

**MINUTES OF THE TOWN OF CHESHIRE WATER POLLUTION CONTROL
AUTHORITY REGULAR MEETING HELD ON WEDNESDAY, OCTOBER 25, 2017,
AT 7:30 P.M. IN COUNCIL CHAMBERS, TOWN HALL, 85 SOUTH MAIN STREET,
CHESHIRE CT 06410.**

Present

John Perrotti, Chairman; Steve Carroll, Vice Chairman, Matthew Bowman, Ken Cianci, James Urbano, Tom Scannell, James Sima.

Staff: Walter Gancarz, Town Engineer

Chairman Perrotti called the meeting to order at 7:30 p.m. and read the emergency evacuation notice.

PLEDGE OF ALLEGIANCE

The Group Pledged Allegiance to the Flag.

ROLL CALL

The clerk called the roll and a quorum was determined to be present.

Chairman Perrotti welcomed Jim Urbano to the WPCA, and said everyone looks forward to working with him.

Mr. Urbano said his family has been Cheshire residents since 1994; his children went through the Cheshire School System and onto college; he has been associated with AT&T for 31 years, as a Sales Director for the company. Mr. Urbano believes in the pillars of family, work and public service.

1. **PUBLIC COMMUNICATIONS - none**
2. **APPLICATIONS - none**
3. **PROJECTS**
 - a. **September AECOM invoice #37980321, dated 10/18/17, for WJ Pump Station for \$944.27**

MOTION by Mr. Scannell; seconded by Mr. Carroll.

MOVED that the WPCA approve AECOM invoice 37980321 dated 10/18/17, in the amount of \$944.27

Discussion

Mr. Gancarz advised that there was a preliminary meeting with the contractor for this pump station. The contractor will be breaking ground in about three months; there is equipment to be ordered and approved by AECOM before coming to the site. He recommends this invoice for payment.

VOTE The motion passed unanimously by those present.

4. SUPERINTENDENT'S REPORT

a. Status of Plant Operations

Mr. Gancarz informed the Authority members that the plant is operating well. Supt. Dievert has reported that the denitrification system ended in September; phosphorous removal ends in October; we have had two full years of operation of both and they are operating well.

5. TOWN ENGINEER'S REPORT

a. Cook Hill Pump Station

Mr. Gancarz noted that the Cook Hill Pump Station is one of the referendum items for the November 7th election. Plans and specs were drawn up earlier. The Elim Park money enabled a lot of work to be done on the facility by Town crews, and these funds have been expended. There is money left in the design budget; plans are being completed on work to be done; if the project passes referendum it can go out to bid over the winter and work started in the spring of 2018.

b. West Johnson Pump Station

It was restated by Mr. Gancarz that this station is three months before breaking ground for the project.

Regarding the Cook Hill Pump Station project, Mr. Perrotti suggested pictures be taken and documentation of the process. This will show the public how much of the work was done by Town employees and saving considerable money.

Mr. Scannell commented on the actions taken regarding the sludge truck repairs and done by the Town crew. Mr. Gancarz informed the Authority members that this truck has been back in service for few weeks.

6. NEW BUSINESS

a. Proposed meeting dates for 2018.

MOTION by Mr. Bowman; seconded by Mr. Urbano.

MOVED that the WPCA accept and approve the 2018 proposed meeting dates.

Discussion

The meeting dates for 2018 are scheduled as follows:

January 24, February 28, March 28, April 25, May 23, June 27, July 25, August 22, September 26, October 24, November 28 and December 19; and January 23, 2019. The list is attached to these minutes.

For the November 28th meeting, it was suggested by Mr. Gancarz that it be moved to November 14th, as the tax office wants as much time as possible for notification of the sewer use rates.

Mr. Scannell stated this action could be taken at the October meeting, leaving the November meeting as scheduled.

VOTE The motion passed unanimously by those present.

b. Other new business of the WPCA

Chairman Perrotti stated the WPCA rules and regulations will be distributed at the November meeting to Authority members. He said these rules and regulations should be reviewed and revised, as this has not been done in 10 years.

Mr. Gancarz will provide copies of the documents to the Authority members.

(Mr. Sima entered the meeting at 7:40 p.m.)

7. OLD BUSINESS

a. Sewer usage fee for upcoming year

Last month the Authority discussed and reviewed some initial information on the sewer usage fees. Updated information was distributed to the members by Mr. Gancarz.

Chairman Perrotti stated that the Authority is looking at establishing parity based on the amount of flow on the use of the plant between residential, commercial and CCI.

Mr. Gancarz stated the sewer usage fee was discussed in April and was also discussed by the Town Council during the budget process. The Town has historically set a fixed rate for single family households, and based on the estimated use per household, converted this to the unit rate for commercial/industrial properties along with the use meter at CCI. Over the last 15 to 20 years, the conversion factor has been in process. It was accurate when people did not have low flow items; average household usage was 266 gpd; and this has decreased over the years. Regional Water Authority (RWA) was before the Council informing them of a 1% drop during that same time period. The average household uses less water. Therefore, the conversion factor was wrong. Mr. Gancarz said we had the benefit for the last seven (7) months of last year being dry and plant flows bottomed out; ground water was very low; there was no rain, with little infiltration or inflow into the system. What was going into the plant was household, commercial/industrial and prison flows, which was about 1.729M for the average of those months. The prison's accurate meter was at 460,000gpd during that time period; commercial users had 400,000 gpd; and this left 871,000 gpd for residential.

Page 2 – Breaking out these three groups, Mr. Gancarz cited the percentage of plant flow. Commercial = 23.0%; Prison = 26.6%; and Residential = 50.4%.

At the conversion rate, each of the respective parties would be paying this amount towards the plant operation. Mr. Gancarz cited the actual revenue supplied by these entities. Commercial is paying at 19.4%; Prison at 21.4%; and Residents at 59.2%. This indicates an inordinate amount of the financial load is on the residential users.

There was a look back at the water records, adjustments, and based on last year's flows, Mr. Gancarz came up with an average household using about 206 gpd, with 85% of that flow ending up in the sewer or 175gpd. Using that conversion, keeping the same residential flat rate at \$400, the commercial/industrial rate increases to \$3.98 per 100CF. The adjustment would be a significant increase to commercial/industrial and prison billings. During the budget review and Town Council review, there was support of this adjustment taking place.

Page 3 - Comparison with surrounding towns – Mr. Gancarz cited the data.
Cheshire CT – residential bill - \$400; commercial \$3.07/100CF; average bill \$1,351.
Southington CT – residential average bill is \$480; commercial \$250 +\$4.20/100CF; average bill - \$2,098.
Meriden CT – residential average bill is \$413; commercial \$48 + \$4.58/100CF; average bill - \$2,063.
Wallingford CT – residential average bill is \$484; commercial \$148 + \$3.94/100CF; average bill - \$1,861.

Cheshire's rate is lower than surrounding towns. It was noted by Mr. Gancarz that all the surrounding towns have not put in phosphorous removal, so there will be further increases when it comes on line. Cheshire is 4.0mgd; Southington 7.4mgd; Meriden 11.6mgd; and Wallingford 8.0mgd.

With the WPCA going forward with adoption of \$400 residential rate, making adjustment to the commercial/industrial rate (using last year's flows) each of the categories would be paying the following percent of sewer rates:

Commercial – 21.7%; Prison -25.7%; Residents – 52.6%.

These percentages are more in line with their flows. This is Mr. Gancarz's recommendation to the WPCA.

Page 4 – the WPCD fund adopted budget FY 2017-2018. Line #2, Sewer Use, is \$3.78M Council adopted number.

Page 5 – 2018 Rate Projections from each of the categories at the \$400 rate.
\$400 x 4,795 users = \$1.918M; 167 Senior Citizens with frozen rate at \$339 = \$56,645;
Commercial/Industrial – 440 accounts; out of the 440 accounts, 174 actually have water usage equal to or less than a single family house, and get a fixed rate of \$400; others would be charged based on RWA usage. CCI has the largest increase; there is 10 months of data was tracked; there discharge is similar to last year.

The list of the top 50 accounts included the name, location, last year's payment and next year's payment with the new rate structure in place. Mr. Gancarz noted 174 of the total accounts will see no increase at all.

Chairman Perrotti said the plan is for the Authority members to review, discuss, and agree on a plan going forward. The new rate for the plans will then be published for the public hearing, which is scheduled for November 29, 2017, at 7:00 p.m. Following the public hearing the Authority members will vote for the new sewer usage rate for next year.

Mr. Bowman commended Mr. Gancarz for the excellent job in summarizing the rate information. He concurs with the proposed new rate structure.

In looking at the proposed new rate structure, Mr. Urbano said he calculates a 29.6% increase for commercial/industrial users. He commented on Cheshire encouraging businesses to stay in town or new businesses to move to town. He asked about taking smaller steps rather than one action.

This was a concern and Mr. Perrotti said it was discussed at prior WPCA meetings.

Mr. Carroll commented on the sewer usage cost to a business being a small percentage of their costs. Their overall costs are not being increased by 25%...just the sewer charge...which is a small part of their budget. He said the Authority does not want to run anyone out of business, but is looking at information in more detail and businesses it applies to. Mr. Carroll asked for clarification...if the WPCA is settling on the \$400 residential rate and adjustments to commercial/industrial and CCI in the coming year.

Mr. Perrotti answered "yes".

The question on how the prison is billed for their usage was raised by Mr. Carroll, as they will have the biggest increase.

In reply, Mr. Gancarz noted CCI has two sewer meters and are billed off the meters.

With an adjusted rate, Mr. Carroll asked if CCI will recoil at this.

It was stated by Mr. Bowman that CCI has been underfunding for a very long time at 21%, and got away with lower payments for many years. He said the Town Engineer stepped up to the plate, did research, and found Cheshire has been wrong for many years.

According to Mr. Perrotti, what the WPCA has in front of it is a solid increase with parity attached to it, backed by data which it can stand behind.

With water usage data that we have, Mr. Carroll asked how far back it goes.

This is residential water data from last year and Mr. Gancarz said the commercial/industrial data is received.

Mr. Carroll asked if the numbers will fluctuate, as WPCA is basing everything on the residential rate.

The RWA can be requested to provide more long term trends, and Mr. Gancarz noted the RWA visited the Council, talking about the 1% loss per year as a long term trend.

It was stated by Mr. Carroll that year to year water usage is fairly predictable.

That is not only for residential, but commercial is pretty steady, and Mr. Gancarz said CCI has the largest fluctuation. With a wet year CCI has a lot of I&I.

By doing the analysis and looking at some of the commercial accounts, Mr. Sima said many are heavy irrigation users. Having gone through a couple of dry years, he said those numbers may fluctuate. Some of the accounts are using lots of irrigation, and CCI has an outflow meter measuring their flow. Mr. Sima commented on caution that there may be fluctuations year to year depending on the irrigation systems.

With regard to meters, Mr. Bowman asked about commercial accounts being able to install meters.

Mr. Gancarz replied that a few accounts have petitioned over the years, and this may be something to be considered when WPCA revised the regulations. He said the numbers used are last year's water usage. The tax assessor requested this year's water numbers for commercial accounts, and they should be available next week.

Two points were made by Mr. Gancarz. He said although there is a significant increase, in reality, commercial/industrial and prison have underpaid their share for a long time. He cited the top 50 accounts, noting almost one-half will not see any increase. A number of the top 100 commercial users will only see a \$70 increase, with everyone below that level seeing a lower increase.

The Authority members were told by Mr. Gancarz that there is a sewer rate survey prepared for every town in Connecticut.

On the list of the top 50 commercial accounts, Mr. Bowman said his company is one of them, with an effect of about \$1,500 per year.

All the information is based on the 2016 rates. Mr. Gancarz cited the average sewer rate for residents at \$472; median was \$401; range was average of \$130 to \$1,469. Cheshire is in the lower middle of these rates.

Notice of Public Hearing – Chairman Perrotti read the notice into the record.

NOTICE OF PUBLIC HEARING

Pursuant to Connecticut State Statutes, Chapter 103, Section #7-255 and Section 7-147, notice is hereby given of a Public Hearing held by the Water Pollution Control Authority of the Town of Cheshire at the Cheshire Town Hall, Council Chambers, 84 South Main Street, Cheshire, Connecticut at 7:00 p.m. on Wednesday, November 15, 2017.

At said time and place, the Water Pollution Control Authority will consider and take action on the proposed revision of the Sewer User Charge Regulations. It is proposed that the Sewer User Charge will be established at Four Hundred Dollars (\$400.00) per annum per single-family dwelling. Other users will pay an amount based on their relative water use as reported by the Regional Water Authority (RWA) or sewer meter readings in the case of Cheshire Correctional Institution (CCI), in accordance with the format outlined in the Regulations but not less than Four Hundred Dollars (\$400.00) per year.

MOTION by Mr. Bowman; seconded by Mr. Scannell.

MOVED that the WPCA approve the Notice of Public Hearing as read into the record of the meeting by Chairman John Perrotti.

Discussion

Mr. Sima asked about inclusion of the \$3.98/100 CF.

Chairman Perrotti said the WPCA is carrying this in the parity based on the RWA water usage.

With regard to the public notice, Mr. Carroll stated the public may not understand the notice, and doubts anyone will be at the public hearing. If the new rates are adopted, he suggested sending a letter to the commercial users explaining the rationale of parity between residential and commercial users. This would be a courtesy, and they would be aware of a potential sewer bill increase in 2018, and plan accordingly.

Another way was suggested by Mr. Gancarz...to put an insert into the sewer bills with the explanation and information. He noted the commercial rates are not listed for the top users, it is just information based on water usage, and could include the \$3.98/100CF.

Mr. Sima commented on the need for transparency of the WPCA, letting people know what the Authority is voting on...\$400 minimum rate and clarity on what commercial users will pay.

Mr. Bowman explained that the rate is not set until the public hearing.

VOTE The motion passed unanimously by those present.

b. CCI Court Case Update

Mr. Gancarz reported on the court case, and stated there should be a decision by the next WPCA meeting in November. The Judge requested a 60-day extension and that expires in early November.

c. Other business of the WPCA

Mr. Gancarz offered Mr. Urbano a tour of the treatment plant, and they will arrange their schedules for the tour.

The issue of the dike that surrounds the plant was discussed with the Authority members. Mr. Gancarz said it was wiped out in the 1982 flood. There are only two buildings on the plant site with flood insurance, and eligibility for \$260,000. FEMA did not recognize the dikes, and they see this area as flooding. In order to rectify this issue the plant must go through a “dike certification” to prove the dike can withstand a 100 year flood. If this can be done the Town does not have to pay \$7,000 annual flood insurance premium, and there is eligibility for the general liability of \$5M. The \$5M is more in line with cost of damages if there ever was a breach of the dike. It was reported by Mr. Gancarz that the dike was designed and built by a federal agency. He was able to track down the man who designed and oversaw construction of the dike. The salt water pump has been upgraded as part of the plant upgrade. The application for the dike certification is a sound one; a few more things to be done; the dike was constructed with a 2 foot board for 100 year flood, and now the requirement is 3 foot board. This work can be done by PW staff. Mr. Gancarz is hopeful to get the approval within the next three months, as it will be a long term benefit to the town, and the dike will be have more financial protection.

Chairman Perrotti that something of this nature shows the Town Engineer going above and beyond to get more with less.

The WPCA roster was included in the packets. Chairman Perrotti noted that his term of office expiration of **1/31/17** was incorrect; and, Mr. Scannell’s expiration date of **1/31/16** is also incorrect. These dates need to be corrected through the Town Clerk’s Office.

8. APPROVAL OF MINUTES

a. Regular Meeting held September 27, 2017

MOTION by Mr. Bowman; seconded by Mr. Scannell.

MOVED to accept and approve the minutes of September 27, 2017, subject to corrections, additions, deletions.

VOTE The motion passed unanimously by those present.

9. ADJOURNMENT

MOTION by Mr. Bowman; seconded by Mr. Scannell.

MOVED to adjourn the meeting at 8:27 p.m.

VOTE The motion passed unanimously by those present.

ATTEST:

Marilyn W. Milton, Clerk