



## 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 August 9, 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 were Jim Rollins, Director of Public Works, and Bruce Stratford, Director of Finance.

**Public Input** – none

#### **Approval of Minutes from July 12, 2016:**

**Motion** by D. Villa to **approve the minutes of July 12, 2016**. Second by T. Moran. **Vote:** All in favor except J. Massicotte (abstained) - *motion carried*.

**Handle Water and Sewer Emergency Calls:** Mr. Rollins explained the answering service is working very well; he gets notified at the time of the call and then gets an update the next morning; the public is still learning to use the service. Discussion followed regarding the number of calls.

**Fee for Turning On and Off Service - \$100:** Chairman Nalette said he is working with Kevin Nelligan on this. Discussion followed regarding scheduling the public hearing for next month's meeting.

Mr. Stratford explained he has copies of the FY 2014-2015 audit for each member including the water and sewer results; highlighted page 26; noted the funds are proprietary (not combined with any other funds); explained the difference between the previous audit and this audit is a measure of the health of the 2 funds. Discussion followed regarding capital improvements can start in 2018. Mr. Stratford distributed preliminary reports for FY16; noted will have to wait until 8/31 for income results. Brief discussion followed regarding the estimated billing. Mr. Stratford proceeded to review sewer fund reports - noted the anticipated surplus – collecting enough to cover anticipated expenses; proceeded to review water fund reports – projecting a surplus if all stays the same. Discussion followed regarding the growth in cash balances. Mr. Stratford distributed bank statements; proceeded to review activity. Discussion followed regarding these are not interest bearing accounts and have minimal services fees, setting up enterprise fund account at Webster Bank for water and sewer. Mr. Stratford noted only he and Cindy Rines can deposit money. D. Villa asked what a safe amount of money is to move out. Mr. Stratford said can move anything over 3 months of expenses. Discussion followed regarding amounts to move versus large anticipated payments and monthly expenses, reason to keep water and sewer separate, possible public perception, increasing sewer rates to meet need, moving even amounts of money to keep it easily identifiable, becomes capital reserve, when the Webster account will be up and running, etc.

#### **Updated Budget of 2016-2017:**

Mr. Stratford distributed proposed 2016-2017 budgets:

Sewer: Mr. Stratford explained running a deficit so worked with J. Rollins and made changes in expenditures; determined what revenues were needed; anticipate a 9% increase is needed to

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cover debt service; also added the capital recovery costs. Discussion followed regarding charging the 9% at a single time versus quarterly, number of users, property taxes are increased yearly but water and sewer rates haven't increased in a couple of years, having funds available for emergencies, letting the public know water and sewer is \$.26 per gallon including debt services, putting the information in the bills, rationale behind the changes, labor expenses, reducing water rates to offset sewer increases, splitting water and sewer on-call labor charges evenly, 90% of on-call calls are for sewer issues, etc. T. O'Meara asked if the turbo blower is being done this year. Mr. Stratford noted 3 capital projects were planned. Discussion followed regarding grant monies or rebates available after the projects are complete, accuracy of project costs, pump station labor amounts, etc.

Water: Mr. Stratford explained he made the same adjustments in operating costs; incorporates a 4% revenues increase; suggested considering a 1% increase; noted the Commission needs to feel good about these numbers before sending to the ratepayers. Chairman Nalette suggested adopting the budgets and then determining the increases. Discussion followed regarding the increases are budgeted for a full year but will only collect for 3 quarters if lucky, labor costs didn't change from last year's budget, reporting labor costs more accurately, etc. D. Villa said he wants more time to review the budget and consider the proposed increases. Mr. Stratford noted a repayment is budgeted at \$200,000 but will need only \$177,000. Discussion followed regarding the impact on proposed increases, continuing to operate under the 2015-2016 budget until the 2016-2017 budget is approved, adjusting the budgeted numbers, moving funds to the enterprise account, authorizing Mr. Stratford to move \$100,000, etc.

**Motion** by J. Massicotte **to move \$100,000 from water to sewer for repayment of borrowed funds.** Second by D. Villa. **Vote:** All in favor - *motion carried unanimous.*

**Motion** by D. Villa **to allow the Director of Finance to take \$250,000 from each fund and move to the Webster Bank Enterprise Investment account.** Second by T. O'Meara. *Discussion:* Mr. Stratford noted other transfers may be recommended through the year. **Vote:** All in favor - *motion carried unanimous.*

**Indian Meadow Water & Sewer Line Repair:** waiting for the report from Berkshire.

**Watershed Inspection Report:** Mr. Rollins said the surveys are required on an annual basis; think the Department of Public Health is appeased – the next report is due 2018; the Department of Public Health recommended doing the inspection in pieces throughout the year instead of all at a single time to allow the information to be submitted at any time; asked Lenard for a proposal; came in as \$1,000 less; asked Commission for a \$5,000 bid waiver. **Motion** by T. Moran **to waive the bid to Lenard Engineering to do the water shed survey for \$5,000.** Second by T. O'Meara. **Vote:** All in favor - *motion carried unanimous.*

#### **Director's Report:**

- Unexpected benefit of the letter in water and sewer bills is that customers are calling requesting MIU installations. Discussion followed regarding accessing residences for installation and the number of MIU's in Town.
- Sewer is \$.071 per gallon to process.
- Ready to do the 2<sup>nd</sup> hypochlorite tank at the Water Plant; was hoping to get another year; need a bid waiver to Eastern Reliability for \$4,500. **Motion** by D. Villa **to waive the bid to Eastern Reliability for \$4,500.** Second by T. Moran. **Vote:** All in favor - *motion carried unanimous.*

- Willow Street water main leak bid is almost ready.
- Need to find an alternative on Brook Street. Brief discussion followed regarding doing the work during the day, further investigating the location of the leak, etc.
- Job Descriptions have been sent to Civil Service; comments have been received and the job descriptions were revised; need to get approvals from the Town Manager, union, etc. but can't get the hiring process started until the budget is approved. Discussion followed regarding which job descriptions were updated, has taken 8 months to a year to get this far, don't wait until the last minute to address sewer descriptions, etc.

**Old Business:** J. Massicotte asked for an update on Holabird Bridge. Mr. Rollins said as far as water and sewer, we're obligated to provide approvals but the state is doing everything. Discussion followed regarding possible service disruptions, street detours, etc.

**New Business:** D. Villa said a document should be made available to the ratepayers explaining the activities over the last 2 years, plans for the future, rationale behind a possible increase, etc.

**Update on questions asked of the Finance Director:** D. Villa explained this issue was resolved by phone conversation with Mr. Stratford; explained the money went to open the two operating accounts being used now; this established a clean break from the Centrella years.

**Application on PPG Grant** – nothing new

**Adjournment:** Meeting adjourned 8:40 p.m. upon motion by D. Villa. Second by J. Massicotte. **Vote:** All in favor - *motion carried unanimous.*

Minutes Respectfully Submitted,

Laurie Bessette  
Minutes Secretary

**Next Regular Meeting:**  
Probate Room  
**Tuesday, September 13, 2016**  
7:00 p.m.