

**EAST LYME WATER & SEWER COMMISSION
(ZOOM) REGULAR MEETING
TUESDAY, FEBRUARY 23rd, 2021
MINUTES**

The East Lyme Water & Sewer Commission held a Regular Meeting on Tuesday, February 23, 2021 via Zoom Meetings. Chairman Nickerson called the Regular Meeting to order at 7:02 PM.

PRESENT: Mark Nickerson, Chairman, Dave Bond, Steve DiGiovanna, Dave Jacques, Joe Mingo, Dave Murphy, Carol Russell, Roger Spencer,

ALSO PRESENT: Joe Bragaw, Public Works Director
Brad Kargl, Municipal Utility Engineer
Ben North, Asst. Municipal Utility Engineer
Anna Johnson, Finance Director

ABSENT: Dave Zoller

1. Call to Order / Pledge of Allegiance

Chairman Nickerson called the Regular Meeting of the East Lyme Water & Sewer Commission to order at 7:02 PM. Mr. Bond led the assembly in the Pledge.

2. Approval of Minutes

- Regular Meeting Minutes – January 26, 2021

Mr. Nickerson called for a motion or any discussion on the Regular Meeting Minutes of January 26, 2021.

****MOTION (1)**

Ms. Russell moved to approve the Regular Meeting Minutes of January 26, 2021 as submitted. Mr. DiGiovanna seconded the motion.

Vote: 7 – 0 – 0. Motion passed.

3. Delegations

Mr. Nickerson called for delegations. There were none.

4. Approval of Bills

Mr. Nickerson called for a motion on the Well 1A/6 Treatment Project bills.

****MOTION (2)**

Mr. DiGiovanna moved to approve the following Well 1A/6 Treatment Project bill: Tighe & Bond Inv. #022190015 in the amount of \$10,517.95.

Mr. Spencer seconded the motion.

Vote: 6 – 0 – 1. Motion passed.

Abstained: Mr. Bond

****MOTION (3)**

Mr. DiGiovanna moved to approve the following Well 1A/6 Treatment Project bill: RH White, Inv. Appl. #9 in the amount of \$157,388.22.

Mr. Spencer seconded the motion.

Vote: 6 – 0 – 1. Motion passed.

FILED

March 4, 2021 AT 10:03 AM/PM
Brooke Florence ATC
EAST LYME TOWN CLERK

Abstained: Mr. Bond

Mr. Nickerson called for a motion on the Niantic Force Main Conditions Assessment bill.

****MOTION (4)**

Mr. DiGiovanna moved to approve the following Niantic Force Main Conditions Assessment bill: Weston & Sampson, Inv. #2211285 in the amount of \$15,300.00.

Mr. Bond seconded the motion.

Mr. DiGiovanna asked about the deliverables.

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

Vote: 7 – 0 – 0. Motion passed.

(Note: Mr. Mingo joined the Zoom meeting however he had technical difficulties and could not hear and could not be heard – he informed the Recording Secretary that he did not vote due to this problem.)

5. Finance Director Report

Ms. Johnson reported that revenues and expenses are running pretty close year to date as they were in the previous year. They are looking at doing another bond refunding and including the DWSRF in with it as they are at 2% with the State and were told that they may be able to get 1.2%. She said that she has to check with the State as there is a process and a resolution on refunding.

6. Set Public Hearing Date(s) for Sewer Benefit Assessments

Mr. Kargl explained that they want to set this up for next month – the sewer benefit assessments would be for Gateway – Phase 2 and the Orchards Subdivision – Phase IV. He suggested that they set the Public Hearings for 6:30 PM prior to their regular meeting on March 23, 2021 as they are pretty straight forward and should not be controversial.

****MOTION (5)**

Mr. DiGiovanna moved to set the Public Hearings for the sewer benefit assessments for Gateway – Phase 2 and the Orchards Subdivision – Phase IV for 6:30 PM on March 23, 2021.

Mr. Murphy seconded the motion

Vote: 7 – 0 – 0. Motion passed.

7. Liens for Delinquent Water and Sewer Bills

Mr. Bragaw reviewed a listing of the delinquent Water & Sewer bills and sewer assessments to date. He noted that they have not done shut-offs or liens in a year or two due to the tough times. Additionally he said that there are people on the list who have no intention of paying.

Mr. DiGiovanna asked how long these accounts have been delinquent.

Mr. Bragaw said that is a good question; adding that those over \$5000 obviously have not been paying.

Mr. DiGiovanna said that they are looking at over \$900,000 of delinquent funds that are due to us.

Mr. Bragaw said that he thinks that they should start going after them.

Mr. Nickerson said that they need to cut the list in half and go after them as it is tough times for the Town also.

Mr. Jacques asked how many years this has been going on.

Mr. Bragaw said that it varies.

Ms. Russell asked about warning letters.

Mr. Bragaw said that they have already received many warning notices but they have not done shut-offs for a few years now and these people have not come forward to pay.

Mr. Bond said that they need to go after them – pick a couple of billing cycles and go after them as we are all paying for this.

Mr. Bragaw said that he will bring information for the next meeting on how many billing cycles and a plan.

Mr. Murphy asked if they have put liens on these properties.

Mr. Bragaw said that a lien and shut-offs are two different things.

Mr. Jacques asked about filing court proceedings.

Mr. Bragaw said that one of the sewer assessments is \$96,000 and that they have NO intention of paying it.

Mr. Nickerson said that the State bought the Starlight Hotel and the Mobil Station and asked if they are two of the high-hitters on the list.

§. Draft Water & Sewer Operating Budgets for FY 21-22

Mr. Bragaw presented drafts of the Water & Sewer Operating Budgets for the upcoming fiscal year. He said that he was only presenting an overview at this time and wasn't going to get into discussion and questions at this time and instead plan a Special Meeting in March to go over everything and look at how they would pay for large projects in water and sewer going forward. He said that Brad has been leading the Water & Sewer department as the Municipal Utility Engineer since 2005 and with his retirement in a few months he felt it important that ne, Brad and Ben go over items that are on the immediate and near term horizon that they need to plan for while trying to maintain stable water and sewer rates.

He noted the following key items for the Water budget:

- The first draft sheet is past, present and future expenditures
- The Year 2 column is next year's proposed budget with the differences from this years budget in the next column
- Next year is the first year that we are going to start dipping into the Debt Reserve account that we set up last year. This fund will be used over the next number of years to help stabilize the budget.
- We HAVE to show how we are planning to pay off the debt that water operations borrowed from sewer assessment and this draft shows that.
- The Capital Projects Line is how I am looking to fund future capital projects
- Next year's budget is showing a 2.5% expense increase
- Sheet 2 is the revenues past, present and future along with rates
- He is showing a 2% projected rate increase this November with 2.5% rate increases in future years
- Sheet 3 is the current debt and interest principles along with an amortization for the Well 1A/6 project as well as for the meter replacement project
- Sheet 4 is the Capital Improvement Plan that Brad has provided. Projects coming up in the plan are the replacement of Well 5, re-bedding the filters for Well 5 and addressing the Boston Post Road tank
- Sheet 5 is the vehicle acquisition plan. We are proposing to get 2 new water utility trucks next fiscal year.

Additionally, he noted the following key items for the Sewer budget:

- The first draft sheet is past, present and future expenditures
- Like the Water dept the Year 2 column is next year's proposed budget with the differences from this years budget in the next column
- We have to show how we are planning to pay off the debt that sewer operations borrowed from sewer assessment and this shows that
- The proposed budget is showing a 4.41% increase (\$95,430) but \$90,000 of this is for the treatment line to New London that we do not have much control of
- There are some finer details that are going on with this budget which will be detailed when they go over this at a special meeting
- There is a detailed look at the bottom of Page 1 of our costs to New London and Waterford so that they can better understand how it is so difficult estimating the treatment line
- Sheet 2 is the revenues past, present and future along with the rates
- He is showing a 3.25% projected rate increase this November and in future years

- He provided a list of some of the big sewer projects coming down the pike at the bottom of page 2 but the year and amounts have yet to be put in
- Sheet 3 is a detailed look at our sewer assessment fund. This is critical to us being able to fund sewer projects going forward so he wants to make sure that the Commission is on the same page with how he thinks they can fund the projects
- At the bottom of Sheet 4 are our current capital balances in Waterford and New London
- The 8.5" x 11" sheet is the sewer vehicle acquisition plan. He said that he is not proposing any new vehicles next fiscal year but is showing the need for a service truck with a crane in FY 22-23

He said that he has provided this synopsis so that they could jot down questions for discussion when they have a special budget meeting in March as this budget has to be approved in April. The draft provides them with everything that they need and if they have specific questions they can contact him.

By consensus they decided to hold a Water & Sewer Special Budget meeting on Tuesday March 16, 2021 commencing at 6:30 PM.

9. Project Updates

▪ Meter Replacement Project Update

Mr. Kargl reported that the letter was sent out and that they are still hoping to move forward soon. He hopes to have some plans on how to proceed by the next meeting.

Mr. Bragaw reported that the flex-net system is working on all towers and that there are some 500 meters that are being ready by it and the information that they are receiving is 'fantastic'. They will have more discussion on the project at their next meeting.

▪ Well 1A and 6 Treatment Plant Modifications and Upgrades

Mr. North reported that this project continues to move along and that it looks like they will make the May 20 target date. They are looking at replacing the VFD's in the next couple of weeks. The change orders worked out to about 5% of the \$282,000 – they have spent about \$55,000 of that to date. Everything is looking good with the project.

10. Correspondence Log

Mr. Murphy asked about the Hollister letter listed.

Mr. Kargl said that is relative to the FOI that was filed on the Tri-Town Sewer discussions.

11. Chairman's Report

Mr. Nickerson reported that the Tri-Town Sewer discussions are just about done and that he would bring it back to the Commission soon.

12. Staff Updates

a. Water Department Monthly Report

Ms. Russell noted the Tighe & Bond odor investigation and asked about it.

Mr. Kargl said that they had started it and that they will be coming up with some recommendations on additional testing. There is nothing new at this time.

Ms. Russell asked if there was any more news on the site selection for the Bridebrook pump station.

Mr. Kargl said that the corner of Rte 156 and Giants Neck Road area is out of the flood area but constructability wise it is off the table so Weston & Sampson revised this to reflect that the Rocky Neck site is still the best site.

b. Sewer Department Monthly Report

There were no comments.

13. Future Agenda Items

Ms. Russell said that she wants to add an update on the high usage sewer allotment projects.

14. ADJOURNMENT

Mr. Nickerson called for a motion to adjourn.

****MOTION (6)**

Mr. DiGiovanna moved to adjourn this Regular Meeting of the East Lyme Water & Sewer Commission at 8:30 PM.

Mr. Murphy seconded the motion.

Vote: 7 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary