

**Draft Minutes of the February 10, 2020 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, Claudia Koerting, Peter Balestracci, 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. Watson, the Authority approved the minutes of the January 13, 2020 Water Authority Meeting, by a vote of 6-0; with one abstention (Mr. Mullane).

Correspondence – None

General Manager's Report

1. SCWA Response to Administrative Order DWS 19-072-063

On September 27, 2019 DPH forwarded an Administrative Order requiring a series of corrective actions in response to the vandalism at the Tower Division pump station on September 23rd. Although the treatment system and water supply were not tampered with, DPH advised SCWA to issue a "Do Not Drink Water" advisory until water samples from the water system could be sampled. The advisory was lifted the following evening after samples came back negative.

At a Special Meeting on October 15th the Authority approved a motion to have Attorney Rich Cody, of Suisman Shapiro, prepare a Request for an Appeal, and a Request to Stay the Administrative Order, on behalf of SCWA. Both requests were sent by Attorney Cody to the Department of Public Health (DPH) on October 23, 2019, after approval by the Authority. On November 13, 2019 the Request to Stay the Administrative Order was granted. Mr. Cansler stated that on November 26th Attorney Cody met with a State Assistant Attorney General, Dan Shapiro, via teleconference, to discuss the Administrative Order. He said that as of today they have not heard anything new from the State regarding this issue.

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. In addition, we reached out to contractors to discuss an upgrade to the door, the fencing, and a new storage shed.

2. Budget

a) Refinancing of 2007 Bond

SCWA is working with Bond Counsel to refinance 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. At the December meeting the Authority approved the Bond Resolution for Capital Projects, as presented by Bond Counsel. General Manager Cansler stated that they were still working on the refinancing.

b) New Lab Costs for Testing/Analysis

In November Phoenix Labs sent out notices that their prices for sampling will be increasing. Some of the price increases are significant, and will result in almost doubling of our annual budget for testing/analysis (\$21,500 in FY 2020). Mr. Cansler stated that SCWA has reached out to three other labs for their price schedules.

3. Tower Division - Well #3

SCWA is continuing to move forward on the replacement of Tower Division Well #3. In September 2019 SB Church Well & Pump installed a test well and conducted an analysis of the potential capacity of the replacement well, and in October DPH approved installation of the well. In mid-October SCWA received an estimate of \$122,000 from SB Church Well & Pump to install the permanent well. Their estimate was approximately three times what SCWA and Lenard Engineering estimated for installation of the well.

General Manger Cansler said that they had reached out to LaFramboise Well Drilling Inc. for another estimate, which was received last week. He said their proposal was half of the SB Church, but LaFramboise was proposing a slightly smaller diameter well. Mr. Cansler said that he reached out to Lenard Engineering for advice and was told that with a smaller diameter the capacity may be slightly reduced, but that the larger diameter wasn't justified by doubling the cost. Mr. Cansler said he intended to go with the LaFramboise estimate.

4. 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 today, SCWA has not received a response to our letter.

5. Contract Operations

General Manager Cansler stated that this item was a new entry on the report. Contract Operations referred to water systems, not owned by SCWA, where the owners have contracted with SCWA to serve as their certified operator. As the certified operator we collect samples, complete all reporting, and monitor operation of their treatment systems. These systems are privately owned, or are owned/managed by a municipality. The owners/managers pay SCWA a monthly fee, plus costs for all sampling. They are also responsible for all system upgrade costs, plus the maintenance of their system, under SCWA guidance, in accordance with State and Federal regulations.

Existing facilities that SCWA has contracts with include several Preston Town facilities and parks, Lincoln Park Elderly Housing, and the Cheerleading Facility in Montville. Over the past two years SCWA has taken on several new contract operations, to include Groton School District Administration Building, Kingdom Hall of Jehovah's Witnesses in North Stonington, the Wood Pond Office Building in North Stonington, and an apartment building in Montville. SCWA recently terminated the contract with the apartment building in Montville, after non-payment.

Mr. Cansler stated that he had added this item to the General Manager's Report for several reasons. One was to discuss pricing, which he said varied for the different Contract Operations. He was recommending that during the next budget cycle SCWA should make all of the fees equal, at \$150/month, which is what all of the newer facilities are paying. Mr. Cansler said he also wanted to discuss two of the Contract Operations in general:

a) Wood Pond Office Building

The Wood Pond Office facility, near the circle in North Stonington, tested positive twice for lead samples. As a result DPH required them to develop a plan for an upgraded treatment system to remediate lead in the water. The State DPH approved their treatment plan in October and gave them 8 weeks to install the new treatment system. Through SCWA, Wood Pond requested a 120 day extension to install the new system. DPH responded they would only approve an extension through an Administrative Order. Mr. Cansler stated that on behalf of Wood Pond, SCWA requested a meeting with DPH to discuss other options.

b) Amos Lake Campground

Amos Lake Campground in Preston has requested that SCWA take over as the certified operator of the two public water systems at their campground and beach. Since they are a seasonal system Mr. Cansler said he had quoted them a price for each month they are open, plus a system start-up fee.

6. Replace Montville Manor Distribution System

Over the past year SCWA staff 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 water line leaks in Montville Manor will result in numerous patches in their new pavement, specifically along Connecticut Boulevard. During a meeting on October 22nd, the General Manager and SCWA informed the DPW that most of the leaks in Montville Manor are service line leaks, not main breaks. SCWA suggested replacing all of the service lines on Connecticut Blvd that cross the road, and have not already been replaced recently. This cost for just this work will be approximately \$150,000. The Montville DPW said they would discuss this with the Town at their next meeting.

7. 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 last year.

8. 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. Mr. Cansler said that at the Water Planning Council meeting on Feb 4th, Lori Mathieu (Chief of the DPH Drinking Water Section) said that DPH is working on PFAS priorities, and to expect a major announcement soon.

9. 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. SCWA responded to multiple requests for additional information over the summer, but the applications are still under review at DPH.

10. 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.

11. Performance Evaluation of General Manager and Salary Study

At the November meeting the HR committee completed the performance evaluation for the General Manager. As part of the evaluation discussion the committee 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.

Mr. Cansler stated that Attorney Dugan's office has agreed to assist with the external salary review, and that, at their request, he had provided information regarding current SCWA structure and position descriptions.

12. 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. Mr. Cansler that on that today he had received a notice of a Pre-argument Conference in New Haven on February 26, 2020.

13. 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): The Eastern Connecticut Water Utility Coordinating Committee (WUCC) met on December 10, 2019, at the Southeastern Connecticut Council of Governments (SCCOG) office. The next meeting is scheduled for May 2020. 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, representing SCWA, is co-chair of the CT Water Planning Council Advisory Group (WPCAG), which meets monthly.

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

Mr. Cansler mentioned that the previous week he had received a request to connect water to a large proposed residential, retail, development in North Stonington. He said that the proposed development included plans for 1000 apartments, several "box stores", other retail and restaurants, and a large indoor water park. Mr. Cansler said that a development of this size would greatly exceed the capacity of our current North Stonington system. He added that the closest point to our system was two miles away. He said he had recommended to the developer to install a water treatment system as part of the development. He also told the developer that SCWA would be willing to take over operation of the system once it was constructed. Mr. Mullane mentioned that test wells had been put in near the proposed site years ago, but that he was not sure of the test well results. Mr. Cansler said he had discussed the proposed development with the Town Planner for North Stonington.

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 5:55 p.m.

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

Josh Cansler
Secretary