



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 October 11, 2016

Chairman Richard Nalette called the meeting to order at 7:03 p.m. The following members were present: Richard Nalette, John Massicotte and David Villa. Tim Moran was absent excused. Tim O'Meara was absent. Also present were Jim Rollins, Director of Public Works, Bruce Stratford, Director of Finance and David Battista of Lenard Engineering.

Public Input - none

Public Hearing for Water Shut Off Costs:

Motion by D. Villa to ***open the public hearing (7:04pm)***. Second by J. Massicotte. **Vote:** All in favor - *motion carried unanimous*. Chairman Nalette made the call for public hearing. No public comment was heard or presented. **Motion** by D. Villa to ***close the public hearing (7:06pm)***. Second by J. Massicotte. **Vote:** All in favor - *motion carried unanimous*. **Public Hearing closed.**

Approval of Minutes from September 13, 2016:

Motion by D. Villa to ***approve the minutes of September 13, 2016***. Second by J. Massicotte. Discussion followed to reflect comments made by John Massicotte at the 9/13/2016 meeting should have read "...\$1.1 million total..." not "...\$1.1 million over...". **Vote:** All in favor with revision - *motion carried unanimous*.

Updated Budget of 2016-2017 – Salary Questions: Mr. Stratford distributed 3-month year to date sewer and water budgets; noted revenues look on target; proceeded to review budgets:

Sewer: Revenues are \$373,000 including \$41,000 from septic fees; expenditures are \$382,000 – everything looks normal.

Water: Revenues are \$418,000; expenses are \$610,000 (\$265,000 debt payment was made in August).

D. Villa reminded attendees previous discussion was held to consider rate increases on the sewer side; meter reading is an opportunity to recapture/realign rates. Mr. Stratford explained the current rate structure doesn't build in capital; while working on the budget, he and Jim Rollins found areas of adjustment to cover normal operating costs; suggested 3.9% increase to the base sewer rate and 6.9% capital recovery costs as related to current usage; presuming that would be applied to all users. Chairman Nalette noted typically increases are done on base rate and usage. D. Villa said just need to make the bills easily understandable; concerned if the increase is held off until November whether there will be enough time to check each property; thinking about the process and that it's understandable – break it out to explain the rate increase and capital recovery cost. Chairman Nalette noted it will take longer to do the rate change than it will to change the bills. Mr. Stratford said 6.9% represents \$100,000 to the total collection; have to be careful how to describe it. Chairman Nalette explained the process. D. Villa noted there is equipment to buy and maintain; there are 2,900 sewer rate payers and 2,500 water rate payers; the cushion established a couple of months ago was a one-time thing and is now swept out; this creates a 2-3 month cushion. Brief discussion followed regarding a 5.9% increase on the water side. Mr. Stratford said a sewer increase of 4%

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and apply the capital recovery fee to give \$100,000 per year in each water and sewer. Discussion followed regarding base and usage being charged. D. Villa suggested \$10 per quarter for water and sewer each. Discussion followed regarding providing funding to operate the system, \$10 fee is recovering only the \$100,000, this is a different set of circumstances from three years ago, tying something to the base rate instead of usage, etc. D. Villa noted Mr. Stratford's suggestion makes generation of those funds more predictable. Chairman Nalette noted a public hearing will be needed. **Motion** by D. Villa **to empower the Chairman to work with the Director of Finance to propose a set of rate increases as discussed in tonight's session for purposes of a public hearing.** Second by J. Massicotte. Discussion followed that the worst case scenario is that the public hearing will be at Christmas. **Vote:** All in favor - *motion carried unanimous.*

Mr. Stratford distributed Bank of America cash balances for the water fund and sewer fund and the Webster Bank Investment account statement; noted income investment balances; distributed updated labor costs – indicated number of people rendering services to water and sewer and the percentage of their salary – explained it totals \$126,000 from the sewer side and \$127,000 from the water side but each division is charged only \$125,000 and doesn't include supplies, incidentals, etc.

Mr. Stratford distributed a draft repayment schedule to the general fund over the next three years; scheduled to pay \$50,000 from each fund each quarter; explained what was owed. Discussion followed regarding recent money transfers. Mr. Stratford adjusted the repayment schedule. J. Massicotte questioned the original \$3.2 million. Discussion followed. Mr. Stratford noted he will adjust the payment schedule for next month; said Cindy Rines is closing water and sewer funds Wednesday and get it to the auditors Thursday – the objective is to have it done by December (on time). Discussion followed regarding adopting the budget next month, budgeting for personnel, etc.

Start Process of Pump Station #7 Replacement: Mr. Battista explained he verified with the Town Manager and Attorney Nelligan that it was okay to move forward; have started organizing the project; this is not an emergency but need to move with deliberate speed; mobilized a surveyor and soil boring specialist; don't have a contract yet but do have a verbal agreement. **Motion** by D. Villa **to authorize the Chairman to initiate a purchase order.** Mr. Battista explained this will take a full year; can't do a lot until the information is reviewed; need to survey property not owned by the Town; the current location is a terrible location but there are a couple of vacant lots by Perch Rock Trail - this wedge of property is owned by the Perch Rock Trail Association; hoping a letter from Attorney Nelligan will help persuade them to allow the survey. Discussion followed regarding alternate locations, winter maintenance, etc. Mr. Battista said the next issue will be procuring that property – may be friendly or not so friendly; will know more from Attorney Nelligan Wednesday. J. Massicotte asked about evaluating that location. Mr. Battista explained where the borings will be performed; will get pricing for both locations; right now there is a lot of puzzle pieces to fit together. D. Villa asked if Mr. Battista has already gone through the \$5,000 allocated last month. Mr. Battista explained the proposed costs. D. Villa asked for costs between now and the end of the year. Mr. Battista said approximately \$25,000. J. Massicotte suggested doing the whole \$25,000 all at once; considering either leaving it in place or an alternate location; asked will we be able to follow the design of the Perch Rock Trail station. Mr. Battista explained the design options – custom, package system or like Perch Rock Trail. D. Villa verified the costs range between \$450,000 - \$600,000; suggested keeping the same design for different locations (i.e. - Moore Avenue). Mr. Battista said if the Commission buys packages, they will vary depending on who sits at this table. D. Villa said East Wakefield Boulevard is more important but wouldn't demur Moore Avenue due to anticipated activity in that area. Mr. Battista noted commercial activity will have no impact but agreed with D. Villa's comment. D. Villa said any activity at the bottom of Glendale and Oakdale Avenue could impact Moore Avenue. Mr. Battista said he understands but each location has different needs but it's easier to follow a pattern – Perch Rock Trail example can be followed; noted Chairman Nalette and Mr. Rollins has concerns with costs. J. Massicotte asked when Mr. Battista needs to know what design to follow. Mr. Battista said need to know the general direction next month. Discussion followed regarding costs, cost fluctuation can be 20-30%, when to make

the design decision and getting general costs. D. Villa said there are bonds that end in 2018; noted the Commission should have \$1 million in reserve; this would be creating a template and then the bond would take care of the pump station; \$25,000 now is easy. **Motion** by D. Villa **for a bid waiver in the amount of \$24,000 regarding East Wakefield Boulevard pump station replacement and associated costs.** Second by J. Massicotte. **Vote:** All in favor - *motion carried unanimous.*

Motion by D. Villa **to authorize Lenard Engineering to begin the initial investigation of tasks 1, 2 and 3 as indicated in their design process memorandum dated 10/10/2016 in the amount of \$24,000.** Second by J. Massicotte. **Vote:** All in favor - *motion carried unanimous.* Mr. Battista said he wanted to show the Commission schedule-wise and time-wise; property acquisition will be the hard part.

Lenard Engineering Report for USDA Rural Development Grant – Mr. Battista said not much progress is being made; invoiced for 50%; the USDA is waiting for the application.

Director's Report: Mr. Rollins said nothing to add – budget is the key thing – a lot of loose ends. Discussion followed regarding crews did a great job fixing the Brook Street leak and scope of the leak. Mr. Rollins said Holabird bridge work is 2 – 3 weeks away – having utility issues – machinery is over there – doing the roadway into the college area first; new hires discussed later; Willow Street bid documents are being proofread.

Fee for Turning Off Water Service - \$100.00: **Motion** by D. Villa **to impose a \$100 fee to shut off water service to any customer effective November 1, 2016.** Second by J. Massicotte. **Vote:** All in favor - *motion carried unanimous.*

Old Business:

- LED Lighting – no additional information

New Business - none

Adjournment: Meeting adjourned 8:25 p.m. upon motion by D. Villa. Second by R. Nalette. **Vote:** All in favor - *motion carried unanimous.*

Minutes Respectfully Submitted,

Laurie Bessette
Minutes Secretary

<p style="text-align: center;">Next Regular Meeting: Probate Room Tuesday, November 8, 2016 7:00 p.m.</p>
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