

**EAST LYME WATER & SEWER COMMISSION  
SPECIAL MEETING MINUTES  
Tuesday, APRIL 21st, 2015**

**Present:** Mark Nickerson, Chairman, Dave Bond, Steve DiGiovanna, Dave Zoller, Dave Murphy, Joe Mingo, Carol Russell, Roger Spencer

**Also Present:** Joe Bragaw, Public Works Director  
Brad Kargl, Municipal Utility Engineer  
Anna Johnson, Finance Director  
Rick Pape, Sewer Superintendent  
Mike Poola, Water Superintendent

FILED IN EAST LYME  
CONNECTICUT  
APR 30 2015 AT 10:00 AM/PM  
*Sally Blasi*  
EAST LYME TOWN CLERK

**Absent:** No One

**1. Call to Order**

Chairman Nickerson called this Special Meeting of the East Lyme Water & Sewer Commission to order at 6:00 PM and led the assembly in the Pledge of Allegiance.

**2. Approval of Invoice: Carbon Filtration Systems, Inc. - \$32,000**

Mr. Kargl asked that they approve this invoice for the work done at the Bride Lake Filter Plant.

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

Mr. DiGiovanna moved to approve for payment Carbon Filtration Systems, Inc. Invoice TEL 15-1 in the amount of \$32,000.

Mr. Zoller seconded the motion.

Mr. Bond asked if this covered all of the sand and materials.

Mr. Kargl said that it does cover all the media.

**Vote: 8 – 0 – 0. Motion passed.**

**3. Review of Draft Water & Sewer Operating Budgets for FY 2016**

Mr. Nickerson said that they would review the drafts of the Water & Sewer operating budgets for FY 2016 and that they would begin with the Water side first. He said that Mr. Bragaw had prepared the drafts and would present them.

**▪ Water Budget Draft - FY-2016**

Mr. Bragaw explained the draft information that he had prepared noting that they are making gains and that there are potential opportunities for revenues. He noted the following:

- The information provided reflects a 2% proposed rate increase based on 4% more water usage) which is less than one-half of the rate increase from the last three fiscal years.
- With regard to next year's water usage there is a lot of development being proposed right now in Town that should drive up billable water usage and revenues. The assumption is flat usage for the prisons but a 4% increase in the rest of the Town (due to many projects that are being built coming on-line).
- Additional revenues for inspection services for developers and a backflow preventer annual inspection fee are being looked at.
- Fire sprinkler charge from \$150 to \$200 would provide some additional revenue.
- On the expense side there are three large increases - \$45,000 for the rest of the Gateway meters; \$37,200 for the interconnection (first year that we purchase the mandatory 14.8M gallons of water from NL) and \$24,000 electricity increase due to the two new pumping

stations for the interconnect along with the increase in electricity rates that everyone is seeing now.

- We were able to save over \$11,000 by locking in unleaded and diesel rates for the next fiscal year.

Mr. Kargl noted that Gateway would be paying to the sewer side some \$1.3M and they thought it feasible to move \$40,000 of that over to water to complete paying for the meters.

Mr. Bond concurred and said that they have been through this discussion before and you can't keep nickel and diming people over everything when you have a business to run and that you have to work to be as fair as possible.

Mr. Mingo disagreed and said that it is no way to run a business.

Mr. Nickerson and Mr. Bragaw said that as this is the first time that this is being addressed that they would obtain a legal opinion on utilizing \$45,000 from the sewer assessment for the rest of the meters.

Mr. Bond asked if they would use the same configuration down the road.

Mr. Bragaw and Mr. Kargl said that was the thought.

Mr. Bragaw said that he would propose paying more back to sewer as more projects come on line and went on to explain the rest of the items.

Ms. Russell asked if they had a moratorium on fluoride what they would save.

Mr. Kargl said that it would be about \$12,000.

Ms. Russell said that she knows where they are in the budget cycle and that they can't do anything about the hydrants now – but she wants to seriously have a committee set up to discuss this for the next budget cycle.

Mr. Nickerson noted that when they have a short agenda over the next 8 to 9 months prior to the new budget sessions that they will put this item on for discussion.

Mr. Nickerson noted that Mr. Poola and Mr. Pape are present this evening.

Ms. Russell asked for a breakdown on the people and the salaries that are paid for by the water & sewer department.

#### ▪ **Sewer Budget Draft – FY 2016**

Mr. Bragaw said that he had done the same thing with this budget as he had with the sewer draft budget. As he explained the sheets, he noted the following:

- The information presented shows a 4% proposed rate increase which is one-half of the rate increase from the last three fiscal years.
- There is a lot of development in progress that should drive up sewer billable flows and revenues. He is assuming flat usage for the prisons but a 2.6% increase in billable sewer flows for the rest of the Town.
- Included is \$4000 in projected revenue for FEMA anticipated to be received in the next fiscal year from the January 29, 2015 blizzard Juno.
- He has included the first payment of \$35,000 to pay back the loan from the Sewer assessment fund for running in the red for fiscal years 11/12, 12/13 & 13/14, this amount will need to increase to \$50,000 in FY 16/17 but was too difficult to absorb at this time.
- Chemicals (to control odors) cost has increased by \$28,000 so that line item is showing an increase over last year by 35%.

Mr. Bragaw said that he feels that they are showing the ratepayers that they are moving in the right direction.

Mr. Murphy asked about money for infrastructure repairs and said that he would be just as happy to add a half of a percent to this budget and to the water side so that they would have more money.

Mr. DiGiovanna said that he would think that they would need it mainly on the water side.

Mr. Kargl said that he would not mind seeing a line item to put in some money for repairs.

Mr. Nickerson said that they have had some massive increases in the Water & Sewer rates and he is still hearing from the public on the state of the economy and how tight money is; and – people are suffering. Since the loss of Mr. Giannattasio, Mr. Bragaw has worked really hard and well getting the budget in line and he would like to hold the line this year as there are some larger projects that will be coming on line and should help us out and allow us to be more flexible.

Mr. Nickerson asked that they review the draft budgets as they would be on the agenda for next week's meeting and at that time they would be asked to discuss and approve them for the upcoming fiscal year.

#### **4. Adjournment**

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

**Mr. DiGiovanna moved to adjourn this Special Meeting of the East Lyme Water & Sewer Commission at 7:25 PM.**

**Mr. Murphy seconded the motion.**

**Vote: 8 – 0 – 0. Motion passed.**

Respectfully submitted,

Karen Zmitruk,  
Recording Secretary