

**EAST LYME WATER & SEWER COMMISSION  
REGULAR MEETING  
Tuesday, MARCH, 25th, 2014  
MINUTES**

The East Lyme Water & Sewer Commission held a Regular Meeting on Tuesday, March 25, 2014 at the East Lyme Town Hall, 108 Pennsylvania Avenue, Niantic, CT. Chairman Formica called the Regular Meeting to order at 7 PM.

**PRESENT:** Paul Formica, Chairman, Dave Bond, Steve DiGiovanna, Dave Murphy, Joe Mingo, Carol Russell, Roger Spencer

**ALSO PRESENT:** Joe Bragaw, Public Works Director  
Brad Kargl, Municipal Utility Engineer

**ABSENT:** Dave Zoller, Dave Murphy

FILED IN EAST LYME  
CONNECTICUT  
March 30, 2014 AT 12:15 AM/PM  
*Brooke D. Formica* ATC  
EAST LYME TOWN CLERK

**1. Call to Order**

Chairman Formica called the Regular Meeting of the East Lyme Water & Sewer Commission to order at 7:00 PM and led the assembly in the Pledge.

**2. Approval of Minutes**

▪ **Special Meeting Minutes – March 11, 2014**

Mr. Formica called for a motion or any discussion or corrections to the Special Meeting Minutes of March 11, 2014.

**\*\*MOTION (1)**

Mr. Bond moved to approve the Special Meeting Minutes of March 11, 2014 as presented.

Mr. DiGiovanna seconded the motion.

Vote: 5 – 0 – 1. Motion passed.

Abstained: Mr. DiGiovanna

**3. Delegations**

Mr. Formica called for anyone who wished to speak under Delegations. There were no delegations.

**4. Water & Sewer Billing Adjustment Requests**

Mr. Kargl said that there were none at this time.

**5. Approval of Bills – from Attachment B**

Mr. Formica called for a motion on the Regional Interconnection bills.

**\*\*MOTION (2)**

Mr. DiGiovanna moved to approve payment of the following Regional Interconnection bills: Haluch Construction, Pay Appl. #8 in the amount of \$1,051.53; Mid Atlantic Storage Systems, Pay Appl. #6 in the amount of \$36,173.76; D'Amato Construction, Pay Appl. #6 in the amount of \$17,290.00; D'Amato Construction, Pay Appl. #7 in the amount of \$11,200.50 and Tighe & Bond, Inv. #1406103 in the amount of \$31,521.96.

Mr. Mingo seconded the motion.

Mr. Bond asked if they assessed the liquidated damage fees.

Mr. Kargl said yes.

Vote: 6 – 0 – 0. Motion passed.

## **6. Budget Report – Finance Director**

Mr. Formica noted that the report was in their folder. He added that they plan on holding a special meeting in April to discuss the budget.

## **7. Niantic Pump Station Electrical Upgrades**

Mr. Kargl said that his intent was to have Tighe & Bond here for the April meeting for an update on the possibility of doing upgrades in a phased in approach. There would be three phases. He said that he does not have a lot of the numbers right now although it is quite considerable in price. However; the upgrade would be good for some 20 to 25 years.

Mr. Formica suggested having them come to the Special Meeting.

Mr. Bond asked how old the pump station is.

Mr. Kargl said that it is over 20 years old.

## **8. Water Project Updates**

### **▪ Regional Interconnection**

Mr. Kargl said that Mr. Kenney has been doing a good job working with the contractors and noted the copy of the letter on the pressure reducing valves (PRV's) that was sent to people. They have been working with the property owners and will start installing them soon. He said that they have also found that some of the property owners already have them. The PRV's will be maintained by the homeowner once they are put in. They are anticipating paying for this with some of the leftover funds that they previously discussed.

Mr. Bond asked about the pricing.

Mr. Kargl said that it would vary and that they should know soon.

Mr. Mingo asked about people who choose not to put in the PRV's – he suggested that they be asked/required to sign letters that they will absorb any liability resulting from not having them installed.

Mr. Kargl said that he has also been thinking about that and it is a good idea. There are 63 properties one is the Aces High Campground and another is St. Matthias Church. He noted that Aces Highs has a 6" service.

### **▪ Manwaring/Shore Road Water Main**

Mr. Kargl recalled that they had awarded the Manwaring Road contract to Anello Brothers. The following week they received the bids for the Shore Road water main connection and Anello Brothers, as they could see from the bid listing, had also come in with the lowest bid. By awarding the bid to them, it would allow Anello the ability to purchase the materials necessary to do both of the jobs.

## **\*\*MOTION (3)**

**Mr. Mingo moved that it be RESOLVED, that the East Lyme Water and Sewer Commission hereby accepts the bid submitted by Anello Bros., LLC in the amount of \$70,000.00 for the Shore Road Water Main Replacement Project and to authorize the Chair to execute, in the name and on behalf of the Commission, a contract for such work with Anello Bros., LLC and to execute such other documents as may be necessary to implement the Project, upon submission of the required bonds and certificates by the contractor.**

**Mr. DiGiovanna seconded the motion.**

**Vote: 6 – 0 – 0. Motion passed.**

Mr. Mingo asked what the estimated time would be to complete the work.

Mr. Kargl said three weeks to a month.

Mr. DiGiovanna asked what size pipe they would be using.

Mr. Kargl said that it would be 8". He noted that both of the bids do not include the special pre-insulated pipe that we have already purchased at a cost of approximately \$5000 - \$6000.

▪ **Other**

Mr. Kargl noted that he had provided them with a proposal from CEI – the company who has been doing the leak detection work for them. He asked them for a bid for a comprehensive water review from all aspects to see how we can run better due to all of the leaks that we have had. He said that he is providing it for their review.

**9. Review of Hydrant Fees**

Mr. Formica said that this has been mentioned as a topic for discussion.

Ms. Russell provided everyone with copies of some information that she had provided Mr. Formica with a few weeks ago. (Copies attached at end of Minutes) She reviewed the sheets noting the analysis of public hydrant revenue to the East Lyme Water from the Town over the years and what she had determined was lost revenues especially when comparing our hydrant fee to those of other Towns and Public Water Companies in the area. She said that we are at the low end of the spectrum and that she thinks that we should seriously increase what the Town pays the East Lyme Water company for hydrants. She noted that the charges with the others cited included the flushing, maintenance, etc of the hydrants. She said that she thinks that our Water Dept. is in a situation where it could use the extra revenues.

Mr. Mingo said that while he agrees with what has been said; he recalled to everyone that when the water mains were put in that the Town paid 30% of the cost to run the line. They are a business however he feels that politically increasing the water rates will cause people to scream – whereas a one mil increase to everyone would be better absorbed. He said that he thinks that is a more palpable method of doing this to the public as the public benefits from having the hydrants and they save on taxes and their insurance because they are there.

Ms. Russell said that she thinks that the simpler way to do this is for the rate payers to absorb it.

Mr. Formica asked if they have a recommendation of what the fee should be.

Ms. Russell said that even if they go back to the 1998 level of \$74,708 that would be better than where they are now. If they were to go to \$150 per hydrant with approximately 800 hydrants that would be \$120,000.

Mr. Formica asked Ms. Russell if she wanted to charge the \$150 per hydrant.

Ms. Russell said maybe eventually but not all at once.

Mr. Mingo said that they need the money for the pump station upgrades.

Mr. DiGiovanna said that they are not going to get all of their revenues from hydrant fees and that it is unrealistic to think that way.

Mr. Bond said that they are \$60,000 off from what they were in 1998 and asked what percentage that would come to in a rate increase on the water side to generate that amount.

Mr. Kargl said that it would be from 3% to 5%.

Mr. Bond said that while they are in need of money that he looks at it from the view that they are a municipality as a group and not separate and that when the Water & Sewer truck comes and plows the road it is the same as a Public Works truck doing it – they are all in this together and they would only be taking from one pocket to put it in another.

Mr. Spencer said that even if they go back to the \$74,708 – it would still be the cheapest of the others listed. He thinks that in considering fire protection that there is some benefit to the Town even if they were charging the \$150 per hydrant.

Mr. DiGiovanna asked if the current hydrant fees are spread out amongst all the taxpayers – as while he is in favor of raising the rates – he would not be in favor of doing it all at once.

Mr. Formica said that they do raise them – at 10% each year.

Ms. Russell said that is at a glacial pace.

Mr. DiGiovanna asked how this would be done per hydrant.

Mr. Kargl said that they would have to go out and check to make sure of how many there are, etc.

Mr. Bond asked where the money would go.

Mr. Kargl said that it goes into general revenues.

Mr. Bond said that he thinks that it should be designates to be used for the hydrants.

Mr. Mingo said that he thinks that it is easier to pass it on to the taxpayers in the form of a one mill tax increase.

Mr. Formica asked if he was crazy as he is not of the opinion that they could pass a .8 of a mill increase much less a one mill increase. He said that he is against this as it is not something that they need to do. The Water & Sewer department pays absolutely nothing in rent to the Town; the Town is paying on the regional interconnection bond so to charge extra for hydrants – he thinks that they have to be sensitive to the community at large. He said that if they want to put a committee together on this that he would support them doing that. However – he wants it known that he is against this. He asked if they want to establish a committee.

Mr. Mingo said that he wants to wait and see what the budget looks like first. He also recalled that they were supposed to have new meters years ago.

Mr. Bond said that they should continue discussing this as he does not agree with hydrant fees – he would rather see them charged for using this room as that is something that is done in other Towns – he asked them if that is where they want to be – as the Town could charge for all of those things. He added that he pays more taxes for his house because he has access to city water and sewer in front of his house.

#### **\*\*MOTION (4)**

**Mr. Spencer moved that they table further discussion on this item to the special budget meeting.**

**Mr. DiGiovanna seconded the motion.**

**Vote: 6 – 0 – 0. Motion passed.**

#### **10. Communications**

- **See Communications Log**

There were no comments.

#### **11. Chairman's Report**

Mr. Formica reported that he has met with Mr. Funke on the bond payments and that he would have that information for them at the special meeting. He suggested that they set the special meeting for Tuesday, April 15, 2014 at 6 PM. He said that he would like them to discuss the budget, the sewer assessment update, the pump station and also the possibility of a vehicle for the new mechanic. He said that would be a capital item.

Mr. Bond asked if they would have Mr. Kenney remain after the interconnection project is completed as he is very good as a project manager.

Mr. Formica said that he thought that they would have him do the same for the Boardwalk project.

#### **12. Fluoride Update**

Mr. Russell said that she did not have an update at this time – Mr. Kargl will be meeting with Jessica this week.

#### **13. Staff Updates**

- **Water Department Monthly Reports**

Ms. Russell noted the spill at the prison and asked how at risk the well is.  
Mr. Kargl said that all of the results so far look good and that it is not at risk at this time.

- **Sewer Department Monthly Reports**  
There were no comments.

#### **14. ADJOURNMENT**

Mr. Formica called for a motion to adjourn.

#### **\*\*MOTION (12)**

**Mr. DiGiovanna moved to adjourn the March 25, 2014 Regular Meeting of the East Lyme Water & Sewer Commission at 8:35 PM.**

**Mr. Spencer seconded the motion.**

**Vote: 6 – 0 – 0. Motion passed.**

Respectfully submitted,

Karen Zmitruk,  
Recording Secretary

**East Lyme Water**  
**Analysis of Public Hydrant Revenue**

Fiscal Year Ending 6/30	Projected Public Hydrant Annual Payments *	Actual Public Hydrant Annual Payments	Reduction of Available Funds **
1998	74,708.00	74,708.00	-
1999	74,708.00	74,708.00	-
2000	74,708.00	12,000.00	(62,708.00)
2001	74,708.00	12,000.00	(62,708.00)
2002	74,708.00	12,000.00	(62,708.00)
2003	74,708.00	12,000.00	(62,708.00)
2004	74,708.00	12,000.00	(62,708.00)
2005	74,708.00	12,000.00	(62,708.00)
2006	74,708.00	12,000.00	(62,708.00)
2007	74,708.00	12,000.00	(62,708.00)
2008	74,708.00	12,000.00	(62,708.00)
2009	74,708.00	12,000.00	(62,708.00)
2010	74,708.00	12,000.00	(62,708.00)
2011	74,708.00	12,000.00	(62,708.00)
2012	74,708.00	13,200.00	(61,508.00)
2013	74,708.00	14,520.00	(60,188.00)
2014	74,708.00	15,972.00	(58,736.00)
	1,270,036.00	337,108.00	(932,928.00)

\* Assumes annual payments continue to be fully funded at 1998 levels

\*\* Lost revenue to support all aspects of public hydrant maintainance and related infrastructure improvement

Submitted by C. Russell 3/20/14 vws

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## Public Hydrant Payment Analysis

### 2014 Comparison of Area Support for Public Hydrants

Entity	Description	Per Hydrant Charge	Annual Charge per Inch Foot of Mains
Norwich Public Utilities	Municipal-Norwich (some customers in neighboring communities)	None	No
East Lyme	Municipal <i>approx. 800 hydrants - see.</i>	19.96 *	No
Aquarion	Topstone	72.58	Yes
Preston Plains	Mashantucket	107.84	No
Connecticut Water	Bradley Field Service	125.64	Yes
Connecticut Water	Connecticut Water Division	209.40	Yes
Aquarion	Southern Division	222.00	Yes
Aquarion	Eastern Division	264.58	Yes
Aquarion	Eastern Division-Olmstead, Judea, Tyler, Circle Dr., Chestnut Tree Hill	264.58	Yes
Aquarion	Eastern Division-United	264.58	Yes
Aquarion	Western Division	264.58	Yes
Aquarion	Northern Division	264.58	Yes
New London	Municipal - New London, Waterford	393.36	No
Aquarion	Eastern Division-Rural	414.33	No
Aquarion	Eastern Division-Brookfield	414.33	No
Jewett City	Private Water Company	540.70	Yes
Groton Public Utilities	Municipal	585.35	No

\* Estimate based on 800 public hydrants

*Submitted by C. Luselle*

*3/26/14*

*Wes*

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