

MINUTES

REGULAR MEETING

WATER POLLUTION CONTROL AUTHORITY

March 5, 2015

PRESENT:

Director, Guy Russo

Chief Engineer, Joseph Fazzino

Chairman, Dale Aldieri

Vice Chairman, Scott Bishel

Councilmatic Representative, David Bauer

Commissioner John Giuliano

Commissioner Jack Pieper

I. Open Meeting (started at 7:00pm)

1. Public Hearing

Chairman Aldieri opened the public portion of the meeting and asked if there were anyone from the public present to be heard. Since no one from the public was present to be heard, Chairman Aldieri closed the public portion of the meeting.

II. Reports, Minutes and Correspondence

1. Minutes of Regular Meeting of January 8, 2015

A motion was made by Councilmatic Representative Bauer and seconded by Commissioner Giuliano to approve the Minutes of Regular Meeting of January 8, 2015. Motion was approved unanimously. Vice Chairman Bishel abstained.

2. Middletown's Mattabasset District 2015-2016 Wastewater Use Fee

Director Russo stated that the 2015-2016 Wastewater Use Fee is included in the budget, which is Mattabasset's breakdown from Brian Armet, that shows a substantial increase noted in the proposed Sewer Budget that will be discussed shortly. There were some discussions on this matter.

A motion was made by Councilmatic Representative Bauer and seconded by Commissioner Giuliano to have Director Russo draft a letter for the Chairman to sign inquiring about two financial questions (1) being about the Sludge Income and (2) why the portion of Middletown that has been a long standing Mattabassett Customer does not share in the amortization of the \$13 million dollar payment. Motion was approved unanimously.

3. Letter from Milone & MacBroom re: Kleen Energy Systems, LLC

Director Russo just has to execute the Approval Form for a Connection/Transport to a POTW that was attached to the letter from Milone & MacBroom. This letter was for informational purposes only and Director Russo just wanted the WPCA to be aware of it.

III. Transfers/Fund Updates

1. Monthly Fund Balance Reports-December, January & February

These reports were for informational purposes only.

2. Requisition for United Concrete Products Quote

Director Russo indicated that this matter could be combined with Item #6 of the “New Business” Section and was rejected by the Purchasing Department even though the bids were waived. Director Russo stated that our department needed to comply with the City’s Purchasing Regulations per the Purchasing Department since they would not recognize the WPCA’s bid waiver. Director Russo further indicated that Chief Engineer Fazzino was thinking of just making his purchase through the GSIF but Director Russo wanted to check with the WPCA first on whether they would like Director Russo to go ahead and request an opinion from the Office of General Counsel to Bond Counsel first to see what the WPCA’s authority when using City bonds to waive or the other option is to just use the General Sewer Improvement Fund (GSIF), which is a reserve fund to purchase these big purchases, as stated earlier. There were some further discussions on this matter.

This item will be approved in Item #6 in the “New Business” Section. Chief Engineer Fazzino did state that the bid waiver then can be done for the pump station through the GSIF Account, which there is funding once the transfer is done and the other portion is on State bid that can come out of bonding.

IV. Old Business

1. Durham Water Update

Director Russo indicated that he had a conference call today with Durham and he has a draft contract that Deputy Director Young is currently reviewing but had brought up some issues with the contract. Director Russo stated that he started talking with Durham

about the financial principals, ownership and our obligations. Director Russo indicated that what Deputy Director Young came up with is that this will require a diversion permit from our town to their town because this is called an “Out of Basin” transfer which means their water after they use it will flow to a different receiving stream. Director Russo said he spoke with other water companies on the southeast region that the Mashantucket Pequot Nation, Norwich Public Utilities and the South Eastern Regional Water Authority came up with an agreement where they would interconnect and share water resources but DEEP came in and wanted them to start working on the diversion permit with each utility and start to change their permit conditions that they currently have making each of their operations run better.

Director Russo then stated that we still have a contract and looking for construction to start sometime next year since they are still working on their funds.

Director Russo stated that the last thing he was going to ask the WPCA was about obtaining parcel of Talcott Ridge, where one of our storage tank sites would be located, but according to AECOM, the designer of the storage tank, indicated that the Talcott Ridge land is too restrictive so the department was looking at two other open space parcels that are also owned by Talcott Ridge that surrounds the tank site, as well, are orphaned properties, that would be needed for staging and crane access. By obtaining all three properties belonging to Talcott Ridge LLC their attorney has agreed to Quit Claim them to our department. Director Russo handed out maps so the WPCA can see where the three open parcels where located around the tank site. There were further discussions. Director Russo needed a recommendation by the WPCA to forward this to Common Council for the approval of these three open parcels from Talcott Ridge LLC.

A motion was made by Commissioner Giuliano and seconded by Commissioner Pieper that the WPCA acquire about the three open space parcels from Talcott Ridge by Quit Claim and then ask for the 8-24 Approval. Motion was approved unanimously. Councilmatic Representative Bauer Abstained.

2. Mattabassett Update

Director Russo indicated that there was one bid in for the pump station in the amount of \$28,900.00. Director Russo stated that since this amount is so high we are going to go back out for rebid. Director Russo further indicated that there were some issues in the project labor agreement. Director Russo further stated that the agreement has to meet the MBE and WBE requirements. Director Russo said that the department will be over the current funding and that he needs to speak to the Mayor. Director Russo further said that he heard second hand that the one bidder did not know the department had insufficient funds to cover the project and then complained since they were trying to help us out while the second bidder was somewhere around the same amount as the first bidder did, in-fact, not bid on the project because they knew the department did not have the money to execute it. Director Russo and the Mayor are still speaking with Bond Counsel to get advice from them on this matter. Director Russo stated that CDR Maguire is going to bring back a revised price to the committee. CDR Maguire is meeting with the Mayor one-week from tomorrow. There were some further discussions on this matter.

3. **Kleen Energy-Update**

Director Russo is still waiting to have a meeting with Kleen Energy to discuss the rate structure since we are down two motors. Director Russo indicated that he has asked staff to get a letter from George Caufman from Milone and MacBroom detailing where we are with Kleen Energy. Director Russo also indicated that there are other mechanical failures that our department is working on, including the cooling system pump. Chief Engineer Fazzino also stated there was a failure of the billing meter so a new meter was ordered and will be replaced.

4. **Middle Street Extension with Town of Berlin**

Director Russo stated that he looked at the contract and it is still not what the department is looking for. Director Russo indicated that he meet with the Town of Berlin and they are agreed to selling us water and take our sewer through a master meter and we will pay them and we have Cardinal Engineering working on 1700 foot extension to Middletown and this will give the department five to six industrial lots. Director Russo is hoping in a month or less have a cleaner contract to present to the WPCA. There were further discussions on this matter.

V. **New Business**

1. **Proposed Water Department Budget**

The proposed Water Department Budget was for informational purposes only.

2. **Proposed Sewer Department Budget**

The proposed Sewer Department Budget was for informational purposes only.

3. **Proposed Kleen Budget**

Director Russo indicated that he submitted the same budget. Director Russo stated that the Council is going to treat the Kleen Budget as sanitation. Council didn't want to see figures till May but Director Russo submitted his budget anyway. A rate will be set in May but any income above and beyond that has not been expended will be used for next year's budget.

4. **Discussion of Migration to Quarterly Billing**

Director Russo indicated that during a recent meeting with the Town of Berlin that he learned that they has "stepped up" changes to their billing system to go from semi-annual to quarterly billing. This change was done knowing that a 25% sewer increase, attributable to the Mattabassett expansion, was coming.

Director Russo stated that based on the Berlin story, and anticipated increases scheduled for the Middletown Sewer Rates, that perhaps Middletown should also consider expediting its conversion to quarterly billing. Director Russo indicated that currently all approximately 800 monthly accounts are equipped with radio and are currently read monthly. Director Russo indicated that of the 11,700 semi-annual/residential accounts, approximately 7,000 have been equipped with radio transmitters, and are currently capable of being read on a quarterly basis. Installation of the remaining 3,700 radio readers would require installation.

Russo stated that in an average week with two employees dedicated to installation of radio readers that 125-130 can be installed. If that pace, and dedication of personnel, is continued, the entire system could be ready for a quarterly radio read by spring of 2016.

Director Russo stated per Chief Meter Technician Trevisan, that in order to purchase the rest of the radio units the Department would need \$322,700 to finish, that is not including our workers who install them and miscellaneous expenses.

Director Russo stated that if all WPCA commissioners are interested that at next month's meeting they can transfer from the CNR fund balance into the radio meter line to buy more radio readers, and when July comes Director Russo can set the last of the funds necessary to complete this project. There were some further discussions on this matter and general agreement.

5. April Meeting – Holy Thursday

The WPCA April meeting that was to be held on Holy Thursday, April 2, 2015 at 7pm will be cancelled and a special meeting will be held on that same day but at 12:00pm.

6. S. Main St. Pump Station – Discussion of Use of Bond Funds vs. GSIF Funds

RESOLUTION

BE IT RESOLVED BY THE WATER POLLUTION CONTROL AUTHORITY
that: The following transfer be made,

From:			
2060	GSIF Fund Balance		\$60,000.00
To:			
2060-70700-79703-0000-00000-0000-000	South Main Pump Station		\$60,000.00

A motion was made by Vice Chairman Bishel and seconded by Commissioner Giuliano to approve the resolution. Motion was approved unanimously. Councilmatic Representative Bauer abstained.

7. Recommendation to Council for 8-24 Approval – Talcott Ridge Parcels

A motion was made by Vice Chairman Bishel and seconded by Commissioner Giuliano to approve the WPCA's recommendation of recommending to the Common Council that 8-24 Approval for the acquisition of 3 open space parcels abandoned by Talcott Ridge, LLC. Motion was approved unanimously.

VI. Staff Reports

Chief Engineer Fazzino missed the deadline to have his staff reports ready for the WPCA so he will supply them to Administrative Secretary, Dena Morello, and have her attach them to the agenda for the next scheduled WPCA meeting in April.

Deputy Director Young was absent from the meeting but Director Russo went over Deputy Director Young's December 2014 and January 2015 staff reports in further details. These were for informational purposes only.

VII. Adjournment

There being no further business, a motion was made by Commissioner Giuliano and seconded by Vice Chairman Bishel to adjourn the meeting. Motion was approved. The meeting adjourned at 8:30p.m.

Respectfully submitted: _____

Guy P. Russo
**Director of Water and Sewer Department/
Acting Secretary for the W.P.C.A.**