



**TOWN OF WINCHESTER – CITY OF WINSTED**

Town Hall – 338 Main Street  
WINSTED, CONNECTICUT 06098

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MAR - 7 2013

TOWN OF WINCHESTER  
CONNECTICUT

**Minutes of Special Meeting  
Water & Sewer Board**

**3<sup>rd</sup> Floor Conference Room, Town Hall, 338 Main Street, Winsted  
March 4, 2013**

Call to order was made by Chairman Richard Nalette at 6:02 p.m. The following members were present: Richard Nalette, John Massicotte, Tim Moran and Stephen Vaill. Chris King of King, King & Associates, Town Attorney Kevin Nelligan and Town Manager Dale Martin were also present.

**DISCUSSION/POSSIBLE ACTION OF KING & KING FINANCIAL REPORT AND BUDGET CUTS TO WATER AND SEWER BUDGET:** Mr. King distributed a projected cash flow spreadsheet and profit & loss spreadsheet; proceeded to review the cash flow spreadsheet; explained even if rates increase in April, won't see cash increases until bills go out in August; reviewed recommendations made by Jim Rotondo; explained the figures on the spreadsheet and noted both water & sewer will be underfunded by more than \$200,000 by the end of fiscal year 2012-2013. Mr. Martin verified the number used for the special assessment. T. Moran confirmed the budget numbers provided to the Board are no good. S. Vaill asked about the bonds originally taken. Extensive discussion followed regarding the original assessment at the Lake and the effect of people paying in full up front, money going into the general fund instead of paying off the debt service, amount of deficit, etc.

Mr. King proceeded to review the projected profit & loss spreadsheet. Discussion followed regarding the allocated amount validating the rate increase.

**DISCUSSION/POSSIBLE ACTION OF RATE INCREASE AND SET DATE OF PUBLIC HEARING FOR WATER & SEWER:** Mr. King recommended rate increases to metered rates; noted the recent base increases didn't affect commercial users. S. Vaill asked about applying the increase to the base rate since people will super conserve. Brief discussion followed. Mr. Martin explained how Mr. King's recommended increases will affect people; noted people are already paying \$150+ per month on cable, phone, etc – this is also a commodity. Mr. King explained this scenario is user-based; residential users have historically borne the burden; commercial users will now be bearing more. Discussion followed regarding the higher usage rate. Mr. King noted the flat rate/fixture-based users will also pay more. Chairman Nalette verified the percentage increases. Extensive discussion followed regarding paying money back to the Town, the shell game that was played with Town money, if the Town will be okay with just \$400,000/year paid back from Water & Sewer, recent rate increases proposed by Aquarian, Winsted users have been undercharged with no rate increases between 1999 and 2010, paying \$200,000 from Water & Sewer to the Town at the beginning of December and again the beginning of June, Water & Sewer has been draining the Town, these proposed increases will allow Water & Sewer to pay its own bills and pay back the Town and the Highland Lake deficit was included in the \$3.2 million figure owed the Town.

Attorney Nelligan explained he will draft a memorandum of agreement between Water & Sewer and the Town. S. Vaill verified nothing from the Town was combined when the bonds were re-done. Mr. Martin noted all the separate bonds. Brief discussion followed regarding who was involved with the refinance.

Attorney Nelligan reviewed the proposed increases line by line in Ordinance Section 100. Brief discussion followed regarding the definition of flat rate users. Attorney Nelligan suggested dates for the public hearing.

**Motion by T. Moran to raise the metered water rate from \$2.47 to \$3.626 per 100 c.f. for the 1<sup>st</sup> 20,000 gallons and increase from \$2.25 to \$3.302 per 100 c.f. for higher users, raise the metered sewer rate from \$2.02 to \$3.47 per 100 c.f. and increase the water flat rate by 20% and the sewer flat rate by 35%. Second by S. Vaill. Vote: all in favor – motion carried unanimous.**

**Motion by J. Massicotte to hold the public hearing on March 20, 2013 at 7:00 p.m. in the Lee Anne LeClaire Room. Second by S. Vaill. Vote: all in favor – motion carried unanimous.**

**Motion by S. Vaill to adjourn at 6:58 p.m. Second by T. Moran. Vote: all in favor – motion carried unanimous.**

Minutes Respectfully Submitted,

  
Laurie Bessette  
Minutes Secretary