

**MINUTES OF THE TOWN OF CHESHIRE WATER POLLUTION CONTROL
AUTHORITY REGULAR MEETING HELD ON WEDNESDAY, OCTOBER 24, 2018 AT
7:30 P.M. AT THE WATER POLLUTION TREATMENT PLANT CONFERENCE
ROOM, 1325 CHESHIRE ST. CHESHIRE CT 06410.**

Present

John Perrotti, Chairman; Aboud Abdelghani, Tom Scannell, James Urbano, Zack Wellburn. Absent: Steve Carroll and James Sima.
Staff: Town Engineer Walter Gancarz

PLEDGE OF ALLEGIANCE

The Group Pledged Allegiance to the Flag

ROLL CALL

Chairman Perrotti called the meeting to order at 7:30 p.m.

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

1. PUBLIC COMMUNICATIONS

Chairman Perrotti commented on the dedication ceremony held earlier at the treatment plant to honor retired Supt. Dennis Dievert. A plaque was placed on the Administration Building, naming this building in recognition of Supt. Dievert's 14 years of hard work and service to the Town and the treatment plant facility.

2. APPLICATIONS

None

3. PROJECTS

Mr. Gancarz stated he reviewed the invoices and approves them for payment.

- a. AECOM invoice #2000123628 dated 10/17/18 for W. Johnson Pump Station in the amount of \$13,206.03.**

MOTION by Mr. Scannell; seconded by Abdelghani

MOVED that the WPCA approve the AECOM invoice #2000123628 dated 10/17/18 for W. Johnson Pump Station in the amount of \$13,206.03.

VOTE The motion passed unanimously by those present.

- b. Del Ray Contracting, invoice #10 dated 10/15/18 for West Johnson Pump Station in the amount of \$345,952.00.**

MOTION by Mr. Scannell; seconded by Mr. Abdelghani

MOVED that the WPCA approve the Del Ray Contracting invoice # 10 dated 10/17/18 for W. Johnson Pump Station in the amount of \$345,952.00

VOTE The motion passed unanimously by those present.

c. Paramount Construction LLC invoice #6 dated 10/22/18 for Cook Hill Pump Station in the amount of \$201,538.70

MOTION by Mr. Scannell; seconded by Mr. Abdelghani

MOVED that the WPCA approve the Paramount Construction Invoice #6 dated 10/17/18 for Cook Hill Pump Station in the amount of \$201,538.70.

VOTE The motion passed unanimously by those present.

d. Wright Pierce, invoice #119585, dated 09/28/18 for Cook Hill Pump Station in the amount of \$1,674.15.

MOTION by Mr. Scannell; seconded by Mr. Abdelghani

MOVED that the WPCA approve the Wright Pierce invoice #119585 dated 09/28/18 for Cook Hill Pump Station in the amount of \$1,674.15

VOTE The motion passed unanimously by those present.

4. INTERIM SUPERINTENDENT'S REPORT

a. Status of Plant Operations.

Mr. Gancarz reported the plant is operating well. He briefly reviewed the flow report, noting it was a warm summer; this is reflected in the flows; and the prison (CCI) is responsible for 25% of the flow.

UV comes out this month; phosphorous ended last month. With regard to a cost analysis of the plant, Mr. Perrotti stated the plant has all the meters/drives which adjust speed and lower rpms, and there is a base cost.

An analysis was done a few years ago and Mr. Gancarz stated 70% of the budget is fixed costs. Out of a \$4M budget, \$1.2M goes to the Town for debt service. 30% of the budget is for variables; lower flows equate to lower electrical expenditure, chemical costs, and less disposal of solids.

5. TOWN ENGINEER'S REPORT

a. Cook Hill Pump Station

Mr. Gancarz reported that this project is going great; the generator is in the building; it is not yet hooked up; the project should be completed in the next few weeks. The driveway is in; landscaping to be done in the next few days; the fence is up; and the project has been run smoothly.

b. West Johnson Pump Station

Mr. Gancarz informed the Authority members that this project is about one-half done; the completed work is good, very professional; the project should be done by now under the current schedule; but it will not be completed until January. There is one big issue with the pumps coming from HOMA in Germany...due to a delay with responses, resubmission of show drawings, shipping, retesting to be done, etc. The equipment has been shipped to the U.S.; tests are being done; and will be given to AECOM. The pump station will be going on by-pass for two months in order to take out the old pumps and install the new pumps.

The Authority members held a brief discussion on the Del Ray letter/request for time extension on this pump station project. Mr. Gancarz does not recommend acting on this time delay request. The contract has a \$1,200 per day fine for each day the project is late. Mr. Perrotti said this fine should be held over the contractor's head in order to push and get the project moving forward. More information has been requested from DelRay on why the request was made and why it is plausible.

The WPCA did not take any action on the time extension request, and delayed action until the November meeting pending receipt of more information.

Mr. Gancarz reported the budget on both pump station projects is very good. West Johnson is a \$3.5M project; it is \$1M below this number; and there are some insignificant change orders forthcoming.

Chairman Perrotti asked about using the project fund balance to purchase maintenance equipment for the pump station(s) to help with better operation of the facility.

In that regard, Mr. Gancarz explained that anything purchased from the project funds must be used for the individual project...i.e. West Johnson or Cook Hill Pump Stations.

6. NEW BUSINESS

a. Other new business of the WPCA

Mr. Gancarz informed the WPCA members that the second belt filter press needed for the plant was approved by the Town Council for \$350,000 funding in the capital expenditure budget. A quote of \$273,000 has been received for rehabilitating this filter press, and the entire process takes 8 to 10 weeks. There will be a request to the Council at the November meeting for a bid waiver on the rehabilitation of the filter press.

b. Review rates for 2019

Chairman Perrotti explained there is an annual review of the rates charged to users of the sewer system service, and WPCA decides on the recommended rate. On November 28th, WPCA must hold a public hearing on the proposed user rates, followed by a regular meeting and decision on the rate. Approval of the proposed rate must go to the Town Council.

The current residential rate is \$400 annually; the commercial rate is based on water usage and is scaled to meet the residential \$400 rate; CCI rate is based on actual discharge of waste into the sewer system.

Revenue Budget Report – Mr. Gancarz reviewed this report and the process required to set a rate. The Town Council sets the fiscal year budget in April for the WPCD, and \$3,829,427 was the Council adopted sewer use budget. The Council expects the adopted sewer rate to generate this revenue from residential/commercial/CCI use, with the assumption water use would be the same as in the prior year...which does not happen. Council's expected rate was \$405, which will not cover the \$3,829,427 budget number.

A significant portion of the prison/CCI discharge is I&I; CCI flows are down about 5% this year.

Fund Balance - \$2,337,678; Council wants to tap into this balance to help pay for the plant upgrade; their charge to WPCA is to generate \$3,829,427 revenue.

Sewer Rate Adjustment Memo October 23, 2017 - Mr. Gancarz stated the water usage rates should be into the Public Works Department from RWA very soon.

It was noted by Mr. Perrotti there has been discussion about two (2) billing periods for residential users, one-half payment in December and June.

This must be further discussed with the Tax Collector before it would be implemented, and Mr. Gancarz believes it would be well received by the residents.

In 2017-2018 there was no increase in the sewer user rate. With adjustments, Mr. Gancarz noted Cheshire would still have lower rates than neighboring towns.

Revenue – Mr. Gancarz stated the total sewer user revenue is about \$3.7M.

Plant Flows – Residential is 50.4%; Commercial is 23.0%; Prison/CCI is about 25%.

2019 Rate Projections – Mr. Gancarz reviewed the details for varied rate projections and revenue. The rate projections include 151 “senior users” at a flat rate of \$350,

which will never increase. The estimated revenue by the Town Council from sewer users is **\$3,829,427.00**

\$400 Rate – estimated revenue from residential/commercial/prison would be \$3,701,941.25.

\$405 Rate – estimated revenue from residential/commercial/prison would be \$3,747,656.84.

\$410 Rate - estimated revenue from residential/commercial/prison would be \$3,793,372.84.

\$415 Rate - estimated revenue from residential/commercial/prison would be \$3,839,088.03.

Commercial uses 174,624 ccf; at the \$400 rate this equates to \$3.98 per ccf; \$695,000; there are 162 units using less than the single family residential rate, and they pay the minimum \$400 rate. CCI uses 233,188ccf.

To meet the Council's projected revenue of **\$3,829,427.00** the annual user rate would have to be **\$413.94**.

The Authority members discussed the rates and projected revenues. An increase to \$414 would be 3.5%; there was no rate increase in FY 2017-18; a rate of \$410 would require taking \$30,000 from the equity fund to meet the Council's revenue requirement. The members did not totally agree with the \$410 rate and taking equity funds.

Mr. Gancarz advised that last year, with the commercial user rate adjustment, there were only two complaints received. He commented on the past analysis done on smaller vs. larger households paying the same rate. To make rate calculations and adjustments based on the number of people in a household would result in high administrative costs.

It was noted by Mr. Perrotti that the WPCA research demonstrated the parity in the rates between residential/commercial/CCI. For the public hearing in November, the WPCA must set a rate, and cannot exceed this rate...i.e. set a \$415 rate for the public hearing; it can be reduced; it cannot be increased.

WPCA members Abdelghani, Scannell, Urbano, and Wellburn agreed with setting the rate at \$415 for the November public hearing.

MOTION by Mr. Scannell; seconded by Mr. Wellburn.

MOVED that the WPCA post the recommended sewer user rate of \$415 for FY 2019 for residential/individual dwelling units and corresponding rates for commercial users; and

Moved that the WPCA hold a public hearing on the proposed rate on Wednesday, November 28, 2019 at 7:30 p.m.

VOTE The motion passed unanimously by those present.

7. **OLD BUSINESS**

a. **Other old business of the WPCA**

Mr. Gancarz informed the Authority of the need to amend the language in a section of the regulations which were approved last month. He cited the revised language (in bold/italics).

5.2(e) The Commercial/Industrial rate will be set annually by the WPCA, and applied against the reported water usage provided by the South Central Regional Water Authority to arrive at an annual invoice. ***In no case shall the minimum amount charged be less than the residential flat fee, regardless of water usage.***

MOTION by Mr. Scannell; seconded by Mr. Abdelghani.

MOVED that the WPCA accept and approve the revised language to the regulations as follows:

5.2(e) The Commercial/Industrial rate will be set annually by the WPCA, and applied against the reported water usage provided by the South Central Regional Water Authority to arrive at an annual invoice. ***In no case shall the minimum amount charged be less than the residential flat fee, regardless of water usage.***

VOTE The motion passed unanimously by those present.

b. **Staffing of WPCF**

Electrician – Mr. Gancarz informed the Authority members that the 30 hour per week plant electrician retired. There is a need for electrician support at the plant, someone who has understanding of the control system and control work. The position was posted; one application was received; the applicant will be interviewed next week by Mr. Gancarz, Mr. Hallier and Mr. Wellburn.

Superintendent – this position has been posted (2nd time); 6 applications received; 2 internal and 4 external; applications are being reviewed by the Town Manager with the process moving forward.

8. **APPROVAL OF MINUTES**

MOTION by Mr. Scannell; seconded by Mr. Urbano.

MOVED that the minutes of the Regular Meeting of September 26, 2018 be approved subject to corrections, additions, deletions.

VOTE The motion passed unanimously by those present.

9. ADJOURNMENT

MOTION by Mr. Scannell; seconded by Mr. Urbano

MOVED to adjourn the meeting at 8:40 p.m.

VOTE The motion passed unanimously by those present.

Attest:

Marilyn W. Milton, Clerk