

**EAST LYME WATER & SEWER COMMISSION
REGULAR MEETING
TUESDAY, SEPTEMBER 27th, 2022
MINUTES**

The East Lyme Water & Sewer Commission held a Regular Meeting on Tuesday, September 27th, 2022. Chairman Seery called the Regular Meeting to order at 7:00 PM.

PRESENT: Kevin Seery, Chairman, Dave Bond, Steve DiGiovanna, Dave Jacques, Dave Murphy, Carol Russell, Roger Spencer, Joe Mingo via Zoom

ALSO PRESENT: Joe Brogaw, Public Works Director
Ben North, Municipal Utility Engineer
Kevin Gervais, Finance Director
Matt Garneau, Assistant Utility Engineer
Anne Santoro, Deputy First Selectman

ABSENT: Dave Zoller

1. Call to Order / Pledge of Allegiance

Chairman Seery 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

▪ **Regular Meeting Minutes – August 23, 2022**

Mr. Seery called for a motion or any discussion on the Regular Meeting Minutes of August 23, 2022.

Ms. Russell said that she wanted to clarify her comments under Item 7 on Page 2; then read the sentence she wished to add.

Mr. Seery asked if she had actually said that and then asked the members if they wished to add the dialogue as an attachment.

****MOTION (1)**

Mr. DiGiovanna moved to approve the Regular Meeting Minutes of August 23, 2022 with the attachment submitted by Ms. Russell.

Mr. Spencer seconded the motion.

Vote: 8 – 0 - 0. Motion passed.

3. Delegations

Mr. Seery called for delegations.

There were none.

4. Billing Adjustments/Disputes

There were none.

5. Approval of Bills

There were none.

6. Finance Director Report

Mr. Seery introduced Mr. Gervais, the new Finance Director to the Commission.

FILED

October 4, 2022 AT 10:07 AM/PM
Brooke Keston
EAST LYME TOWN CLERK

Mr. Gervais noted that he had provided them with an update in the form of a PowerPoint presentation and proceeded to review it. (See presentation Attached)

Mr. Bond asked if all the employees would be going to the NOVA Time system.
Mr. Gervais said yes.

Mr. Murphy asked if this would be the report that they would be getting each month and if they would also receive the other report.

Mr. Gervais said that this would be the report that he would be presenting however he could also provide the other one in combination.

7. Discussion on Water and Sewer Rates and Set Public Hearing Date

Mr. Bragaw said that he would not know until much later in October about the rates as he has no idea what our revenues will be. He explained that the October meeting is typically when they hold the public hearing and set the rates.

He said that on the sewer side until they change the regulations that he is proposing an 8% rate increase however he will not know the revenues until October 14th and they have to post the notice by October 15th.

Mr. Murphy mentioned going from 6 month billing to quarterly billing –
Mr. Bragaw said that they would have to complete the meter project first.

Ms. Russell noted that once they post the rate increases that they can reduce them but they cannot increase them.

Mr. DiGiovanna mentioned a minimum charge and asked if that process should begin soon.

Mr. Bragaw said yes.

Ms. Russell asked about the minimum charge and if they have any idea on how many customers it would impact and how many do not pay anything now.

Mr. Gameau said that it would impact from 300 to 500 customers.

Ms. Russell asked if everyone would have a meter for sewer and if that would make the minimum charge issue a moot point.

Mr. North said pretty much.

****MOTION (2)**

Mr. DiGiovanna moved to set the Public Hearing on the Sewer rates for October 25, 2022 commencing at 6:30 PM.

Mr. Murphy seconded the motion

Vote: 8 – 0 – 0. Motion passed.

(Proposed rate increases attached)

Mr. Bragaw continue that on the Water side at the time they set the rate increase at 4%, that is not feasible now as chemicals are extremely outrageously priced. No company wants to even bid to supply us with chemicals. He also noted that they had a water main break on a State road and that it is expensive when they have to cut in on a State road. Further, they had also carried over \$200,000 from the previous year's budget to help them along. He said that he is looking for a surplus for water due to the uncertainty they face.

Ms. Russell asked if other communities are facing the same issue with chemicals.

Mr. Seery said that he has spoken with others and there is a lot of conversation going on with regard to this.

Mr. Bragaw added that we have seven (7) plants whereas New London only has one (1). This is a big difference.

Mr. Gameau further explained the issues indicating that even the suppliers are facing lack of drivers. Ms. Russell said that her concern was if we could merge with another community. Mr. North said that it is hard enough for us to tie our seven (7) plants together. Mr. Mingo suggested a small portable tank truck to pull behind a pick-up truck.

****MOTION (3)**

Mr. DiGiovanna moved to set the Public Hearing on the Water rates for October 25, 2022 with the hearing commencing at 6:30 PM.

Mr. Murphy seconded the motion

Vote: 8 – 0 – 0. Motion passed.

(Proposed rate increases attached)

8. Discussion and Possible Action on Well 2 Water Main Construction

Mr. North noted that the probable cost on this is \$810,000. He said that this would be beneficial as Well 6 may have to come off-line as we still have not had enough rainfall for Bride Lake to recover. He said that he would like to use Sewer Assessment money to buy some of the materials.

Mr. Bragaw said that if this was the only method they could use that he would not recommend it – however; to get a start on this so that he can then budget to be able to bond this over a 20-year time frame he thought they could do it.

Mr. Gervais said that he was not sure that using sewer assessment is necessary, they could appropriate from the water fund, use cash and then replace.

Mr. Murphy asked that they obtain a legal opinion on this.

The Commissioners agreed to table this matter until next month for more information.

Mr. Seery said that he wants to make sure that everything is done right.

Mr. Mingo commented that Public safety should be paying their share as fire protection uses a lot of water.

9. Discussion and Possible Action on Purchase of Sewer Utility Truck

Mr. North explained that they have a purchase plan but also have an issue with an unsafe water utility truck. They have worked out a way to solve this – one of the new water trucks will go to sewer and that money will go to water for it from sewer and those dollars will be used for a much needed new van for water.

****MOTION (4)**

Mr. Murphy moved to appropriate and transfer \$58,000 in Sewer Assessment Fund 3 from resources available to the account titled, 'Sewer Utility Truck' for the purchase of a new sewer utility truck.

Mr. DiGiovanna seconded the motion

Vote: 8 – 0 – 0. Motion passed.

10. Project Updates

▪ Meter Replacement Project

Mr. North reported that meter replacements are at 51%. He added that they are also working on some of the meters that were not reporting and getting them on-line.

▪ Discussion and Possible Action on Niantic Pump Station Hazard Mitigation Application

Mr. North reported that some months ago they submitted an application to FEMA for flood resiliency funding and that FEMA responded that they believe that work is ineligible for this type of project because of the high risk of flooding damage due to wave action. He continues that RACE Engineering can run an analysis for \$5,000 and run a model to see if FEMA can support this. He said that they are looking to move the flood plain line so that they can obtain FEMA funding.

Mr. Russell asked why we would pursue this if there is a risk that is being stated by FEMA; and why wouldn't we have another back-up resource to send this to in the event of some great catastrophic event.

Mr. North explained that FEMA is just like any other investor trying to get the best band for the buck.

****MOTION (5)**

Mr. Murphy moved to appropriate and transfer \$5,000 in Sewer Assessment Fund 3 from resources available to the account titled, 'Niantic LIMWA Relocation Study' to fund modeling of the flood zone near Niantic Pump Station.

Mr. DiGiovanna seconded the motion

Vote: 8 – 0 – 0. Motion passed.

11. Correspondence Log

There were no comments.

12. Chairman's Report

Mr. Seery said that on October 27, 2022 at the High School at 6 PM there would be a presentation by the State on the Rte. 161 project.

13. Staff Updates

a. Water Department Monthly Report

There were no comments.

b. Sewer Department Monthly Report

There were no comments.

14. Future Agenda Items

- Rate Analysis Subcommittee

15. ADJOURNMENT

Mr. Seery called for a motion to adjourn.

****MOTION (4)**

Mr. DiGiovanna moved to adjourn this Regular Meeting of the East Lyme Water & Sewer Commission at 8:27 PM.

Mr. Murphy seconded the motion.

Vote: 8 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary

September 27, 2022

To: East Lyme Water & Sewer Commission

Fr: Carol Russell

Re: Correction to the Minutes for the August 23, 2022 Regular Meeting

Please correct/clarify the comments attributed to me under **Item#7, "Discussion and Possible Action on East Lyme/Old Lyme Beaches Sewer Agreement"**, by adding the following sentence:

Specifically, Ms. Russell sought confirmation that the addition of the Town of Old Lyme "as a fourth Beach Association" to the existing agreement between the Three Old Lyme Beach Associations and the East Lyme Water & Sewer Commission would be limited to specific beach areas as defined in the Cost-Sharing Agreement between Old Lyme and the Beach Associations dated October 22, 2020 (CSA) referenced in (and attached to) the proposed Amendment.

Attachment

*Submitted
by C. Russell*

*WRS
9/27/22*



Water and Sewer Commission
September 27, 2022

Kevin Gervais Jr.
Finance Director

1

Overview

- ▶ **New Projects and Initiatives**
 - ▶ **NovaTime Time and Attendance System**
 - ▶ January 2023 Target "Go Live" Date
 - ▶ **Tyler MUNIS (ERP) Adoption and Implementation**
 - ▶ Finance target date July 2023
 - ▶ **Financial Statement Audits Update**
 - ▶ **Other Best Practices and Finding Efficiencies**
 - ▶ **Sewer Revenue and Expenditures**
 - ▶ **Water Revenue and Expenditures**

▶ 2

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Was Finance Report 9/27/22

NovaTime Time and Attendance Update



- ▶ January 2023 Target “Go Live” Date
- ▶ Implementing scannable badges for employees
- ▶ Moving away from manual time-keeping (carbon copy)
- ▶ Employee Accessibility
 - ▶ Remote (Phone)
 - ▶ Computers
 - ▶ Time Clocks

▶ 3

3

Tyler ERP (MUNIS) Implementation

- ▶ MUNIS has yet to assign project manager (Jan 2023)
- ▶ MUNIS Rep. Target “Go Live” (January 2024)
- ▶ Finance “Go Live” Target July 2023
 - ▶ Vendor Import and Maintenance (10,000 vendors to review)
 - ▶ Payroll
 - ▶ Employees added into MUNIS (Earnings, deductions, etc)
 - ▶ Importing NovaTime data into MUNIS (Software Bridge)
 - ▶ Purchasing
 - ▶ Requisitions and Purchase order workflows and approvals
 - Documentation uploaded and maintained in MUNISTCM
 - ▶ Utility Billing within MUNIS

▶ 4

4

Financial Statement Audits Update

▶ Fiscal Year 2021

- ▶ September 30, 2022 anticipated filing date
 - ▶ Sitting with CLA technical review team
- ▶ Finish MD&A
- ▶ Wrap up Federal Single Audit (FEMA Reporting)

▶ Fiscal Year 2022

- ▶ Closing the books
 - ▶ Stop accepting FY22 invoices (September 30th)
 - ▶ Close open Pos (September 30th)
 - ▶ Reconciling and tying out subsidiary ledgers
- ▶ Schedule preliminary field work for audit

▶ 5

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Other Best Practices

Quarterly Budget Meetings

- ▶ 1st Selectman
- ▶ Finance Director
- ▶ Department Heads
- ▶ Unforeseen expenses
 - ▶ Changes in staff
 - ▶ Emergencies
- ▶ Savings from:
 - ▶ Staff changes
 - ▶ Remote training, etc
 - ▶ Cross-department cooperation

Purchase Cards

- ▶ 23 Municipalities (81 Entities)
- ▶ Sponsored by Dept of Administrative Services Procurement Services and Office of State Comptroller
- ▶ Streamlines and simplifies purchasing and accounts payable functions

▶ 6

6

Sewer Revenue & Expenditures

▶ Revenues

- ▶ July Revenues: \$32,238
- ▶ August Revenues: \$30,507
- ▶ Total to Date: \$62,750

▶ Expenses/Encumbrances

- ▶ Encumbrances total: \$1,127,435 *treatment plant + fee*
 - ▶ \$603k encumbered for Treatment Plant and System Fee
- ▶ Expenditures total: \$366,590



- ▶ Cost Drivers
 - Treatment Plant: \$197k
 - Utilities: \$142k
 - Chemicals: \$115k

More to report after next month's quarterly budget meetings and FY22 Close

▶ 7

7

Water Revenue & Expenditures

▶ Revenues

- ▶ July Revenues: \$29,554
- ▶ August Revenues: \$21,995
- ▶ September Rev: \$39,421 (as of September 21st)
- ▶ Total to Date: \$91,000

▶ Expenses

- ▶ Encumbrances total: \$556,260
- ▶ Expenditures total: \$758,306



- ▶ Cost Drivers:
 - Bond Principal \$314k
 - Bond Interest: \$64k
 - Field Personnel Salaries and OT (~\$145k)

More to report after next month's quarterly budget meetings and FY22 Close

▶ 8

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**TOWN OF EAST LYME
WATER AND SEWER COMMISSION
NOTICE OF PROPOSED SEWER RATES**

NOTICE IS HEREBY GIVEN of a public hearing to be held by the East Lyme Water and Sewer Commission on Tuesday October 25, 2022; to consider proposed revisions to the rates and charges for connection to and the use of the East Lyme Sewerage System. This hearing will occur at the East Lyme Town Hall at 108 Pennsylvania Ave in Niantic immediately following the water rates hearing which is scheduled for 6:30pm.

The proposed sewer rates and charges are as follows;

SCHEDULE I – RATES FOR USAGE based on meter readings at six-month intervals.

	<u>Rate</u>
Up to 2,500,000 gallons per six-month period (8% rate inc)	(\$9.34) \$8.65/1,000 gallons
2,500,000 gallons and over per six-month period	(\$10.14) \$9.39/1,000 gallons
Unmetered, per six-month period	(\$245.47) \$227.29

SCHEDULE II – MISCELLANEOUS SEWER CHARGES

Application for Connection Permit	
Class 'A' - Residential	(\$150) \$125
Class 'B' - Multi Family and Commercial	(\$300) \$250
Class 'C' - Industrial	(\$700) \$600
Demolition/Disconnect-Any Class	(\$80) \$70
Sale of Stocked Material	Cost, incl. shipping, plus 15% admin fee
Inspection Services	
During Normal Working Hours	(\$100) \$80/hour
After Normal Working Hours	(\$125) \$115/hour

These proposed rates and charges would become effective on **November 1, 2022** if approved. Rates for usage shall be payable at six-month intervals. All other rates shall be payable at the time services are rendered.

The owners of properties against which the proposed rates and charges are to be levied and other interested persons are invited to attend and be heard.

Dated at East Lyme, Connecticut on this 28th day of September 2022

EAST LYME WATER AND SEWER COMMISSION

Kevin Seery, W&S Commission Chair

W&S Proposed Sewer Rates 9/27/22

**TOWN OF EAST LYME
WATER AND SEWER COMMISSION
NOTICE OF PROPOSED WATER RATES**

NOTICE IS HEREBY GIVEN of a public hearing to be held by the East Lyme Water and Sewer Commission on Tuesday October 25, 2022 to consider proposed revisions to the rates and charges for connection to and the use of the East Lyme Water System. This hearing will occur at the East Lyme Town Hall at 108 Pennsylvania Ave in Niantic at 6:30pm.

The proposed water rates and charges are as follows: **(8% prop increase)**

SCHEDULE I – RATES FOR USAGE based on meter readings at six-month intervals.

	<u>Rate</u>
Minimum charge per six-month period, for usage up to a maximum of 3,500 gallons per six-month period	(16%) (\$80) \$67.21
3,501 gallons, to 40,000 gallons per 6 mo prd	(5.85%) (\$5.25) \$4.96/1,000 gals
3,501 gallons, to 150,000 gallons per 6 mo prd	(7.9%) (\$5.90) \$5.47/1,000 gals
3,501 gallons to 2,500,000 gallons per six-month period	(10.7%) (\$6.60) \$5.97/1,000 gals
3,501 gallons to over 2,500,000 gallons per six-month period	(8.5%) (\$7.80) \$7.19/1,000 gals

SCHEDULE II – MISCELLANEOUS WATER CHARGES

State Assessment Fee from CT DPH divided up equally over the billing cycles	\$2.00/customer/year REMOVE FEE
Meter Service/Maintenance Fee divided up equally over the billing cycles	\$26.00 /cust/yr (\$30)
Application for Connection Permit	
Class 'A' - Residential	(\$150) \$125
Class 'B' - Multi Family and Commercial	(\$300) \$250
Class 'C' - Industrial	(\$700) \$600
Demolition/Disconnect-Any Class	(\$80) \$70
 ANNUAL PRIVATE HYDRANT CHARGE	 (\$275) \$250
 ANNUAL FIRE SPRINKLER CHARGE	 (\$275) \$250
 SALE OF WATER DEPT. STOCKED MATERIALS	 Cost, incl. shipping, plus 15% admin. fee

WAS Proposed Water Rates 9/27/22

METER CHARGES (FLAT RATE)

Frozen Meter Repair (normal working hours)	(\$135) \$120
Frozen Meter Repair (after normal working hours)	(\$200) \$180
Install/Disconnect Meter (normal working hours)	(\$135) \$120
Install/Disconnect Meter (after normal working hours)	(\$200) \$180
All Meter Tests	(\$150) \$100
Manual Meter Reading Fee	(\$50) \$35/read

INSPECTION SERVICES

During Normal Working Hours	(\$100) \$80/hr
After Normal Working Hours	(\$125) \$115/hr

TURN-ON/SHUT OFF (FLAT RATE)

During Normal Dept. Working Hours (includes turn on & off and Charged at the time of the turn on)	(\$100) \$90
After Normal Dept. Working Hours	(\$150) \$135

CONNECTION CHARGES

All services	(\$4,000) \$3,500 min or actual Cost (whichever is greater)
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These proposed rates and charges would become effective on **November 1, 2022** if approved. Rates for usage shall be payable at six months intervals. All other rates shall be payable at the time services are rendered unless otherwise noted.

The owners of properties against which the proposed rates and charges are to be levied and other interested persons are invited to attend and be heard.

Dated at East Lyme, Connecticut on this 28th day of September, 2022

EAST LYME WATER AND SEWER COMMISSION

Kevin Seery, W&S Commission Chair