

**Minutes of the January 22, 2018 Special 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, Nicholas Mullane and Claudia Koerting.

Authority Staff: General Manager Josh Cansler

Authority Legal Counsel: Nick Kepple (Avena and Kepple, LLC)

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. Balestracci, the Authority approved the minutes of the December 11, 2017 Water Authority Meeting, by a vote of 6-0, with one abstention (Ms. Koerting).

Correspondence – Since Ms. Koerting is a new member of the Authority, General Manager Cansler included updated RAB/Authority rosters along with an updated list of all Authority member term expiration dates in the correspondence packets.

General Manager's Report

1. 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, P.C. 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.

SCWA Attorney Kepple stated that the attorney for Raspberry Junction had filed her brief for the next hearing, and that Attorney Berry was working on her response to the brief. Attorney Kepple stated that although he felt SCWA was in the right, SCWA should consider hiring a legal specialist to review the case from an appellate perspective. He stated that appellate law is a legal specialty that most attorneys are not familiar with. Attorney Kepple also said that Attorney Berry, although very supportive of SCWA, technically works for the insurance company, and that it would not hurt for SCWA to have their own legal representation. He recommended Attorney Lloyd Langhammer of New London. He said that although it might cost the Authority extra legal fees, there was the still the possibility that we could end up regretting it later, if we don't add this extra layer of legal review. Attorney Kepple said that he had already been in contact with Attorney Langhammer, who was willing to take the case. Mr. Eccard made a motion to retain the services of Attorney Langhammer to represent SCWA on the lawsuit involving Raspberry Junction vs SCWA. His motion, seconded by Mr. Mullane, was approved by a vote of 7-0.

2. Amendment to Rate Schedule

(Attachment #1 – New Proposed SCWA Rate Schedule)

At the November 2017 meeting the Authority approved a motion to recommend, to the Representative Advisory Board (RAB), a proposed amendment of the current SCWA rate schedule, to add a line item for fees for customers with 4" meters. This motion was proposed after inquiries were made by SCWA customers regarding 4" meters. Currently the SCWA rate schedule only has fees for 3" meters and smaller. General Manager Cansler stated that adding a 4" meter line item to the rate structure will give any existing, or future customers, the opportunity to install a 4" meter. The Authority noted that per RAB bylaws the Authority could only approve the proposed amendment to the rate schedule after the RAB holds a Public Hearing, and the RAB has the opportunity to provide comment.

As required, the RAB held a Public Hearing on January 18, 2018 at the Groton Public Library. Since there was no objection to this amendment of the SCWA rate schedule at the Public Hearing, Mr. Eccard made a motion to amend the current SCWA rate schedule to add a line item for fees for customers with 4" meters. His motion, seconded by Mr. Mullane, was approved by a vote of 7-0.

3. Update on Miller's Pond

In August Mr. Rob Schacht, who represents the family that owns Miller's Pond, presented a memo which included ideas and concepts for SCWA to assist the Miller's Pond L.L.C. (MPLLC) to move forward with the excavation permitting process, and operation of Miller's Pond as a regional wholesale water supply. Mr. Eccard, Chairman of the SCWA Miller's Pond committee, presented this memo to the Authority at the August meeting. The Authority agreed, as a whole, that any funds expended on a joint venture, and on excavating and/or developing Miller's Pond, would have to come from revenues from the pond, or outside sources such as state or federal grants.

At the August meeting the Authority voted to have legal counsel review the concept memo prepared by the Schacht's, before making any decisions regarding possible future coordination with MPLLC. In October, Attorney Kepple informed the Authority that he could not conduct the legal review of the Schacht MPLLC memo for SCWA, due to a conflict of interest with his firm. At the November meeting the Authority agreed to reach out to Attorney Ronald Goldstein of Colchester, however after reading the documents provided, Attorney Goldstein responded that he was not the right attorney to provide legal counsel in this case. In his opinion this case encompasses a variety of legal aspects, and that he alone does not have the legal expertise to adequately address all aspects of this case.

At the December meeting the Authority agreed to reach out to Attorney Catherine Marrion from the firm Waller, Smith & Palmer, in New London, for legal counsel on the Miller's Pond issue. General Manager Cansler contacted Attorney Marrion, and she met with the Miller's Pond Committee on January 22, 2018. Mr. Eccard, Chairman of the SCWA Miller's Pond committee, said that the meeting with Attorney Marrion went very well, and that the committee would like to recommend that SCWA retain her legal services. Mr. Eccard said her first step would be to evaluate all options available to SCWA regarding this issue, and then meet again with the SCWA Miller's Pond Committee. The next step after that would be for the Miller's Pond Committee to meet with the Miller's Pond LLC.

Mr. Eccard made a motion to retain the services of Attorney Catherine Marrion from the firm Waller, Smith & Palmer to represent SCWA regarding Miller's Pond, starting with a legal review of the concept memo prepared by MPLLC. His motion, seconded by Mr. Mullane, was approved by a vote of 7-0.

4. DWSRF Emergency Generator Program

Through the DPH Drinking Water State Revolving Fund (DWSRF) program, SCWA received approval for three emergency generator projects. This program provides a 45% grant for new generators, a 25% grant for replacement of old generators, and no interest loans for the remaining costs. The three projects, at the Tower, Montville, and Chesterfield pump stations, were awarded to two separate contractors in June 2017, following a public bidding process. The Montville Generator Project was completed in mid-November, and the Tower Division Generator was completed in mid-December. General Manager Cansler stated the Chesterfield Generator Project, which fell behind schedule due to delays by Eversource, was now complete as well. He said all three generators were now up and running.

5. DWSRF Call for Projects

In late April 2017 SCWA submitted application packages and concept designs for three projects under the State DPH Drinking Water State Revolving Fund (DWSRF). This program provides low-interest loans, with the potential for subsidization, for eligible projects in the form of principal forgiveness. Two of the SCWA Projects; Replacement of Tower Division Pump Replacement, and Interconnection of Montville and Seven Oaks Divisions, finished very high, 4th and 5th respectively.

During the last week of December, SCWA was notified that there is sufficient DWSRF funding available for all three of our projects. They are requesting that we submit the first part of our Financial Assistance Application, which includes preliminary details of the project to include: preliminary engineering report (PER), information needed for DPH's environmental assessment, professional services documentation (engineering), financial information to qualify for a DWSRF loan and plans and specifications/construction contract bidding documentation (for construction phase funding).

General Manager Cansler stated that he is currently working on the required documents for the Tower and Montville/7 Oaks projects and that he would have all of the required financial paperwork submitted prior to the January 31st deadline. He said that SCWA should hold off on the 3rd project (Expansion of the Ledyard system along proposed Fairway Drive) due to funding restraints, and because of the pending interconnection project with Ledyard WPCA.

6. Water Supply Plan

Per the terms of the September 2015 Consent Agreement with DPH, SCWA was required to submit an updated Water Supply Plan to DPH no later than January 1, 2018. After soliciting bids from several engineering firms, the Authority selected Lenard Engineering to prepare the Water Supply Plan for SCWA. The final Water Supply Plan was reviewed and completed in mid-December, and three copies of the plan were hand-delivered to DPH on December 21, 2017. Mr. Cansler stated that upon delivery we were informed that due to staffing shortages it may be a while before the plan is reviewed.

7. 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. General Manager Cansler stated that SCWA is working with Groton Utilities on the design and engineering of the emergency interconnections, which are expected to be installed over the next year.

8. Extension of Services on Fairway Drive/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.

Mr. Cansler said that he had reached out to the Ledyard Town Planner regarding the status of this project and had been informed, that as far as the Town knew, this project was still a go. Chairman Monahan mentioned that he had talked to the Chairs of the Ledyard WPCA and the Planning and Zoning Commission, and they both believed the Aquatic Center project was still a go; though they were unsure of the funding status and current projected timeline.

9. 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 construction contractors on the new Emergency Services Center water system, as needed.

10. Town of North Stonington School Upgrade Project

SCWA has been working with the Design/Engineer Firm, as needed, to assist with the initial engineering and design of a project to renovate existing facilities, and construct some additions, to the Town of North Stonington Elementary School and Middle/High School. Mr. Mullane said that although the Town was ready to award the project, a recent petition had forced an upcoming referendum on the project.

11. Regional Considerations

a) State Water Plan and Water Utility Coordinating Committees (WUCC):

The State of Connecticut is currently in the process of developing a State Water Plan for the management of water resources within the state. In conjunction with State Water Plan, DPH has coordinated the activities of the three Water Utility Coordinating Committees (WUCCs). The Eastern Connecticut WUCC member meetings are held at 1 p.m. every second Wednesday of the month, at either the Southeastern Connecticut Council of Governments (SCCOG) offices in Norwich, or the Northeastern Connecticut Council of Governments (NECCOG) offices in Killingly. These meetings are open to the public.

b) Request for modification of Exclusive Service Area (ESA).

At the November meeting the Authority approved a motion to modify our ESA in Montville as requested by Norwich in a letter dated October 30, 2017. Norwich Utilities requested a modification because their reservoir, a water treatment plant, and their transmission main were in SCWA's Montville ESA. Norwich Utilities requested that the current ESA be modified so that the Norwich facilities in Montville are in the Norwich ESA. SCWA does not have any facilities, customers, or water mains near the areas. SCWA has also reached out to the Montville WPCA requesting a modification to our ESA to include the new Millwood housing development across from our Hillcrest Division.

c) SCWA interaction with the Southeastern Connecticut Council of Governments (SCCOG). Chairman Monahan periodically attends the regular monthly SCCOG meetings.

d) SCCOG Regional Water Committee's Technical Advisory Subcommittee (TAS). SCWA staff participate on the SCCOG Regional Water Committee's Technical Advisory Subcommittee.

e) General Manager Cansler continues to represent 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.

12. Authority Members

At the December Authority meeting, Member Mike O'Connor stated that his term ends at the end of the year, and due to changes at his workplace he did not intend to seek another 5-year term on the Authority. On December 12th, General Manager Cansler reached out to the SCWA Representative Advisory Board (RAB) Chairman requesting that the RAB Appointments Committee seek nominees for Mr. O'Connor's seat. Authority members are appointed by a majority vote of the RAB. At the January 18, 2018 meeting the RAB voted to appoint Ms. Claudia Koerting, of Ledyard, to a 5-year term, to fill the seat vacated by Mr. O'Connor.

Other Business - None

Report from Chairman - None

Report from Authority Members

Mr. Eccard made a motion that SCWA should recognize outgoing Authority member Michael O'Conner with a plaque for his service as an Authority member, for almost two terms; and that the Authority should send a letter to Dennison Allen thanking him for his service as Chairman of the Representative Advisory Board for the past 4 years. His motion, seconded by Mr. Watson, was unanimously approved. General Manager Cansler agreed to check into getting a plaque. Mr. Eccard stated that he would draft some thoughts for Mr. Cansler to put into a formal letter for the Authority to sign.

Public Comment – None

Adjourn

On motion of Mr. Eccard, seconded by Ms. Franciosi, the Authority voted to adjourn the meeting at approximately 6:15 p.m.

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

Joseph C. Cansler
Secretary