



TOWN OF WINCHESTER – CITY OF WINSTED

Town Hall – 338 Main Street

WINSTED, CONNECTICUT 06098

Minutes of Regular Meeting Water & Sewer Board Probate Conference Room, Town Hall, 338 Main Street, Winsted April 11, 2017

Chairman Richard Nalette called the meeting to order at 7:03 p.m. The following members were present: Richard Nalette, John Massicotte, Tim Moran and David Villa. Also present was Working Foreman – Water & Sewer Marty Cormier, Selectman Steven Sedlack, Director of Public Works Jim Rollins and Finance Director Bruce Stratford. Tim O’Meara was absent excused. Chairman Nalette distributed copies of budgets and bank statements from the Director of Finance to attendees.

Public Input: Selectman Sedlack asked when the new rate goes into effect. Mr. Rollins explained this quarter for which billing is just getting ready to go out. Brief discussion followed regarding anticipated response.

Approval of Minutes from February 14, 2017: Motion by J. Massicotte **to approve the minutes of February 14, 2017.** Second by D. Villa. **Vote:** All in favor - *motion carried unanimous.*

Revise Allocation of Funds for Brook Street Repair: Mr. Rollins explained he received 2 invoices for the repairs totaling \$17,082.50 (\$8,075 + \$9,007.50); \$50,000 was allocated leaving \$32,917 remaining for a possible truck purchase. J. Massicotte asked about the money included in the Willow Street repair line of \$28,000. Mr. Stratford clarified that is for encumbrances. Mr. Rollins said the Willow Street project has a partial invoice – still waiting to do the final paving but it is on budget; should have roughly \$10,000 left – expect the grand total for Willow Street to be \$39,000. Chairman Nalette verified have \$40,000 remaining between Brook and Willow Street. Discussion followed regarding replacing the 10-year old truck with just under 100,000 miles, liability issues, spreading purchases over several years, etc.

Authorize Transfer of Funds of \$6,000 from Meter Expenses to Maintenance of Meters: Mr. Rollins explained a lot of meters were purchased and should have pulled it out of a different line; this is just to make the line item whole. **Motion** by T. Moran **to transfer \$6,000 from account #317-663-0002-0000 to #314-676-0002-0000.** Second by D. Villa. *Discussion:* J. Massicotte asked if more will be purchased. Brief discussion followed regarding charging remaining purchases to the correct line item. D. Villa asked how many remain to be changed. M. Cormier said less than 900 remain; the goal is to have them all done by this time next year. **Vote:** All in favor - *motion carried unanimous.*

Director of Finance Report: Mr. Stratford proceeded to review the sewer budget; noted revenues are at 61%; billing only one quarter’s worth; the payment from the water fund has not been made yet; recommended it be done; collected 66% of sewer rents (was at 71% last year); think this is due to lower billings but expect it to catch up this next billing cycle; won’t be surprised if we don’t hit billing this year even with the rate increase; noted septic dumping revenues are up; on the expenditures side, electricity is higher than the last two years. Brief discussion followed regarding taking advantage opportunities for energy savings. Mr. Stratford said he anticipates being \$25,000 over by the end of the

fiscal year; noted sludge disposal fees have purchase orders against that line. Brief discussion followed regarding purchase orders issued on anticipated costs and being aware of them. Mr. Stratford noted the heating fuel line item needs to be looked at. Mr. Rollins said had problems with the furnace – it wasn't using the methane we produced. Mr. Stratford asked if the \$4,000 overspend in the contingency line was for Lenard; noted several other accounts have no activity. **Motion** by J. Massicotte **to transfer \$5,000 from #317-851 to #317-835**. Second by T. Moran. *Discussion:* the money is for design work at the pump station, is \$5,000 enough, no additional anticipated costs, etc. **Vote:** All in favor - *motion carried unanimous*. J. Massicotte asked about overages in contracted equipment and public notices. Mr. Stratford said he will make recommendations in the last month of the fiscal year and do one round of adjustments. T. Moran asked how many payments of \$200,000 from the sewer fund to the general fund remain. J. Massicotte said three years.

Mr. Stratford proceeded to review the water budget; noted revenues are at 68%; have collected 70% of the water rents (compared to 71% last year); 3rd period billings are \$58,000 lower; expect that amount to be picked up in the next billing. Mr. Rollins said people may be conscious of the drought. Mr. Stratford explained the collection in May is actually for January, February and March; may not see the revenues until July or August. Discussion followed regarding Crystal Lake heating system. **Motion** by D. Villa **to transfer \$5,000 from #317-002 to #317-005**. Second by T. Moran. **Vote:** All in favor - *motion carried unanimous*. Mr. Stratford asked about the repayment of \$82,000 from water to sewer. The Board supported it.

Mr. Stratford distributed bank account information for the water account and sewer account; explained cash balance activities. Brief discussion followed regarding the account for hook-ups currently has \$13,912 but costing \$100 per year to maintain the account; no activity in that account for the past four years, etc. Mr. Stratford suggested putting the money in the water and sewer funds. J. Massicotte explained it originally was to go towards painting the water tower – thought that account was wiped out. D. Villa suggested disposing of this account and putting it in sewer. Mr. Stratford verified the fees are billed and deposited as revenue. Discussion followed regarding the number of water and sewer connections, fees are probably 50% water and 50% sewer. **Motion** by D. Villa **to transfer \$13,000 to the sewer general ledger account**. Second by J. Massicotte. **Vote:** All in favor - *motion carried unanimous*

Mr. Stratford offered copies of the audit to commissioners; distributed copies of the pages specific to water and sewer funds; noted they are listed as proprietary funds; King, King and Associates issued a clean opinion. Brief discussion followed regarding the net position section. Mr. Stratford explained the 2nd page is different due to a question being raised pertaining to operating expenses; this is much cleaner. Discussion followed regarding depreciation figures, fixed asset depreciation records, and if the water works depreciation includes the water tank on Wallens Street. Mr. Stratford noted the water fund is generating enough revenues to cover operations but not sufficient amounts to replace infrastructure; sewer is not. T. Moran asked how long this loss can be carried. Mr. Stratford explained don't plan on an annual deficit; the Board has raised rates and is building its capital recovery funds. Discussion followed regarding culling out money for capital recovery, depreciation, effect on depreciation of installing more efficient equipment and disposing of equipment, net assets, etc. Mr. Stratford noted this years' financial statements will reflect similar figures but increased revenues will be in fiscal year 18; use any opportunities to seek cost savings. J. Massicotte asked about money due to other funds and accrued leave benefits. Discussion followed. Mr. Stratford asked if the Board wants King, King and Associates to give a presentation. Consensus is no.

Possible Purchase of Valve Exerciser: M. Cormier explained he would like to implement a uni-directional flushing program; will address a number of dirty water complaints; would like to exercise every valve every 2 – 3 years; explained how the mechanism works; would like to do 30 valves each day. J. Massicotte asked how many valves are in town. M. Cormier said not sure – hydrants and valves are not in the right locations on plans. D. Villa verified this will be a device to exercise and locate, and to give an accurate depiction of valves and hydrants; asked the cost. M. Cormier said the cost of the one he wants is \$17,000; currently turning the valves by hand; added most small towns do not have an exercise plan. Mr. Rollins noted valve exercising is only part of the equation. T. Moran asked if we have enough manpower. Mr. Rollins said not for doing it manually. M. Cormier detailed the unit he prefers; noted he respects the company that sells and supports that unit. Discussion followed regarding need a 6-week lead time, account to take the money from, type of truck wanted for \$31,000, bring the specifications and specific line item for the next meeting, put the truck on the back burner, if spending \$17,000, put it on a truck that can utilize it, using money for the valve exerciser from the money for the truck. D. Villa said need to come in with specific information next month and a short list of plans to improve the system; this tool is long overdue. Brief discussion followed regarding a couple of guys went down to see it operate in person.

Discussion of Possible Purchase of Pick-Up Truck: Discussed earlier

Update Possibilities Low Pressure Sewer for Pump Station #8: Chairman Nalette said Attorney Nelligan advised him the Board needs to contact Perch Rock Trail Association itself; Dave Battista is working on a letter. D. Villa noted every time the Board talks about this, the costs get higher. Chairman Nalette said they have considered installing individual pumps; if the Board wants to consider it that way, can consider it. Discussion followed regarding already have 300 pumps, another 30 isn't going to make much difference, only requires a 2" forced main, looking at other options from installing pump station #8.

Director's Report: Mr. Rollins explained the following:

- He and Marty Cormier are working on prioritizing water projects to make them bid-ready when the bond rolls over; distributed a list; need it for the health department anyway. M. Cormier proceeded to review the list. Discussion followed.
- This next billing, the \$10 per quarter and 4% sewer increase goes into effect; will actually be billing for 2 quarters; asked about 2% for the double quarter billing. Discussion followed regarding avoiding confusing the issue.
- Would like to assemble a list of approved contractors for jetter services. Discussion followed regarding liability involved with guaranteeing contractors work, referring companies authorized to work on our system, conferring with the Town Attorney on the list, etc.
- Received three (3) quotes for tank inspections; inspection is due this year; one quote is for a dry inspection – not a viable option; 2 quotes are wet: Liquid Engineering for \$7,000 - \$8,000 and Underwater Solutions (used previously) for \$8,480. Discussion followed regarding the amount budgeted, possible extra costs, put on the schedule for August 1, take out of contingency this fiscal year and making the money available in May. Consensus is to use Underwater Solutions.
- Have finalized the exclusive service agreement (ESA) with WUCC. Discussion followed regarding Chairman Nalette or Jim Rollins should sign it, sending it to Attorney Nelligan for his review, COG already reviewed it, etc. Mr. Rollins said he is comfortable with the document as it's written.

Motion by D. Villa to authorize the Director of Public Works to sign the WUCC agreement on behalf of the Water and Sewer Commission. Second by J. Massicotte. **Vote:** All in favor - *motion carried unanimous*

Old Business:

- Brief discussion followed regarding the historic plans, Oakdale Avenue generator, and tree harvesting.
- Mr. Rollins noted hired 2 full-time Utilityman III; interviews are done for the Plant Operator IV/Utilityman 2; no time to further consider seasonal hires; nothing is done yet on the Crystal Lake inlet screen – Jeff Rines is working on his capital improvement list.

New Business - none

Adjournment: Meeting adjourned 8:58 p.m.

Minutes Respectfully Submitted,

Laurie Bessette
Minutes Secretary

Next Regular Meeting:

Probate Room
Tuesday, May 9, 2017
7:00 p.m.