

**Draft Minutes of the December 9, 2019 Water Authority Meeting
Southeastern Connecticut Water Authority
1649 Route 12, Gales Ferry, CT**

Present

Authority: Chairman Edward Monahan, Treasurer Paul Eccard, Peter Balestracci, Nicholas Mullane, Claudia Koerting.

Authority Staff: General Manager Josh Cansler

Call to Order

Chairman Monahan called the meeting to order at 5:16 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 November 18, 2019 Water Authority Meeting, with modifications as requested, by a unanimous vote of all members present.

Correspondence- None

General Manager's Report

1. Vandalism and Break-in at Tower Large Pump House

On the morning of September 23, 2019, SCWA field crews discovered that the Tower Division pump station had been vandalized. Although the treatment system and water supply were not tampered with, SCWA was advised to send out a "Do Not Drink Water" advisory by DPH until water samples from the Tower Division water system could be sampled and verified to be clean of any potential contaminants. The advisory was lifted the following evening after the samples came back negative.

On September 27, 2019 DPH forwarded an Administrative Order requiring a series of corrective actions in response to the vandalism at the pump station. At a Special Meeting on October 15th to discuss the SCWA response to the Administrative Order the Authority approved a motion to hire Attorney Rich Cody, of Suisman Shapiro in New London, to represent SCWA; and to have him prepare a Request for an Appeal, and a Request to Stay the Administrative Order. The draft of each request was approved at the October Authority meeting, and both requests were sent by Attorney Cody to the Department of Public Health (DPH) on October 23, 2019. On November 13, 2019 the Request to Stay the Administrative Order was granted. General Manager Cansler stated that on November 26th Attorney Cody met with a State Assistant Attorney General, Dan Shapiro, via teleconference, to discuss the Administrative Order.

Although SCWA requested a Stay to the Administrative Order, pending a Hearing, we have completed several of the required items on the Administrative order to include all required sampling (including PFAS sampling). We have also installed a video surveillance system, trail cameras, and repaired the door to the pumphouse. We have also reached out to contractors to discuss an upgrade to the door, the fencing, and a new storage shed.

2. CodeRed Implementation Update

In September the Authority approved a motion to contract with the company CodeRed to establish, maintain, and operate an emergency notification network for all SCWA Divisions. CodeRed offers the ability to send voice or text messages based on specific geographical areas, or to all our customers, at one time. This system can also be used to send out notifications for scheduled maintenance, such as flushing water mains. Customers will have to provide phone numbers, or sign themselves up, for this system to work. This system has now been tested using numbers in the CodeRed database, and flyers have been sent out to all of the customers with the monthly bills requesting customers to sign-up with their cell phones and/or emails. Messages have also been placed on the SCWA website and Facebook page requesting customers to sign-up. Customers do have the option to not be alerted.

3. Tower Division - Well #3

SCWA is continuing to move forward on the replacement of Tower Division Well #3, which failed last summer. In September SB Church Well & Pump installed a test well and conducted an analysis of the potential capacity of the replacement well. On October 1, 2019 SCWA finally received approval from DPH to install the well. In mid-October SCWA received an estimate from SB Church Well & Pump to install the permanent well. Their estimate of \$122,000 was approximately three times what SCWA and Lenard Engineering estimated for installation of the well. Mr. Cansler stated that SCWA will reach out to other companies capable of installing high capacity wells inviting more estimates.

4. Emergency Interconnections with Ledyard/Groton Utilities

In 2017 SCWA signed an agreement with Groton Utilities and Ledyard WPCA to install emergency water main interconnections between all five SCWA Ledyard divisions, and the Ledyard WPCA system. These projects were funded through a funding package Groton Utilities received from the State. Construction of all the emergency interconnections, by Groton Utilities, was completed in October of this year.

a) Notice of Violation – Chriswood Emergency Interconnection

In November, SCWA received a Notice of Violation following our request to open the emergency interconnection between Ledyard WPCA and the SCWA Chriswood Division. The interconnection was opened in October after a storm damaged one of the electrical panels at the Chriswood pump station, causing the station to operate through a back-up emergency generator. Since the electrical panel could not be repaired the same day, we decided to ask Groton Utilities to turn on the emergency interconnection, rather than running the generator all night. SCWA staff proactively thought this would also be a good opportunity to test the interconnection. DPH assumed that the water supply was interrupted, and followed with a Notice of Violation for not reporting an interruption in water. The water supply was never interrupted or damaged in any way.

At the November meeting the Authority approved a motion to seek legal advice regarding how SCWA should respond to this Notice of Violation. SCWA Attorney Kepple recommended SCWA reach out to Attorney Rich Cody, who is already assisting SCWA with our response to the Tower Division Administrative Order. Attorney Cody agreed to assist with a response to the Notice of Violation. General Manager Cansler stated that he has provided all the information regarding the emergency interconnections, and the use of the Chriswood interconnection in October, to Attorney Cody.

b) Estimate to Booster Station and Main Replacement-Christy Hill Road in Tower Division

In September SCWA sent estimates to State Senator Osten's office, at her request, for the costs of installing a permanent booster station (\$1.1 million), and for a temporary booster station utilizing SCWA's emergency pump trailer (\$760,000). Her request for these estimates was the result of

discussions with local representatives regarding the costs to make the emergency connection between the Tower/Ferry View Division and Ledyard WPCA service functional for the entire division. Both estimates include the cost of replacing a 2" line on Christy Hill with an 8" water main.

5. Thames Aquatic Club –Ledyard

The new Thames Aquatic Club in Ledyard opened for business in July. Because the Aquatic Club is within the SCWA Exclusive Service Area of Ledyard, and DPH originally granted the Club approval based on SCWA being their certified operator, the Authority sent a letter to DPH in September requesting more clarification regarding SCWA's responsibilities related to water purification at the Aquatic Club. Mr. Cansler stated that as of December 9, 2019, SCWA has not received a response to our letter.

6. Replace Montville Manor Distribution System

Over the past year General Manager Cansler and Foreman Brandon Belair have met twice with the Montville Director of Public Works, along with their consulting engineer to discuss paving of several roads in SCWA areas of Montville. The Town is concerned that the frequent water line leaks in Montville Manor will result in numerous patches in their new pavement. Mr. Cansler and Mr. Belair met again with the Montville DPW and their consulting engineer on October 22nd to discuss possible resolutions to this issue. Mr. Cansler said they informed the Montville DPW that it would cost approximately \$150,000 to replace the service lines that cross the road, on the roads scheduled for re-paving. This estimate does not include the cost of replacing the water mains. The Montville DPW said they would discuss this with the Town at their next meeting.

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. Although Gladfelter, has proposed settlements on two occasions, Raspberry Junction did not agree to either proposal.

After a series of hearings at the lower courts, the case was forwarded to the Connecticut Supreme Court in September 2017. The Connecticut Supreme Court heard the case on November 13, 2018, and on April 3, 2019 the State Supreme Court issued a ruling that reversed the trial court's granting of the summary judgment motion. The cases has now been 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.

This trial has been scheduled to commence on April 6, 2020 at the New London Superior Court. Several times this past summer Mr. Cansler met with Attorney Berry regarding written interrogatories and requests for documentation submitted by the Attorney representing, Raspberry Junction. On August 28, 2019 Attorney Berry informed Mr. Cansler that the insurance company was making another formal settlement offer to Raspberry Junction.

On November 13th, General Manager Cansler received an email from Attorney Berry's office (Tang & Maravelis) stating that a judge had granted their motion for summary judgement, which limited the plaintiff's right to claim for negligence. On December 2nd SCWA received word that the Plaintiff's attorney has appealed the summary judgement, as expected.

8. Budget/Audit Report

a) Fiscal Year 2019 Annual Audit

General Manager Cansler stated that Sandra Welwood conducted her on-site audit visit on September 19, 2019. She intends to present her audit findings to the Representative Advisory Board (RAB) Finance Committee and the Authority at 6 pm on January 16, 2020, prior to the 7 pm RAB meeting the same evening. Ms. Welwood will be available to answer questions during the Finance Committee's presentation to the rest of the RAB that evening.

b) Refinancing of 2007 Bond

In September SCWA reached out to our bank, Chelsea Groton, to explore the feasibility of re-financing our 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. Chelsea Groton informed us that they cannot refinance a bond, so we contacted Mike Botelho, our Bond Counsel from 2007. He said the first step would be approval of a Bond Resolution for Capital Projects.

After some discussion, Mr. Eccard made a motion to approve the Bond Resolution for Capital Projects as presented. His motion was seconded by Mr. Mullane. Per the requirements of the proposed Bond Resolution, Chairman Monahan conducted a roll call of Authority members to determine if they were in favor of the resolution, opposed the resolution, or if they wanted to abstain from voting either way. All five members of the Authority present at this meeting voted "in favor" of the Bond Resolution.

c) New Lab Costs for Testing/Analysis

General Manager Cansler stated that in November Phoenix Labs sent out notices that their prices for sampling will be increased. Some of the price increases are significant, such as the cost of coliform/e-coli testing (\$20.80 to \$46.90 per test), and phosphate/phosphorus testing (\$28.00 to \$49.20/test). These represent our two most common samples tested at all of our sites. These costs will almost double our annual budget for testing/analysis (\$21,500 in FY 2020).

Mr. Cansler said that SCWA intends to reach out to other labs in the state for their prices. Ms. Koerting asked for more details on our sampling process and sampling fees. She suggested a lab company in nearby Oakdale. Mr. Cansler stated that he would check to see if that company was on the approved list of labs certified by the State.

9. Sanitary Surveys

Sanitary Surveys are conducted at each community public water system (PWS) by the DPH Drinking Water Section every 3 years, and at each non-community PWS every 5 years. A Sanitary Survey is an on-site inspection of the water sources, treatment, distribution system, finished water storage, pumping facilities and controls, monitoring and reporting data, system management and operation, and operator compliance with State requirements.

The Sanitary Survey for Tower/Ferry View Division was conducted on September 10th. Inspections were completed for Hillcrest, Chesterfield, and Seven Oaks Divisions, on November 7th, and for Montville and Ledyard Center Divisions on November 14th. General Manager Cansler stated that we have not received the results back on any of the five sanitary surveys conducted this year.

10. PFAS (Per- and Polyfluoroalkyl Substances)

In July 2019 Governor Lamont announced he was convening a working group to examine issues related to the PFAS (per-and polyfluoroalkyl substances) contamination. The State's Final PFAS Action Plan was released on November 4, 2019. In addition to requiring testing of public drinking water for select PFAS, the action plan prioritizes testing based on the vulnerability assessments, and proximity of water sources to vulnerable receptors such as schools and daycares. If PFAS are identified through this testing, utilities are expected to mitigate human exposure, and collaborate with local officials on education and outreach programs.

The State's PFAS Action plan also calls for the establishment of a Safe Drinking Water Advisory Council to advise DPH regarding the potential development of Maximum Contaminant Levels (MCLs), and review support measures that provide financial assistance to public water systems for treatment, and/or interconnections to nearby water systems.

11. Four-log Applications and North Stonington Chlorine Treatment Application

Applications were submitted to DPH on January 17, 2019 requesting 4-log certifications for all SCWA systems which treat water with chlorine, and meet minimum storage requirements. Currently 10 of our 14 systems meet both requirements. If the applications are approved, SCWA will be able to reduce our sampling/testing requirements, and SCWA will not have to conduct a public notification for positive e-coli results, from samples taken before treatment. General Manager Cansler stated that SCWA has responded to multiple requests for additional information over the summer, but the applications are still under review at DPH.

12. Updated Asset Management Plan

In February 2019 SCWA submitted an updated application to the Drinking Water State Revolving Fund (DWSRF) program for a project to upgrade the Tower Division pumphouse, and add a water tank. The DWSRF program provides low-interest loans, with the potential for up to 25% subsidization, for eligible projects in the form of principal forgiveness. As part of the program SCWA is required to have an updated Asset Management Plan. DPH has indicated that SCWA's current plan, submitted in 2016, needs to be updated for SCWA projects to be funded under the DWSRF program. At the May meeting the Authority approved a motion to have Lenard Engineering update the 2016 Asset Management Plan.

13. Performance Evaluation of General Manager and Salary Study

At the October Authority meeting Chairman Monahan mentioned that it has been a while since the last formal written evaluation of the General Manager. He asked that Mr. Cansler send him and the other members of the SCWA Human Resources (HR) committee a copy of the evaluation form that the Authority had agreed to use. He also suggested that the HR Committee meet prior to the November Authority meeting to discuss performance evaluations and other HR issues.

At the November meeting the HR committee completed the performance evaluation for the General Manager. They also requested that prior to next year's budget preparation the General Manager conduct an external salary review of the staff. The committee recommended reaching out to Attorney Dugan at Suisman Shapiro, who has helped the Authority with HR issues in the past.

14. Regional Considerations

a) **State Water Plan:** The State Water Plan was approved by the legislature in early June. A State Water Plan Implementation Workgroup has been created by the Water Planning Council (WPC) to monitor adherence to the plan, and provide guidance to the WPC regarding implementation.

b) Water Utility Coordinating Committee (WUCC): Mr. Cansler stated that the next meeting of the Eastern Water Utility Coordinating Committee (WUCC) is scheduled for December 10, 2019, at the Southeastern Connecticut Council of Governments (SCCOG) office. These meetings are open to the public.

c) 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).

d) SCWA Interaction with the Water Planning Council (WPC): The General Manager represents SCWA as a member of the Connecticut Water Planning Council Advisory Group (WPCAG), which meets monthly. Starting January 1, 2020 General Manager Cansler will begin a two-year term as Co-Chair of the Advisory Group

e) SCWA Interaction with AWWA and CWWA: General Manager Cansler is also a member of the Connecticut Water Works Association (CWWA) Legislative Affairs Committee, which meets monthly between November and June.

Other Business- None

Report from Chairman - None

Report from Authority Members- None

Public Comment – None

Adjourn

On motion of Mr. Eccard, seconded by Mr. Balestracci, the Authority voted to adjourn the meeting at approximately 6:06 p.m.

It was noted the next Authority meeting is scheduled to occur on January 13, 2020, 5:15 pm at 1649 Rt. 12, Gales Ferry, CT.

Josh Cansler
Secretary