

**Draft Minutes of the January 13, 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.

**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 December 9, 2019 Water Authority Meeting, by a unanimous vote of all members present.

**Correspondence** - General Manager Cansler presented a letter from Avena & Kepple, LLC, announcing they were joining the Law Firm of Suisman Shapiro. Nick Kepple has served as the general attorney for SCWA for several years. Mr. Cansler stated that he also received an email from Suisman Shapiro welcoming Avena & Kepple into their firm.

**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 23<sup>rd</sup>. 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 15<sup>th</sup> 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 26<sup>th</sup> 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, SCWA reached out to contractors to discuss an upgrade to the door, the fencing, and a new storage shed.

## **2. Budget/Audit Report**

### **a) Fiscal Year 2019 Annual Audit**

Mr. Cansler stated that Sandra Welwood conducted her on-site audit visit on September 19, 2019. He said she will present her audit findings to the Representative Advisory Board (RAB) Finance Committee and the Authority at 6 pm, just prior to the 7 pm RAB meeting on January 16, 2020. 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 by the Authority. At the December meeting the Authority approved the Bond Resolution for Capital Projects as presented by Bond Counsel.

### **c) 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 a doubling of our annual budget for testing/analysis (\$21,500 in FY 2020). General Manager Cansler stated that he intends to reach out to other labs in the state for their prices, once he has received the annual roll-up from Phoenix labs, which is required to complete the 2019 Consumer Confidence Reports (CCRs).

## **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 he intends to 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 2019.

### **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. SCWA staff proactively thought this would also be a good opportunity to test the interconnection during repair of an electrical panel, rather than run the generator all day. 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. After discussions with our attorney, Mr. Cansler said we may be better off not pursuing this issue since the State has not followed up with fines or penalties. Our only requirement is that SCWA mention the notice in the 2019 Consumer Confidence Report (CCR).

**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" line.

**5. 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 22<sup>nd</sup> to discuss possible resolutions to this issue. SCWA 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.

**6. 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 January 13, 2020, SCWA has not received a response to our letter.

**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 13<sup>th</sup>, 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 2<sup>nd</sup> SCWA received word that the Plaintiff's attorney has appealed the summary judgement, as expected.

#### **8. 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 10, 2019. Inspections were completed for Hillcrest, Chesterfield, and Seven Oaks Divisions, on November 7, 2019, and for Montville and Ledyard Center Divisions on November 14, 2019. General Manager Cansler stated that we have not received the results back on any of the five sanitary surveys conducted last year.

#### **9. 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.

#### **10. 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.

#### **11. 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.

**12. 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.

**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-** 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 5:44 p.m.

It was noted the next Authority meeting is scheduled to occur on February 10, 2020, 5:15 pm at 1649 Rt. 12, Gales Ferry, CT.

Josh Cansler  
Secretary