

MINUTES

**Public Hearing on Proposed Rate Increase
and the
Joint Meeting of the Representative Advisory Board to the Southeastern Connecticut
Water Authority and the and the Southeastern Connecticut Water Authority
Electronic Virtual Meeting
July 21, 2022**

Mr. Chairman Weiner opened a public hearing at 7:00 pm on a proposed rate increase.

It was determined by Acting RAB Secretary and SCWA General Manager, Josh Cansler, that the requisite number of members present constituted a quorum. Chairman Barry Weiner concurred.

Advisory Board members in attendance were: Chairman Barry Weiner, New London; Carol Russell, East Lyme; George Scully, City of Groton; Mary Lou Smith, Town of Groton; Mike Cherry, Ledyard; Anthony Siragusa, Montville; Robert Boissevain and Mike Macina, North Stonington; Leslie Hotary, Salem.

SWCA Board members in attendance were: Authority Chairman Edward Monahan, Vice Chairman Harry Watson, Treasurer Paul Eccard, and Alex Masse.

Chairman Weiner asked Mr. Cansler to present the Rate Increase Proposal Packet that was provided all the members. Mr. Cansler went over the packet which included, a letter from the Authority Chair requesting the Public Hearing and justification for a rate increase, an FY 2023 Budget Summary, a proposed new rate schedule, a historical analysis of previous rate increases, and a list of the number of customers by division.

Mr. Cansler stated that while revenues remained static, expenses have increased significantly, primarily as a result of inflation. He noted that the latest inflation figures were 9.6%, the largest inflation figures in over 40 years. He said as a result chemicals, equipment and material costs have gone up accordingly. He added that the last rate increase was two years ago, and that was only a partial rate increase (usage fees only).

There were no customers or citizens in the meeting wishing to speak. After some discussion amongst the members present, Chairman Weiner closed the public hearing at 7:10 p.m. and convened the regular meeting at 7:11 p.m.. He noted the requisite quorum was still in place.

Chairman Barry Weiner offered a period for public comment. There were no customers or citizens in the meeting wishing to speak.

A motion was made by Ms. Smith and seconded by Mr. Boissevain to accept the minutes of the April 21, 2022, meeting. The motion carried unanimously.

SCWA Authority Chairman Monahan gave his report (Attachment 1) to the RAB and noted the continuing and safe operations of the Authority during the current COVID pandemic. During his discussion on Operational Activities, he gave an update on the proposed project to interconnect the Montville Division and Seven Oaks Division, the project to upgrade the Spicer Hill Booster Station, the replacement of three pumphouse roofs, and the Tower Division Upgrades.

Mr. Cansler added that he had attended a meeting earlier in the day regarding the Montville/Seven Oaks interconnection project. He stated that they had come to an agreement with 100 Waterfall LLC regarding an easement across their land.

Under the Administrative section of his report Chairman Monahan discussed the Fiscal Year 2023 Budget, the election of new Authority officers, the SCWA-RWA Pipesafe Program Partnership, and the 2021 Consumer Confidence Reports.

Addressing SCWA Planning Activities, Chairman Monahan provided an update on the construction of the Green Village II housing complex in Salem; construction of the Millwood Subdivision in Montville; an update on PFAS related legislation, and an update on the drought.

Chairman Weiner indicated there would be no report from his station at this meeting.

The next item on the agenda was a discussion of future RAB meetings. Mr. Cansler noted that the State Legislature had approved a bill that allows public meetings to be held through electronic means through the end of the year, provided adequate notice of the virtual address is provided to the public. After some discussion, Chairman Weiner noted that the general consensus was to continue with virtual meetings for now. It was noted that COVID cases are currently rising in Connecticut.

There was no report from the Appointments Committee.

There were no other member reports.

Under New Business, Chairman Weiner stated that the RAB needed to vote on the proposed rate increase. Mr. Cherry made a motion to recommend RAB approval of the 5% rate increase, starting September 1, 2022. His motion, seconded by Ms. Smith, carried unanimously.

Also under New Business, new member Leslie Hotary introduced herself to the RAB.

A motion was made by Mr. Macina, and seconded by Ms. Russell, to adjourn the meeting at 7:40 p.m. The motion carried unanimously. The next meeting is scheduled for 7 pm on Oct. 20, 2022.

Respectfully submitted,
Josh Cansler
SCWA General Manager/RAB Acting-Secretary

Attachment 1 to Minutes of the July 21, 2022 RAB Meeting:

Chairman's Report to the Representative Advisory Board

I. Operational Activities

A. Seven Oaks/Montville Interconnection Project

Last year SCWA began the planning and engineering of a project to complete the interconnection between Seven Oaks and Montville divisions. In April 2021 SCWA reached out to the current owners of the parcel between the end of the Montville distribution system and the Seven Oaks distribution system requesting consideration of an easement across their parcel. In their response, received in November 2021, the owners stated they were willing to grant an easement for a water main that follows the street plan for their future proposed development, which is about 1900 feet longer than the SCWA proposed route.

In December 2021 General Manager Cansler sent a letter to the parcel owners, through their Attorney (Harry Heller), stating that their proposed longer route will result in a significant project cost increase, and that there are other routes available that do not cross their property, and may be more economically feasible. In May Attorney Heller stated that his office is still waiting on the latest plans for the proposed development from his clients. Two weeks ago General Manager Cansler was finally able to schedule an in-person meeting with the owners and Attorney Heller.

B. Spicer Hill Booster Station

In April SCWA received the design, and specifications for the upgrade of the Ledyard Pump Station and the Spicer Hill Booster Station, which is part of the Ledyard distribution system. This project includes installation of variable frequency pumps (VFDs) at both stations as well as elimination of the hydropneumatic pressure tanks at both stations. Elimination of the pressure tanks is a top priority of the State Department of Health (DPH). The plans and specs were forwarded to DPH in May, along with a general project application requesting approval of this project. DPH sent an approval letter for this project in early July. SCWA plans to request bid proposals for this project in the next two weeks.

C. Replacement of Roofs at Three Divisions in Ledyard

At their May meeting the Authority authorized the General Manager to award three roof projects to Strong Construction LLC, at a cost of \$31,600. This contract was to replace the roofs on the Ledyard Center, Chriswood, and Barrett Division pumphouses. These three projects were included in the 2021 Bond Anticipation Note (BAN) rollover. This project started on June 21st and was completed on July 7th.

D. Tower Division Upgrades

Over the past year SCWA crews installed new valves and a backup water main leading from the Tower Division pump stations to the main distribution located on East Drive in Gales Ferry. The second phase of this project will be replacement of the original water mains. This project has been delayed because of a long lead time for piping and valves. In March SCWA requested DWSRF funds to upgrade the Tower Division Pump Station, and add a 200,000 gallon water tank (estimated cost \$1.2 million).

II. Administrative Activities

A) Fiscal Year 2023 Budget

(Attachment: SCWA Fiscal Year 2023 Budget)

On June 13, 2022, the Authority adopted an operating budget for Fiscal Year 2023 of \$1,802,660, a 2.8% increase over the FY 2022 budget. The growth of projected expenditures is primarily due to inflation, which has greatly increased the costs for equipment, parts, supplies, and fuel. In addition revenues for the past fiscal year were down approximately \$43,000 from the budgeted amount, primarily due to a wetter than average summer last year. As a result of the rising expenses due to inflation the Authority notified the Representative Advisory Board (RAB) of its intention to increase rates by 5% during FY 2023, and requested a rate increase public hearing prior to the July RAB meeting.

B. Election of Officers

At their June 2022 meeting, the Authority re-elected Chairman Edward Monahan to another three-year term as Chairman. At that same meeting, the Authority re-elected Harry Watson as Vice-Chair, Paul Eccard as Treasurer, and Josh Cansler as Secretary. Those three offices are all one-year terms.

C. Proposal from Regional Water Authority (RWA) to partner in Pipesafe Program

In April the Authority signed an agreement with the South Central Regional Water Authority (RWA) to enter into a partnership in their service line protection program, which is called PipeSafe. This partnership will allow RWA to enroll SCWA customers in the PipeSafe program, and in exchange SCWA will receive a percentage of the monthly fees charged our customers. The initial kick-off meeting occurred on May 3rd, and a follow-up meeting occurred on July 21st. RWA hopes to be ready to offer the program to SCWA customers in August.

D. Consumer Confidence Reports

In June, SCWA distributed Consumer Confidence Reports, also referred to as "Annual Water Quality Reports", to each of our approximately 2900 customers. Because of the nature of SCWA's water service operations, fifteen separate reports were prepared and distributed. These reports were researched, written, and copied completely in-house. As in the past, processing the reports for mailing, via the U.S. Postal service, was carried out by Viability, Inc, SCWA's co-tenant at 1649 Rt. 12, Gales Ferry.

III. Planning Activities

A. Green Village – Salem

In November 2020 SCWA signed an agreement to take over as the owner/operator of the pumphouse and water distribution system at the new 48-unit Green Village development in Salem once it is completed. The developer, Colchester Construction, had planned to start leasing units in early 2022, however the project has been delayed because DPH rejected the Green Village application for approval of the wells due to safe yield capacity, and concerns about the water quality. The developer installed a third well and is waiting for approval from DPH.

B. Construction of Millwood Subdivision (part of Hillcrest Division) in Montville

Sun Communities, Inc. is continuing construction of the new Millwood development, adjacent to their Hillcrest subdivision in Montville. The roads and infrastructure were completed in 2019 before Jensen Communities was sold to Sun Communities. The proposed Millwood development will have 46 modular homes for people aged 55+, and will tie into the existing Hillcrest water distribution system. The first thirteen homes have been sold, and several more homes are nearing completion.

C. PFAS (Per- and Polyfluoroalkyl Substances)

SCWA continues to monitor new guidelines and regulations pertaining to PFAS (Per- and Polyfluoroalkyl Substances). The 2022 and 2023 Connecticut State Budgets included funding for additional staffing for toxicological expertise, permitting of more Connecticut laboratories to do PFAS testing, support testing of public water systems, and a PFAS education program. In September the EPA released their “Strategic Roadmap to confront PFAS contamination nationwide”. This roadmap established a list of goals and milestones for the EPA moving forward. On June 1, 2022, the DPH Drinking Water Section sent out a letter recommending and encouraging all public water systems to test for PFAS. SCWA intends to start testing for PFAS as soon as our lab is certified by the State to analyze for PFAS.

D. Regional Considerations

1) Drought Update: On June 2, 2022 the State’s Interagency Drought Workgroup placed New London and Windham counties in Drought Stage 1 (Below Normal Conditions). On July 14th the Governor placed all eight Connecticut counties in Drought Stage 2 (incipient Drought) due to precipitation across the state being well below normal. Stage 2 is the second of five stages of drought defined in the Connecticut Drought Response and Preparedness Plan. Residents and businesses are encouraged to voluntarily conserve water.

2) Water Utility Coordinating Committee (WUCC): The Eastern Connecticut Water Utility Coordinating Committee (WUCC) last met on May 18, 2022. The Statewide WUCC last met on May 19th. Currently the Statewide WUCC is trying to address several topics involving interconnections/regionalization, non-community water systems design requirements, conservation/drought, and the process requiring non-community systems to connect to existing community water systems.

3) SCWA Interaction with Southeastern Connecticut Council of Governments (SCCOG): SCWA and the SCCOG continue to interact cooperatively. To this end, Chairman Monahan frequently attends the SCCOG Regional Water Committee meetings. The General Manager participates on the SCCOG Regional Water Committee’s Technical Advisory Subcommittee (TAS).

4) SCWA Interaction with the WPC and CWWA: The General Manager is a member of the CT Water Planning Council Advisory Group (WPCAG), which meets monthly. He also represents SCWA as a member of the Connecticut Water Works Association (CWWA) Legislative Affairs Committee.

Edward C. Monahan, Chairman
Southeastern Connecticut Water Authority

Customer Transaction Summary

Customer Information

Account No: 10322797
 ZACHARY STEVENS
 8 CREST VIEW DR
 GALES FERRY, CT 06335-

Location Information

Location No: 10300797
 8 CREST VIEW DR
 GALES FERRY, CT 06335

Date	Type	More Info	Reading	Usage	Prior Balance	Transaction Amount	Balance
02/13/2020	Misc - SVC				0.00	64.50	64.50
02/13/2020	F Charge	02/12/2020	210 0	0	64.50	2.01	66.51
03/06/2020	Payment	CHECK			66.51	-66.51	0.00
03/15/2020	Payment	CREDIT CARD			0.00	-66.51	-66.51
05/01/2020	Charge	04/21/2020	210 1	0	-66.51	14.10	-52.41
08/07/2020	Charge	07/15/2020	222 1	12000	-52.41	130.51	78.10
08/24/2020	Payment	CREDIT CARD			78.10	-78.10	0.00
11/06/2020	Charge	10/21/2020	237 1	15000	0.00	162.99	162.99
11/27/2020	Payment	CREDIT CARD			162.99	-162.99	0.00
02/05/2021	Charge	01/20/2021	243 1	6000	0.00	91.65	91.65
02/24/2021	Payment	CREDIT CARD			91.65	-91.65	0.00
05/07/2021	Charge	04/20/2021	252 1	9000	0.00	113.74	113.74
05/21/2021	Payment	CREDIT CARD			113.74	-113.74	0.00
08/06/2021	Charge	07/20/2021	262 1	10000	0.00	121.29	121.29
09/05/2021	Payment	CREDIT CARD			121.29	-121.29	0.00
11/05/2021	Charge	10/20/2021	273 1	11000	0.00	129.31	129.31
11/13/2021	Payment	CREDIT CARD			129.31	-129.31	0.00
02/04/2022	Charge	01/19/2022	283 1	10000	0.00	121.29	121.29
03/08/2022	Forfeiture				121.29	6.38	127.67
03/15/2022	Payment	CREDIT CARD			127.67	-127.67	0.00
05/06/2022	Charge	04/21/2022	296 1	13000	0.00	144.38	144.38
06/07/2022	Forfeiture				144.38	7.60	151.98
06/17/2022	Payment	CREDIT CARD			151.98	-151.98	0.00
08/05/2022	Charge	07/20/2022	308 Z	12000	0.00	135.84	135.84
09/07/2022	Forfeiture				135.84	7.15	142.99
09/14/2022	Payment	CREDIT CARD			142.99	-142.99	0.00
11/04/2022	Charge	10/19/2022	329 Z	21000	0.00	216.88	216.88
11/07/2022	Payment	CREDIT CARD			216.88	-216.88	0.00

