**Adjourn**

On motion of Mr. Eccard, seconded by Ms. Franciosi, the Authority voted to adjourn the meeting at approximately 6:00 p.m.

It was noted the next Authority meeting is scheduled to occur on November 9, 2020, at 5:15 pm, either virtually, or at 1649 Rt. 12, Gales Ferry, CT.

Josh Cansler  
Secretary

# ATTACHMENT 1





October 19, 2020

TO: Municipal Clerks of the Southeastern Connecticut Water Authority Region

FROM: Secretary, Southeastern Connecticut Water Authority (SCWA)

SUBJECT: SCHEDULE OF MEETINGS FOR 2021

1. Southeastern Connecticut Water Authority Meetings:

Notice is hereby given that the regularly scheduled meetings of the Authority will be held at 5:15 PM on the following dates:

January 11	July 12
February 8	August 9
March 8	September 13
April 12	October 18
May 10	November 8
June 14	December 13

Authority meetings are held at the SCWA office, which is located at 1649 Route 12, Gales Ferry Commons, Gales Ferry, CT. *(Due to the COVID-19 pandemic meetings are currently being held virtually using public meeting guidelines established by the Governor to limit the spread and impact of the virus. These guidelines may extend into 2021).*

2. SCWA Representative Advisory Board Meetings:

Regularly scheduled joint meetings of the SCWA Representative Advisory Board and the Southeastern Connecticut Water Authority will be held at 7:00 PM, at rotating locations, on the following dates:

<u>Date</u>	<u>Location</u>
January 21	TBD (To be determined)
April 15	TBD
July 15	TBD
October 21	TBD

3. All meetings are open to the public.

Joseph C. Cansler  
Secretary