

**Draft Minutes of the June 11, 2018 Water Authority Meeting
Southeastern Connecticut Water Authority
1649 Route 12, Gales Ferry, CT**

Present

Authority: Chairman Edward Monahan, Vice-Chairman Harry Watson, Treasurer Paul Eccard, Barbara Lee Franciosi, 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 May 14, 2018 Water Authority Meeting, by a vote of 6-0.

Correspondence – None

General Manager's Report

1. Board Member Appointments and Positions

General Manager Cansler stated that the terms for the Authority offices of Vice-Chairman, Treasurer, and Secretary are one-year, and will expire on June 30, 2018. Ms. Franciosi nominated Harry Watson for another term as Vice-Chair, and Paul Eccard for another term as Treasurer. Chairman Monahan asked if there were any other nominations. There were none. Ms. Franciosi made a motion to close nominations and vote, on the two nominees. Her motion was seconded by Mr. Mullane. The motion and the nominees were approved by a vote of 6-0. As a result of this vote Mr. Watson (Vice-Chair) and Mr. Eccard (Treasurer) will each serve another year in their current Authority offices. Since no Authority members were nominated for the position of Secretary, General Manager Cansler will continue to perform the duties of Secretary.

2. Update on Miller's Pond

(Attachment #1: Copies of draft Cover Letter and draft Release Letter from SCWA to Miller's Pond Company, LLC; each dated June 11, 2018)

Several months ago the Schacht family, on behalf of Miller's Pond LLC (MPLLC), presented a concept memo which proposed that SCWA enter into a joint venture with MPLLC. The intent of the joint venture would be to move forward with the dredging permitting process, and ultimately, operation of Miller's Pond as a regional wholesale water supply. The Authority decided to have legal counsel review the concept memo prior to making any decisions regarding possible future coordination with MPLLC. After discussing the legal review with several attorneys, the Authority chose Catherine Marrison, from the firm Waller, Smith & Palmer in New London, to review the MPLLC concept memo, and evaluate all options available to SCWA regarding this issue.

Attorney Marrion presented her legal review of the joint venture concept memo, a detailed list of concerns, and potential courses of action, to the SCWA Miller's Pond Committee on March 26, 2018. The SCWA Miller's Pond Committee, along with Attorney Marrion, met with representatives of MPLLC, Rob and Tom Schacht, on April 23rd to discuss the joint venture concept memo, and many of the Authority's concerns. At this meeting the Miller's Pond Committee informed the Schacht's that SCWA is not interested in participating in the proposed Joint Venture with MPLLC. In response, the Schacht's requested that SCWA; (1) acknowledge that MPLLC issued a declaration of intention to develop Miller's Pond as a water supply, and (2) release Millers' Pond for development by MPLLC.

At the May 14, 2018 meeting, the Authority approved a motion authorizing a formal response to Miller's Pond LLC, rejecting the offer for a proposed Joint Venture Agreement for development of the Miller's Pond property, in accordance with the findings identified in Attorney Marrion's memorandum of April 23, 2018. At the same meeting the Authority approved a motion for the Miller's Pond Committee to modify and finalize the release statement, with the assistance of Attorney Marrion. The Miller's Pond Committee met with Attorney Marrion on June 4, 2018.

Committee Chair Eccard stated that shortly after the June 4th meeting Attorney Marrion provided a final copy of the release statement along with a cover letter (both attached). He said the committee members had all reviewed the final version of each, and were pleased with both the cover letter and release letter. Mr. Eccard said he wanted to highlight the fact that the release letter did not claim that MPLLC had satisfied all the requirements of a request for release per Section 13 of Special Act 381. However, the release letter acknowledges their August 14, 2017 Discussion Memo, and the response by SCWA. Mr. Eccard mentioned that release cover letter includes copies furnished to SCCOG, DPH, DEEP, and local legislators serving Waterford.

Chairman Monahan stated that Attorney Marrion felt SCWA has a statutory duty to respond to the Schacht's memo, and that given our status as an entity of the state we can't request a release in return. Mr. Eccard said that Attorney Marrion had done a great job in his opinion.

Mr. Eccard made a motion for the Authority to adopt and distribute the release letter and cover letter, with the Authority Chair's signature. This motion, seconded by Ms. Franciosi, was approved unanimously by all six members present.

3. 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 Attorney Stephanie Berry, of the law firm of Tang & Maravelis, 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.

In January, the Authority approved a motion to hire Attorney Lloyd Langhammer, a specialist in appellate law, to provide legal representation for SCWA, and assist Attorney Berry with preparation of the case vs Raspberry Junction. In late April, they submitted their Defendant-Appellate Brief to the State Supreme Court. In a letter dated June 1, 2018, Attorney Langhammer provided an update to the SCWA regarding the current status of the SCWA-Raspberry Junction case.

4. Tower Division Well #3

General Manager Cansler stated that in mid-May SCWA started receiving complaints of “dirty water” from a few customers closest to the Tower Division pump station. The SCWA field crews were able to trace the source of dirty water to Well #3 at Tower, which they immediately shut down, and flushed. About a week later there were more complaints, so the field crew shut the well down again. Although Well #3 is our biggest producer (260 gpm capacity), the other wells at Tower have enough capacity to meet expected demands.

SCWA hired Laframboise Drilling and Welling to pull the pump and run a camera down the well, which revealed that the screen in the well had failed, and was full of sediment. Their suggestion was to drill a replacement well nearby. Because of existing wetlands SCWA hired Lenard Engineering to survey and produce a site map for the well application to DPH. The application for an emergency replacement well was submitted on June 6, 2018. In the meantime Tower Division is operating from the remaining three wells at Tower.

Mr. Watson asked if it was possible to replace the screen in the old well. Mr. Cansler said that the costs to extricate the screen and replace it would exceed the costs of drilling a replacement well. Ms. Franciosi asked about possible other locations for the replacement well, to reduce costs. Mr. Cansler explained the limitations of the site, primarily the nearby wetlands and overhead electrical cables.

5. Emergency Interconnections with Ledyard/Groton Utilities

In October SCWA signed an agreement with Groton Utilities and Ledyard 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 is expected to be completed later this summer. Groton Utilities hopes to start installation of some of the interconnections later this year.

6. 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. In March SCWA received a copy of the reissued approval for the well from DPH, which is valid until Sep. 2, 2018. The Thames Aquatic Center is only one of several projects that are moving forward in SCWA’s Ledyard Center ESA at this time.

7. Future DWSRF Projects

In December 2017 DPH informed SCWA that several proposed SCWA projects were eligible for funding through the Drinking Water State Revolving Fund (DWSRF). This program provides low-interest loans, with the potential for up to 25% subsidization, for eligible projects in the form of principal forgiveness. In January General Manager Cansler submitted Part 1 of the required Financial Assistance Application for two projects; Replacement of Tower Division Pump Station, and Interconnection of Montville and Seven Oaks Divisions. General Manager Cansler stated that based on our current budget he was only going to move forward with the Interconnection project.

8. 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 contractors on the Center's water system, as needed.

9. Town of North Stonington School Upgrade Project

SCWA has been working with the construction contractors, as needed, on the project to renovate existing facilities, and construct some additions, to the Town of North Stonington Elementary School and Middle/High School. General Manager Cansler said that he had a conversation with a local law firm regarding paving on our easement at the school.

10. Regional Considerations

a) State Water Plan: The proposed State of Connecticut Water Plan passed through this year's legislature cycle without being voted on, primarily because of language added at the last minute regarding water as a "Public Trust". CWWA, and many utilities, were concerned that the Public Trust Doctrine could be construed to limit the availability of water supplies needed to support economic development, and affect existing water rights and diversions.

b) Water Utility Coordinating Committee (WUCC): The Eastern Water Utility Coordinating Committee (WUCC), which convened in June 2016, concluded regular monthly meetings at the end of May. Future meetings will be held every 6 months. The next meeting will be on November 14, 2018 at the Southeastern Connecticut Council of Governments (SCCOG) office. This meeting is open to the public.

c) SCWA Interaction with SCCOG and AWWA: SCWA and the SCCOG continue to interact cooperatively. To this end, Chairman Monahan often 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 also 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.

Other Business - None

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 6:20 p.m.

It was noted the next Authority meeting is scheduled to occur on July 9, 2018, 5:15 p.m. at 1649 Rt. 12, Gales Ferry, CT.

Joseph C. Cansler
Secretary