



TOWN OF WINCHESTER – CITY OF WINSTED

Town Hall – 338 Main Street

WINSTED, CONNECTICUT 06098

Minutes of Regular Meeting

Water & Sewer Commission

Held Via Zoom

February 9, 2021

Vice Chairman called the meeting to order at 6:04 pm. The following members were present: George Closson, Bill Hester, Joe Lemelin, John Masicotte. Also present was Director of Public Works Jim Rollins, Superintendent of Water Works Marty Cormier and Finance Director Bruce Stratford, Steve Vail and Moderator Pam Colombie.

Public Input-None

Approval of minutes from January 12, 2021: **Motion** George Closson **to approve the minutes of January 12, 2021.** Second by B. Hester. **Vote:** All in favor-*motion carried unanimously.*

Report from Finance Director: B. Stratford- provided copies of the budget reports, bank statements.

B. Stratford-I sent out four documents with notes and I think they are self-explanatory.

Sewer fund Budget: We are about 58% for the fiscal year. We are slightly head on sewer rent collections. Total revenue is about 9,000 ahead of last year. Miscellaneous septic dumping on page 1, the \$30,000 we collected in January included the December payments, we had illness in the department and did not get them posted until January. We are at 85% of our septic dumping budget. No activity on Russ's Septic, they have paid their bill and they are not dumping. Page 2-Sewer Plant is at 51% of its budget, no areas of concern. Page 3-Pumping Station is at 41% of its budget. Department 317-WPCA-a pension contribution was made of \$28,000 out of the Sewer Fund and we will do the balance in May or June. The other underlined item on Page 3 is referencing Barkhamsted Interlocal Project and the cost off set by the revenue on Page 1. Page 4-Debt Administration, total expenditures is \$943,634 or 47% of its budget. The sewer fund is performing as I would expect.

Discussion: J. Masicotte-back on Page 2, overtime is at 63%, does that take into account the Eversource money we might be getting back? B. Stratford- I do not think you have overtime out of those guys. J. Rollins-We did, I do not know if it would have gotten into the paid period, I

believe that was during that hurricane/storm, when the power was out. We started off the year with several call ins down there, things are running smoothly now I would not be alarmed at that. J. Masicotte-the pumping stations heating fuel we are at 90%, do we need to transfer for next month. B. Stratford- I will look into this. R. Rollins-my comment on that is, this is the first year I 've been allocating the same fuel filling tank, we are allocating some of it to water and sewer and we haven't in the past. Everything the street department is absorbing, we are splitting the big tanks three ways, 50% street, 25% water and 25% sewer. This is the first time we have consistently done this that is why it is high. J. Masicotte-on 316-pumping stations-contracted service and bituminous concrete, both are at a little over 80%. M. Cormier-we will be ok with both of those and be good until the end of the year. I know a lot of the generator fuel was coming out of the heating fuel. Jim and I made a separate line for the generator fuel, we can double check to make sure we are not pulling it out of that line item. J. Rollins-generator fuel is at 42% so I would say we are allocating that correctly.

Sewer fund: Bank balance is at \$444,426.

Water Fund- we are at \$873,333 compared to \$838,000 last year at this time. We are a little behind on past due water rents. Total revenues are at \$995,783 compared to \$992,000. Page 2-Water Works 317-193-0001 Inter & Temp-just a reminder that the Fund is expecting some assistance from the Jim McCarthy fund to offset the cost. Emergency repair 317-925-0002-we are slightly over budget. Marty do you want to replenish that account? M. Cormier-I would like to replenish it, I will look at it. This is unforeseen unfortunately. We used to draw from our operating line, we can eat up \$20,000 in one water main break. J. Masicotte-we have extra money in supplies and materials. B. Stratford-we will watch the account. Page 3-Crystal Lake-they are 49% of budget. Pension-321-230-0000-a contribution of \$70,000 was made today. The Water Commission is at 48% of its budget. Total fund is at 51%, 956,777. We are funding the Capital Improvement Fund for Water & Sewer

Discussion-J. Masicotte-317-Overtime line-is this the same thing because of the storm which is at 67%. J-Rollins-I would expect that this was because of the storm. There is labor associated with the emergency repairs. I am not alarmed by that. B. Stratford-we had some big charges at the end of October and beginning of November. M. Cormier-we had some breaks, and we were also finishing up the Brookside watermain. We had a few projects that ate up some overtime. I do not foresee going over this year.

B. Stratford-Water Fund Bank Account balance-is at \$573,073 and savings account balance is \$874,193.

B. Stratford-Fund 123-Capital Improvements-Page 1-appropriation transfers-\$105,585 out of sewer and \$155,779 out of water. Those are year to date transfers. Page 2-gives the individual projects. You will see some of the projects we did not have the budget for last month. The vacuum truck has unencumbered balances which will be the next two fiscal years. J. Masicotte-on 878-2109-water mains-are we \$126,000 over. B-Stratford-a purchase order was issued for the preliminary engineering report which was required by DWSRF we are expecting that there will be funding by DWSRF, we have a purchase order allowing for the engineering. J.

Masicotte-what is the purchase order amount, we had budgeted \$50,000. B. Stratford-that was to get us started, the purchase order is for \$159,522 to Environmental Partners, this is from Bart for the drawings for state revolving drink fund. J. Masicotte-I didn't realize engineering cost would be \$159,522. J. Rollins-typically they are about 15-20% of the construction cost. B. Stratford-it's about a million-dollar project. J. Rollins-the PER's are done, they have been accepted by the State Revolving Fund. We know we are getting 25% loan forgiveness, the second 25%, is more about first come first serve, we have been pushing the engineers on all three projects, Crystal Lake, Wallens Hill and the water main replacements. We want to get them out surveying before the weather turned. As of today, they have the vast of the surveying done so the engineering is underway. J. Masicotte-will it be complete this budget. J. Rollins-it will be close. M. Cormier-we are pushing for it to be done by the end of the state budget. The state may have funds available next year to offer that 25%, its available now if we get it in. J. Masicotte-is this something we should transfer out of savings to cover this? B. Strafford-think of it this way, it's like the vacuum truck we are going to fund the water department share of this project over a number of budget periods and this is the beginning of it. We had to issue a purchase order in order to get the engineering done, sign the paperwork and ultimately get the loan forgiveness. In terms of paying the engineer, I think there is sufficient funds in the operating account to cover this and we will not have to move money from the savings account. We put in this year \$50,000 of it, we haven't spent any money on it we just issued a purchase order. J. Masicotte-on the rest of these projects how much more engineering costs will be incurred. J. Rollins-similar percentages, the water main is estimated at a little over a million and each tank is estimated at two million, so 15-20% of the cost goes into the engineering for these projects as well. J. Masicotte-so will the engineering be done by the end of next year. J. Rollins-yes the PR has been accepted, the engineering will be under way before the next budget. The purchase orders should be written in this fiscal budget. J. Masicotte-for \$300,000. J. Rollins-yes and maybe more in the next budget year.

B. Stratford-the only other thing I have under my reports is a request for a refund in the amount of \$48.33 to Attorney Robert Dwyer for miscalculation on a closing for water.

Motion: by G. Closson refund \$48.33 to Attorney Robert Dwyer, second by J. Lemelin. **Vote:** All in favor, *motion carried unanimous.*

Sewer plant furnace: J. Rollins-the first one is in and running, the second has been installed but the wiring has not been finished yet

Step screen: B. Hester- I have not heard back. He will draw up a proposal. We did not forget about dewatering the truck so that part will be done. When he gets it to us, then we can do a bid spec. They will do it from beginning to end. J. Masicotte-I thought this was just for the groundwork to get the pad in. J. Rollins-the proposal is for the whole thing so we can see the scope of the work and schedule the order of operations. We can do the site work prep ahead of time but we need to know the whole package so we can orchestrate the rest of the project.

Sewer rates Increase: B. Stratford-I sent a slide deck that you can consider sharing with the public. This compares how the sewer fund has performed financially over the last five fiscal

years. The yellow line shows the sewer fund is eating up its net position every year because of the loss it is generating mostly out of the depreciation charges. We started off at the beginning of fiscal 2016 at 14,545,508 and at the end of fiscal 2020 we are at 13,825,627 almost a \$900,000 decline over the last five years. We are trying to stop this from continuing so we can add some net position, and therefore we have a sewer rate increase. After four years it is expected to give us over \$500,000 in revenue which would wipe out these annual deficits and provide some added funding for all the repairs at the sanitation plant and in the collection system. The next slide is some of the key metrics of the Winchester system compared to Torrington, Norfolk and New Hartford. The most relevant is the top line which is the annual cost for a user with a customer with 5,000 gallons per month of usage. The Winchester proposal is supposed to take that annual cost from \$530 to \$671 a 27% increase. This is better illustrated in the next slide. This compares the annual sewer fees and compares where Winchester is currently, where the proposed rate would be at \$630 a year compared to Torrington, which we really cannot be compared because they have so many more users, but the \$630 compares very favorably to Norfolk and New Hartford's annual fees. This chart shows the composition of the rate increase and the components, there is a base rate charge that will be equalized to the water base rates, we will phase that in over four years. This is the revenue that would be coming into the fund each year. Year 1-163,260 which would be close to putting that annual loss at around zero, Year-2 would bring in positive and by Year 4 it should be covering any cost increases but still be adding the revenues and resources to the sewer fund which will allow for all the major sewer repairs we see ahead. G. Closson-on the previous slide, you are comparing it to Torrington, Norfolk and New Hartford, do we have any information on a comparable sized system that might be more meaningful. B. Stratford-are there any recommendations on which Town's we may compare well with. Is there anyone in Litchfield County? B-Hester-I think you may have to look in Harford County. G. Closson-I think it would be an important comparison. B- Stratford-The third chart shows a typical user, using 1,000 cubic feet per quarter up to 1,500 cubic feet, two columns to the right, usage column would be \$96 and \$114 per quarter and if you move over, after four years it would move up to \$128 per quarter and \$148 per quarter. The increase over a four-year period amount to the percentages in the last column 33% and 29.7%. J- Masicotte-what is the difference in the percentages in the previous slides. B-Stratford-the previous was based on a 5,000 gallon per month and these are slightly less. The next chart shows you how it works over a four-year phase in for quarterly billing by gallons per month, this is how the rates would work over the next four years. J. Masicotte-why did we jump from 1,000 gallons on previous slide to 2,500 on this one. B-Stratford-the previous are in cubic feet, these take you down to lower gallons per month. J. Masicotte-I think we should keep it consistent. B- Stratford-I will redo it in gallons instead of cubic feet, using 100 gallons per day.

Cost for pumps on Morgan Dr/Lakeview Rd-J. Rollins-we did not get anything yet, but Eric Hess is working on the proposal so as soon as we get it, I we will forward it on.

Carey Ave sewer project by homeowners: J. Rollins-still no word on this.

Crystal Lake Emergency Plan: J. Rollins-this is ongoing and will be for months. J. Masicotte-is there a date for completion. J. Rollins-there is a statutory completion date for some of it.

Sewer Plant Generator, frozen valve in Portable Water Pump, Internet update, broken PVC pipe-J. Rollins- sewer plant generator-they are starting on the last phase of that tomorrow. J. Rollins-the valve for the portable water is \$500 plus electrical work, he has that underway. The broken PVC pipe-he is still waiting on a quote for that. The new VFD-he has a quote for \$5900. The sludge pump-two out of three are operational, he is happy with that for now.

Bill adjustments: J. Rollins-12 Adams St as you remember this is the resident that had an obstructed sewer lateral. He called in Clayton Webb who tried to clear it and could not quite get it and ended up calling Roto Rooter which ended up with a \$9800 invoice. M. Cormier is willing to consider the possibility that we would have done some of the work had they followed our recommendation. We are supposed to work on our system which is from the curb into the road and the homeowners are responsible from the curb stop in. G. Closson-Marty are you suggesting the \$1457.52? M-Cormier-this is what it would have cost us. I would have dug up that portion of it and it might have been a portion of our property. I wish Mr. Amoroso gave us the opportunity to act on this instead of calling a contractor. It would of cost us about \$1500 to fix that. J. Lemelin-do we normally inspect when they hook up, can we fine if they did not call for an inspection before they back filled. M. Cormier-they did call us for an inspection. B. Hester-so the lateral is the homeowner's responsibility from the house to the main line. So, if a homeowner were to install a new line into ours, if they have the right permits, they can dig up the road and tie into the main. M. Cormier-so any contractor can dig up the road if the have the appropriate permits. B. Hester-unfortunately, it is his responsibility that he did not call in, because it is his lateral. I feel the same for the other one as well, 142 Main St. Why are we paying for Masetti's to come in an camera it. M. Cormier-142 Main St, they had a backup, most homeowners don't necessarily call the utility off the bat, which they should. I think we need to educate the homeowners of this. They were able to get some relief with Masetti, they hit some roots, the water went down for a few days. He had American Rooter come and was told they had a jetter that would clear which did not work. American Rooter decided that they would come back with a cutter with and additional expense and that did not work. He called Masetti back who contacted me. When we did go, we were able to camera it out and the blockage was clearly on our portion of the lateral. Their section of the lateral was good our section of the lateral was compromised, cracked and full of roots. J. Rollins-I agree with Marty on this one, the problem was caused by the roots in the section of the lateral that we are responsible for, they incurred cost trying to resolve our problem. M. Cormier-both customers are looking for anything we are willing to cover.

Motion: by J. Masicotte to refund \$1457.52-12 Adams St and \$825-142 Main St, second by J. Lemelin. **Vote:** All in favor, *motion carried unanimous. Homeowners need to provide cancelled check for proof of payment.*

60 Hurlbut Bill adjustment-M. Cormier-this was handled by Jim and I and we are just giving you an update.

B. Stratford-I will need an account for the cost reimburstments-316

S. Vaill-maybe we could send out an information letter regarding whom to call when in this situation whether it be sewer or water.

GEMS software update-we are still comparing other software, such as Quality and how it works with utility billing. We are under the impression that they can do the billing automatically and not use an outside vendor.

Santoro's-B. Stratford-I do not have any update.

Director's Report

- J. Rollins-Alex passed his Class IV Operator's exam. Also Wade Curtis passed his Class II exam.
- J. Rollins-We have an incident repair for Elm/Center St with Eversource-we are going to be back billing them for \$5820.93 plus whatever the cost was to the homeowner. That covers all our cost for the overtime, equipment, and labor, Apparently, they just dug through it and either didn't notice or care, they broke up five feet of pipe.
- The Housatonic Value Association- this is a group that has been doing an assessment value for all the watershed property that the Town owns. They are in a position to grant us money for permanent protection and some public access. They wanted to offer the Town between \$488,000 to \$600,000. My personal thought is for that kind of money it is not worth it. Bob and I both agreed that we were not very inspired by that number. We do not know if it is going to have more of a value later. I did tell Bob that we were going into this project originally that any money that they got from grants should go into improvements to the water shed. Is that 488-600,000 a big enough assistance on a capital improvement project that is going to last for 50 years or more. We will continue to look into what we actually give up in order to get that money.
- I do not know if you guys were aware that there was a cyber attack on a Water Company in Florida over the last couple of days. The Department of Health sent out a you tube video and a bulletin on it. I checked with both Alex and Jeff to see if we have any interconnections where the internet can change operational function of our plants and we do not we are completely isolated from the internet. We should be safe from those types of cyber attacks that are becoming more common.
- Budget season is coming up so I will be meeting with Alex, Jeff and Marty. I will probably be padding the overtime budget because if we are successful in communicating to the public to call us first, we will be getting a lot more calls that we will have to respond to.

Old Business:

Sewer plant bridge repair: J. Masicotte-that will be 2022. J. Rollins-that is the other part of the budget. I am going to budget our costs. I want to tag team the inspection with that bridge along with a bridge on the Street Department. We need to remember to make Smith Hill bridge a priority. It was not on the spreadsheet we gave you, but I handed written it on mine.

State revolving fund & Dam Repair through USDA funding: J. Rollins- this one and the next one is based on USDA funding. It is based on the ability to pay. We can keep filling out SRF applications for water mains and other projects and USDA applications for the dams and the dikes. We will reach our ability to support that debt with our current rate structure.

B. Stratford-so the 3 projects for the State Revolving Fund program total five million dollars, one million for the water main replacements, two million for Wallens Hill Tank and two million for Crystal Lake Tank. If we got 50% loan forgiveness, then the current water rates could easily handle that debt service. If we only got 25% loan forgiveness, we could handle it and would not have much other freeboard, meaning you would not have the flexibility to take anything else on. If we did not get any loan forgiveness the water rates would not be enough to cover the costs. The additional projects such as dam repairs and water main projects. After these three projects are complete, I think you are going to need a water rate increase to service that debt. J. Rollins-we will know better when we see the cost of these projects, they are an estimated cost and once we know whether it is a 25 or 50% loan forgiveness. B. Stratford-we feel good about the 25% forgiveness rate, I think they dangle the 50% out there if we could get all our documents in so we could go out to bid. If we do not get the second 25% forgiveness, we are still in good shape with the current rate structure. It would be approximately, 3,700,000 in debt. J. Rollins-they do allow a 25-year payback on the SRF and if your over five million you can go up to 30 years. J. Masicotte-do we need (2) two-million-dollar tanks at the same time. J. Rollins-we must do Wallens, this is causing us issues. J. Masicotte-we have not use Wallens in years. J. Rollins-and that is why we are having issues. We believe that most of the water main breaks that we have had are because, without having a tank at that end of town there is no place for water hammer to get absorbed, which have broken the pipes on Holabird, Florence and N. Main St. So, it is costing us in that way but even more so when we do have a break, we are experiencing negative pressure in some of those higher elevations which turn into boiled water orders and delays putting pipes back together because we are waiting for bacteria test results and notifications with DPH. J. Masicotte-so staying with Wallens Hill, going up Holabird and Florence, you have the tank above Florence, so you said the back pressure from the water are you pumping the water through that tank and back down Wallens? What are you doing to protect the water lines? J. Rollins-because the tank has an empty air space above it, so if any water hammer goes charging through the system it will go until it finds the weakest spot in the system. Currently the weakest spot ends up breaking a pipe. If we have a tank up there, the tank has an area at the top which is just air, so the water has a place to expand into and absorbs the impact. J. Masicotte-can you do that without having to build a whole new water tank on Wallens. M. Cormier-every time we have had a water main break, we have experienced a negative pressure which causes meters to spin backwards in our low-pressure zones which are Florence and all the way down to just above Stanton Ave. Department of Health will not hear any argument, they will not allow not having a tank on Wallens Hill. M. Cormier-we took the tank offline about two years ago. What the issue was when you had a watermain break you would drain that tank and bring that water back into the system. The tank served its purpose, but the engineering of that tank was far to large, the altitude valves were the wrong valves. That hill with our system we cannot survive without a tank there. J. Masicotte-what size tank are you proposing. J. Rollins-half the size of the one that is there, approximately 500,000 gallons. J. Rollins-Crystal Lake tank needs to be repaired; the

inside of that tank is compromised. We cannot bypass that tank without having another tank of some type to give us our chlorine. We are going to add a tank which is half the size of the one that is existing. J. Masicotte-does the Crystal Lake tank have to be a permanent tank can we get a portable tank up there for less. J. Rollins-we looked into that and it was pretty expensive. M. Cormier-we could get a temporary bladder tank, which was almost \$275,000 to rent something and you would be doing that again the next time you want to rehabilitate this tank. This system is going to last for 100 years. To not have a redundant tank up there does not make good sense.

Water regulations update: J. Rollins-we have not looked at that.

Tree Harvesting: J. Rollins-We have not looked at that.

*MIU's Installed-*J. Rollins-program still on hold due to COVID-19.

New Business: No new business.

Adjournment: J. Lemelin-made a motion to adjourn meeting at 7:45 pm, seconded by G. Closson. **Vote:** *all in favor-motion carried unanimous.*

Minutes Respectfully Submitted,

Rhonda Roy

Minute Secretary