

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 held via Zoom on
July 20, 2023**

The Chairman of the Southeastern Connecticut Water Authority (SCWA) Representative Advisory Board (RAB), Mr. Barry Weiner, opened a public hearing at 7:06 p.m. on a proposed increase in water usage fees for fiscal year (FY) 2024.

It was determined by Acting RAB Secretary and SCWA General Manager, Josh Cansler, that the requisite number of members present did not constitute a quorum.

Advisory Board members in attendance were: Chairman Barry Weiner, New London; Carol Russell, East Lyme; Martin Artale and George Scully, City of Groton; Mike Cherry, Ledyard; Leslie Hotary, Salem.

SWCA Board members in attendance were: Authority Chairman Edward Monahan, Treasurer Paul Eccard, Alex Masse, and Nicholas Mullane.

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 2024 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 had increased slightly many expenses related to the operation of water utilities had increased significantly. He pointed out that the costs for electricity were 30% higher than last year, and chemicals for treatment were up 22% over the past year.

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 7:17 p.m. and convened the regular meeting at 7:18 p.m. He noted there was still not a quorum of RAB members present.

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

SCWA Public Hearing and RAB Joint Meeting Minutes

July 20, 2023

Page Two

Since there was not a quorum present, approval of the prior meeting minutes was deferred until the next meeting.

SCWA Authority Chairman Monahan gave his report (Attachment 1) to the RAB. The first item on his report was “Operational Activities”, which included updates on the annexation of the Oakdale Heights subdivision in Montville, the proposed project to interconnect the Montville Division and Seven Oaks Division; the project to upgrade the Spicer Hill Booster Station; and the planned installation of a new well at the SCWA Ledyard Division.

Under the Administrative section of his report Chairman Monahan gave an update on the Fiscal Year (FY) 2024 Budget, Election of Authority Officers for FY 2024, Consumer Confidence Reports, and the EPA mandated Lead Service Line Inventory that must be completed by all utilities nationwide by October 2024.

Addressing SCWA Planning Activities, Chairman Monahan discussed recent Federal and State proposed regulations and legislation regarding contaminants related to PFAS (Per-and Polyfluoroalkyl) chemicals. Chairman Weiner asked when SCWA might start testing for PFAS. General Manager Cansler stated that he was waiting for finalization of the PFAS testing requirements and maximum contaminate levels (MCLs) by the EPA and State DPH.

Also in his Chairman’s report, Dr. Monahan noted that SCWA continues its participation with the Water Utility Coordinating Committee (WUCC), the Southeastern Connecticut Council of Governments (SCCOG), the Water Planning Council (WPC), and the Connecticut Water Works Association (CWWA).

Chairman Weiner indicated there would be no report from his station at this meeting. Regarding future RAB meetings Chairman Weiner asked if there were any objections with conducting the quarterly RAB meetings virtually. Since there was none, Chairman Weiner stated the virtual meetings would continue until further notice. It was noted that this was in accordance with Public Act No. 22-3, which permanently established the requirements for virtual public meetings in Connecticut.

There were no reports from any of the Representative Advisory Members; and there was not any new business, so Chairman Weiner made a motion to adjourn the meeting at 7:50 p.m. The motion was seconded and carried unanimously. The next meeting is scheduled for October 19, 2023.

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

Attachment 1 to Minutes of the July 20, 2023 Public Hearing and RAB Meeting:

Southeastern Connecticut Water Authority Chairman's Report to the Representative Advisory Board July 20, 2023

I. Operational Activities

A. Oakdale Heights Subdivision (Montville)

Oakdale Heights is a 219-home subdivision in Montville that has been operating its own water system since the subdivision was developed in the mid-1960's. Last December the Oakdale Heights Homeowners Association (HOA) expressed interest in turning over full-time operation to SCWA. Their system consists of two fully operational pump houses, five wells, and 2.5 miles of distribution main. After multiple meetings between SCWA, legal counsel, and the Oakdale Heights HOA, an agreement was finalized in May 2023. At their June meeting the Authority authorized the Chairman to sign the agreement. Once the agreement is signed by both parties SCWA will submit it along with a Request for Transfer of Water Lands Application to the State.

B. Seven Oaks/Montville Interconnection Project

This project will complete the interconnection between Seven Oaks and Montville divisions. The Pre-bid Construction Package, which includes the initial plans and specifications, was submitted to the State Department of Public Health (DPH) Drinking Water Section (DWS) in March 2023. SCWA had hoped to receive project approval in time to award this project this summer, but the project may have to be pushed back into early next year if the approval takes much longer.

C. Upgrades at the Ledyard Pump Station and Spicer Hill Booster Station

This project includes installation of variable frequency pumps (VFDs) at the Ledyard Pump Station and the Spicer Hill Booster Station, which is part of the Ledyard distribution system. This project also includes the elimination of the hydropneumatic pressure tanks at both stations, which is a top priority for DPH. Unfortunately, because the recent Tower Division water main replacement project cost significantly more than estimated, SCWA is delaying this project until more Capital Funds are available.

D. Proposed New Well at Ledyard Division

During the drought last summer SCWA realized an additional well is needed at the Ledyard pump station because the peak summer usage was near the capacity of the existing wells. DPH approved the new well in November. SCWA is working with legal counsel to obtain an easement because the State requires that SCWA control a 150-foot radius around each well. The easement is taking longer than anticipated because of a recent change in ownership of the property next to the Ledyard pump station.

II. Administrative Activities

A) Fiscal Year 2024 Budget

On June 12, 2023, the Authority adopted an operating budget for Fiscal Year 2024 of \$1,952,280, a 6% increase over the FY 2023 budget. The growth of projected expenditures is primarily due to additional costs for testing/analysis, electricity, and maintenance as a result of the addition of the Oakdale Heights subdivision. In addition, high inflation over the past two years has led to greatly increased the costs for electricity, chemicals, equipment, and parts. As a result of the rising expenses the Authority notified the Representative Advisory Board (RAB) of its intention to increase water usage fees by 5% during FY 2024, and requested a rate increase public hearing prior to the July 2023 RAB meeting.

B. Election of Officers

At their June 2023 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. The Authority Chairman's position is a three-year term, expiring in June 2025.

C. 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.

D. Lead Service Line Inventory

The National Primary Drinking Water Regulations for Lead and Copper, which went into effect in 2021, requires all public water systems to develop a lead service line (LSL) inventory that identifies all materials used to construct or repair all service lines connected to a public water distribution system. Last fall the EPA released their guidance for developing the LSL inventory. This LSL inventory must be completed and submitted by October 16, 2024. SCWA staff are currently researching and inputting data in the spreadsheet.

III. Planning Activities

A. PFAS (Per- and Polyfluoroalkyl Substances)

On March 14, 2023 the EPA announced their draft regulations regarding PFAS (Per- and Polyfluoroalkyl Substances), which included draft maximum contaminant levels (MCLs) for 6 different PFAS in drinking water. The review and comment period for these draft PFAS regulations ended May 30, 2023. During the 2023 Connecticut Legislative Session the House and the Senate passed a bill that will establish an account in the general fund to provide grants to municipalities to test for and remediate PFAS contamination on town-owned properties, and to assist residential homeowners impacted by such contamination. Last month the SCWA General Manager attended an all-day seminar hosted by the Connecticut Water Works Association (CWWA) to discuss "Challenges facing Water Utilities in CT". The bulk of the discussion was centered around PFAS testing, treatment, and costs.

B. Regional Considerations

1) Drought Update: Currently, Southeastern Connecticut is listed on the U.S. Drought Monitor as "Abnormally Dry", which is the lowest drought level.

2) Water Utility Coordinating Committee (WUCC): The Eastern Connecticut Water Utility Coordinating Committee (WUCC) and the Statewide WUCC both last met on November 16, 2022. The Eastern WUCC is scheduled to meet again in late July.

2) 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