



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 December 13, 2016

Chairman Richard Nalette called the meeting to order at 7:00 p.m. The following members were present: Richard Nalette, John Massicotte, Tim Moran, Tim O'Meara and David Villa. Also present was Jim Rollins, Director of Public Works.

Public Input – Alan DiCara asked if the subject of his comments is considered related to the rate increase; decided to hold his comments until the public hearing.

Approval of Minutes from November 8, 2016: Motion by D. Villa to **approve the minutes of November 8, 2016**. Second by T. Moran. **Vote:** All in favor except T. O'Meara (abstained) - *motion carried*.

Bruce Stratford, Director of Finance, arrived.

Public Hearing regarding Rate Increase for Water and Sewer: Chairman Nalette *opened the public hearing at 7:01pm*; explained the proposed increases. Public comment: Bill Lamoin expressed his concern as a business owner from the commercial standpoint, Alan DiCara stated debt service is down and queried administration costs, David LaPointe reminded attendees of rate payers struggles to pay their bills and insisted this increase be taken to the ratepayers for a vote, Bill Plummer asked about economic development and increasing the tax base, John Kooney said he and his family would like to invest in town but was concerned we are still repaying the embezzled funds, David Villa (speaking as a private citizen) explained the Commission is regulated by an alphabet soup of agencies – have to be in conformity with the State – system has to work perfectly every day and this increase brings equilibrium back to the sewer side. Discussion followed regarding getting an outside agency to operate our water and sewer plants, loan and grant availability, purchase of electricity through a grid, when the embezzlement debt would be paid off and anticipated expenditures including dam repairs, Wallens Street tank issue and more than half the mains in Winsted still need replacing. *Public hearing was closed at 8:06pm.*

Discussion of Rate Increase and Adoption: Mr. Stratford explained the proposed budget is based on the proposed increase; if not doing the increase, need to adjust other items. J. Massicotte questioned last year's revenues and verified this budget's anticipated revenues include the 4% increase. Mr. Stratford said the same rates are used on the water side. Discussion followed regarding the shortfall was the sewer side as the water side was performing; sewer was lagging due to no increase, voting on the proposals in the Selectmen's column, only collecting for 2 quarters in this fiscal year, sewer increase to usage, \$10 fee for capital recovery and anticipated collection amounts. Chairman Nalette said he applauds the energy and commitment of the public; have to adopt the increase in order to adopt the budget. T. O'Meara asked if any other comments were received other than those who appeared here and if comparisons were done to Torrington. D. Villa explained the differences between the infrastructures. Mr. Rollins noted Torrington has 100 connections per mile and we have 30 which is a significant difference plus Torrington is doing a \$25 million renovation; we're staying compliant; noted the Board has agonized over this budget for several months – if it's not done, going to slide backwards. D. Villa said if it's not done, not

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going to be able to leverage. T. O'Meara said need to be able to invest in the infrastructure. D. Villa added all it's going to take is one catastrophic failure. Mr. Rollins used the example of the situation on Willow Street. D. Villa reminded attendees of the impending crisis on East Wakefield Boulevard – that's the idea behind the capital recovery – this isn't pie in the sky – have to have a reserve to work with. Brief discussion followed regarding bonding and debt service. **Motion** by J. Massicotte **to increase water rates \$10 per quarter for the fiscal year 2016-2017.** Second by D. Villa. *Discussion:* Mr. Stratford verified this increase is for the capital recovery charge. **Vote:** All in favor except T. Moran (opposed) - *motion carried.* **Motion** by D. Villa **to increase the usage charge by 4% for the sewer 2016-2017 budget and impose a \$10 per quarter capital recovery fee on each household.** Second by T. O'Meara. *Discussion:* J. Massicotte said he still doesn't go along with the 4%. D. Villa reminded attendees money was moved in August to sewer from water. Mr. Stratford said 4% is needed to create equilibrium. **Vote:** All in favor except J. Massicotte and T. Moran (opposed) - *motion carried.*

Discuss and Adopt Budget of 2016-2017: Mr. Stratford distributed proposed budgets. **Motion** by D. Villa **to adopt the recommended fiscal year 2016-2017 budget as proposed by this Commission and the Director of Finance as presented tonight.** Second by T. O'Meara. *Discussion:* J. Massicotte questioned several line items in the water budget including brush cutting, maintenance and transmission mains, billings, Crystal Lake maintenance, general labor and medical benefits. Extensive discussion followed regarding each item and anticipated revenues. D. Villa questioned the computer software item. Mr. Rollins explained the town-wide software purchase/application and Microsoft 365 maintenance. Mr. Stratford added it includes the Water Department's share of GEMS as well. J. Massicotte proceeded to question several line items in the sewer budget including revenues, vacation, billings, pump station general labor and on-call labor. Extensive discussion followed regarding each item and sewer plant maintenance. D. Villa questioned the heating oil line item. **Vote:** All in favor - *motion carried unanimously.*

Election of Officers: **Motion** by T. Moran **to leave the current officers as is.** Second by D. Villa. **Vote:** All in favor - *motion carried unanimously.*

Director's Report: Mr. Rollins explained the Town had an exclusive service area (E.S.A.) requirement thrust upon us; thank you to Richard Nalette and David Battista for helping; there are three WUCC in the State – western section had never organized; each municipality had to declare their service area and submit a document proving worth; this was essentially a water grab; had to be careful of what was declared; it turned into a 22-page submission, conferred with Milone & McBroom, the Mayor, Town Manager and Department of Public Health – they're trying to get a handle on who has what; it was convoluted and complex; Barkhamsted was going to declare themselves as undeclared so that would have been a problem as there exists an agreement with them; claimed all of the Town of Winchester and the interlocal part of Barkhamsted; it may not serve to cover all of Winchester but better to claim an area than not; DEEP claimed every parcel they own in every E.S.A. – considered a conflict; Torrington claimed a portion of Winchester – they have mains at the Town line; the whole process was intended to get utilities communicating and resolve conflicts; submitted the E.S.A. with prefaces as a draft; if we didn't submit, Aquarian would have claimed it; would like to find out if there are any negatives to claiming the whole town. J. Massicotte said he thought this was addressed with the interlocal agreement with Barkhamsted and the development towards Torrington. Discussion followed regarding areas of Winchester, other towns, Aquarian activity, each system's capacity to serve, etc.

Old Business - none

New Business – **Motion** by D. Villa **that the Commission authorize the Director of Finance to open and service banking accounts for the capital recovery funds.** Second by T. O'Meara. *Discussion:* Discussion followed regarding this account will allow the capital money to be sequestered. Mr. Stratford verified this money can go into the enterprise investment account. D. Villa said as long as we know what amount belongs to which.

Mr. Stratford said can certainly do that – earn interest at Webster Bank; noted each account is going to generate different amounts. **Vote:** All in favor - *motion carried unanimous.*

Mr. Stratford made available summary reports comparing last year's actuals to this year and the Bank of America balances.

Adjournment: Meeting adjourned 9:32 p.m.

Minutes Respectfully Submitted,

Laurie Bessette
Minutes Secretary

<p>Next Regular Meeting: Probate Room Tuesday, January 10, 2017 7:00 p.m.</p>
