

**TOWN OF EAST HAMPTON
WATER POLLUTION CONTROL AUTHORITY
SPECIAL MEETING
June 9, 2015**

APPROVED MINUTES

The Special Meeting of the Town of East Hampton Water Pollution Control Authority was held at the Colchester - East Hampton Waste Water Treatment Plant Meeting Room on Tuesday, June 9, 2015 at 6:00 P.M.

In Attendance: Mark Barmasse, Daniel Valentine, Ralph Nesci and John Suprono

Other Attendee(s) Vincent Susco Jr., Outgoing Public Utilities Administrator & Tim Smith, Incoming Public Utilities Administrator (i.e. Management)

1. Call to Order

Chairman Barmasse called the meeting to order at 6:02 p.m. Welcoming Mr. Smith to his first WPCA meeting and thanking Mr. Susco for his 15 years of Service.

2. Approval of Minutes: Regular Meeting of May 5, 2015

Upon motion by Mr. Nesci seconded by Mr. Suprono the member's approved the Meeting Minutes as presented from May 5, 2015. **Vote 4-0 Motion Passed.**

3. Public Remarks

None

4. Review of Correspondence

Management shared the details of a meeting had, approximately 2 weeks earlier, with Mr. Zahavi in regard to his property at 13 Summit Street and his continued interest in the availability of 7,000 gallons of water from the Village Center Water system for a combined residential (condos) / commercial property. Contrary to some member's recollection of past occurrences, discussions held on this topic by the Town Council never resulted in a vote. Mr. Zahavi has been instructed that any formal requests must be provided in writing. The impact of the sale of this excess water supply on the water budget was referred to later discussion of Agenda Item 5B4.

5. Discussion/Action on the following Committee Reports

A. Joint Facilities Committee

Management summarized the discussion had at the Joint Facilities Regular Meeting held on May 19, 2015. Discussion included a report on Operations provided by Mr. Clayton for the months of March and April 2015 in which the plant operated within parameters. All pumps and parts that were on order have since been received and installed. A pre-construction meeting for the replacement of the DAF was held and the project is well into the submittal phase.

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B. Operations, Management & Budget Committee

1. 14/15 WPCA Budget Status

Mr. Susco reported that he has spent a good amount of time reviewing the financials with Mr. Smith so that he understands how things get tracked and captured. With just a couple of weeks left in the fiscal year, the WPCA Operating Budget Expenses reflect an \$88,000.00 balance. With a request to be discussed later in the meeting to transfer \$50,000.00 from the Interfunds Service Charges (5595) that would leave an end of year balance of approximately \$38,000.00. He went on to highlight two items that are running significantly under budget: Professional / Tech Services (5330) because weather did not allow for the I&I work to be completed leaving approximately \$10,000.00 and Electricity (5622) is running well below estimates which will leave some money on the table. Final numbers will come from the Finance Department in early July and will be presented in August for use at the September meeting to set sewer use charges.

On the Revenue side sewer use charges are slightly below projected (\$45,000.00), however, this shortfall will be made up by higher than expected revenues from current interest, prior year(s) service, and permits. Management explained the revenue budget is prepared based upon current revenue needs and that developing a budget based upon unanticipated revenues is not a good financial practice.

A short discussion then followed and management was requested to incorporate the most current trends in unanticipated revenues into future revenue budget projections.

As a result of Mr. Nesci's question, Mr. Susco confirmed that the Electricity line item represents the 23 Pump Stations not the plant.

Management reported neither the Village Center nor Royal Oaks Water Systems will end up "in the black" for this fiscal year.

Royal Oaks, continues to require additional expenses to maintain the quality of the water and the cost of providing one additional greensand filter has yet to be determined. Royal Oaks revenues continue to lag behind projected even after a recent in-surge of termination payments,

The Village Center treatment plant is beginning to show signs wear as reflected in higher maintenance costs. Revenues are running ahead of projected.

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A lengthy discussion followed regarding revenues at which time Chairman Barmasse requested that agenda item #4a be taken up at this time, So voted .

Proposed Community Water System Budget for FY 2015/16

a. Recommend CWS Operation Budget for FY 2015/16

In response to the requests at the May meeting for Management to:

- Increase expenses by \$1,400.00 by including account #5110–Full Time Salaries bringing the recommended budget for both systems total to \$122,415.00 and representing an increase of 2.87% or \$3,421.00.

And

- Include the following revenue projection exhibits for discussion with the Town Council:
 - Exhibit to show increase in water rates equal to expenses (i.e. 2.87%).
 - Exhibit to show an increase in the water rates to cover the loss of the Town Contribution
 - Exhibit to show existing rates produce a balanced budget if VCWS is utilized to its' full potential (safe yield, 14,600 gpd)
 - Exhibit showing no change in the residential/commercial rate and an increase in the institutional rate to cover the loss of the Town Contribution.

Management shared, and made part of these minutes, updated information reflecting all requested changes. After review and discussion, it was discovered that there were some formula errors in the new exhibits. Mr. Susco and Mr. Smith agreed to make the necessary corrections and review again in a Special Meeting to be held on Tuesday, June 16, 2015.

Chairman Barmasse asked that Management also includes a restructuring of the commodity and meter charges (or fixed fee) in terms of options for recouping the operations and maintenance of the system on an annual basis (Exhibit D).

Action on the budget and associated Public Hearing Date was tabled.

2. Resolution to release funds left in Beneficial Assessment Acct. and Move to Capital Acct.

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Management stated that in 2009, the finance department was informed that the Beneficial Assessment Account for the original plant had been paid in full and that the Beneficial Assessment Account should be closed with any remaining balance transferred to the WPCA Capital Account. Mr. Susco was caught off guard when he was contacted by the Finance Department inquiring "what should be done with the \$10,680.25 in the Beneficial Assessment Account?" He requested a motion be made again to release the funds left, close the account and move the funds to the Capital Account.

Mr. Suprono made a motion to release the remaining funds in Beneficial Assessment Account, in the amount of \$10,680.25, close the account and move the total amount to the Capital Account. The motion was seconded by Mr. Nesci. **Vote: 4-0 Motion Passed.**

3. Annual Disbursements /Appropriations/Transfers

Management shared, and made part of these minutes, a memo from the Finance Department outlining the annual, budgeted disbursements to General Government and 1 requested transfer to close out FY 2014/15.

Mr. Suprono made a motion that was seconded by Mr. Nesci to:

- Disburse \$11,895.00 for Interfund Service Charges (financial reporting) and \$3,920.00 for Prof/Technical Services (audit reports) to General Government

And

- Transfer \$50,000.00 from Reserve for Capital & Non-recurring to the WPCA Capital Budget.

Vote: 4-0 Motion Passed.

a. Establish Public Hearing Date for CWS Budget

Public Hearing Date establishment deferred to the agenda of the Special Meeting to be held on Tuesday, June 16, 2015.

C. Public Water Systems

Mr. Susco shared, and made part of these minutes, the Daily Operations and Treatment Log that Mr. Smith will be using and sharing over future months.

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1. Village Center

Management reported that there are still some issues at the Village Center with the green sand filters not back-washing on the proper schedule. Management believes the issue will be resolved shortly at a cost of approximately \$1,500.00.

2. Royal Oaks

Management reported there were no operations issues at the Royal Oaks treatment plant. Lead and copper testing occurring at 10 separate locations along the water system (including Memorial School).

Flushing of both system was recently completed.

3. Villages at Long Crossing

The developer, Jerry Saglabini, met with management to update the project of the well driller. They currently are securing permission to monitor surrounding wells during the 5-Day pump test. The WPCA has requested that the Town's Middle School be included in the test.

4. Hampton Woods

Mr. Carli and his Engineer, Thomas Knowalton, (Malone & McBroom) met with Management to insure the smooth transition from Mr. Susco to Mr. Smith. The location of the sewer lift station has recently changed and will require a revised submittal to be reviewed by the WPCA and their Engineer..

5. Chief Water Operator Contract

Mr. Smith updated the members on obtaining his Connecticut water operation license. At the present time his application is being reviewed by the State.

Mr. Susco then shared, and made part of these minutes, the Chief Operator Contract requested of him to fulfill the duties of the Chief Operator for the East Hampton WPCA – Village Center and Royal Oaks Water Systems for the period of 1 year (July 1, 2015 – June 30, 2016). He explained the contract has been modeled after previous contracts except for the addition of instructing and preparing Mr. Smith, Public Utilities Administrator, for Operation Certification.

Mr. Suprono questioned Chairman Barmasse and Mr. Susco if all other options were truly exhausted. While they and other members were satisfied with the efforts to find a qualified candidate interested in the role, Mr. Suprono voiced his belief that more could have been done. Mr. Smith also voiced his opinion that in order for him to get up to speed on this

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system in the shortest amount of time, he needs someone that knows this system "inside and out" and no one knows this system better than Mr. Susco.

Chairman Barmasse verified that the wages related to this contract are reflected in the FY 2015/2016 Budget. To avoid a possible conflict of interest The WPCA Chairman rather than the Public Utilities Administrator was asked to sign the Contract.

Mr. Valentine made a motion that Chairman Barmasse sign the contract as presented to make Mr. Susco (via VFS Consulting LLC.) the Chief Operator for the East Hampton WPCA – Village Center and Royal Oaks Water Systems for the period of 1 year (July 1, 2015 – June 30, 2016). The motion was seconded by Mr. Nesci. **Vote: 4-0 Motion Passed.**

D. Sewer Development

Mr. Susco informed the members that other than a few inspections completed at Seven Hills, sewer activity has been slow.

Mr. Nesci raised a possible issue regarding the manhole located at the end of Pine Trail. He explained the manhole was several feet into the Lake and that it could be a source of inflow for the wastewater system. Mr. Susco and Mr. Smith stated they will visit the site and investigate his concerns. Mr. Nesci was invited to come along.

6. Old Business

A. WPCA Membership

It was confirmed that both Chairman Barmasse and Mr. Valentine have notified Cathy Sirois at the Town Hall that they wish to seek another term. Given their good standing as members of the WPCA, there should not be a need for the Appointment Committee to re-interview either individual but, simply reinstate for another term. It was discussed that 1 or 2 applications have been received expressing interest in the WPCA and interviews are occurring this month.

7. New Business

A. CCR reports for 2014

Mr. Susco shared, and made part of these minutes, copies of the 2014 Annual Report on Drinking Water Quality that will be delivered to customers of the Royal Oaks and Village Center Water Systems along with their July 15th water bills.

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B. Modification and Reinstatement of Grinder Pump Permit Agreement

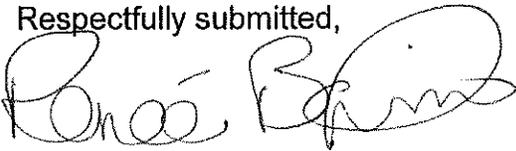
Mr. Susco and Mr. Smith made the members aware that the current version of the Modification and Reinstatement of Grinder Pump Permit Agreement requires sign-off by the WPCA Chairman rather than the Public Utilities Administrator (PUA). While Chairman Barmasse, the outgoing and incoming PUA's and some members of the WPCA agreed that the PUA should be the designated signing authority, Mr. Suprono voiced his interest in retaining the current process, in following with historic precedent, of the WPCA Chairman being the signing authority.

Upon a motion made by Mr. Nesci and seconded by Mr. Valentine to change the signing authority on the Modification and Reinstatement of Grinder Pump Permit Agreement from the WPCA Chairman to the PUA, the WPCA voted. **Vote: 4-0. Motion Passed.**

8. Adjournment:

After confirmation of availability of members for a Special Meeting of the WPCA on Tuesday, June 16, 2015 at 6:00 pm in order to review revisions made to the Proposed Community Water System Budget for FY 2015/16, Mr. Nesci made a motion that was seconded by Mr. Suprono and unanimously carried, the meeting was adjourned at 8:15 p.m.

Respectfully submitted,



Renee Bafumi
Recording Secretary

Minutes approved by a unanimous vote of the East Hampton Water Pollution Control Authority August 4, 2015.