

**TOWN OF EAST HAMPTON
AGENDA REPORT**

Agenda Item: 5a

Item to be presented by:
Ruth Checko, Parks and Recreation Director

DATE: July 1, 2014

SUBJECT: Mower Purchase

DEPARTMENT: Parks and Recreation

RECOMMENDED ACTION

It is recommended that the purchase contract be awarded to the Cofiell's Sport & Power Equipment Inc. 46 Kreiger Lane, Glastonbury, CT 06033 using the DAS price schedule for the purchase of a Scag Turf Tiger riding mower.

BACKGROUND

Cofiell's Sport & Power Equipment has supplied a price using the State of CT Department of Administrative Services purchasing agreement, under contract #13PSX0321

ALTERNATIVE ACTIONS

n/a

FISCAL IMPACT

\$11,900 is budgeted in the approved 2014-2015 fiscal year Capital Improvement Plan. The cost reflects a 17% savings by purchasing off the State DAS contract.

**TOWN OF EAST HAMPTON
AGENDA REPORT**

Agenda Item: 60a

Item to be presented by: VFS

DATE: July 3, 2014

SUBJECT: THIRD READING - 2014/15 Public Water System Operating Budget & Water Use Rate

DEPARTMENT: WPCA

RECOMMENDED ACTION –to adopt the 2014/15 Operating Budget and approve new water use rates effective July 15, 2014 for the two Community Water Systems owned by the Town and operated by the WPCA.

BACKGROUND – Pursuant to direction provided by TC at the meeting of June 17, 2014, the “Transfer from the Annual Town Budget” has been reduced by \$10,000.00 from \$23,583.00 to \$13,583.00. Due to rounding the actual amount is \$13,578.00 or a reduction of \$10,005.00.

The recommended expense budget for both systems remains the same as presented on May 13, 2014, \$118,993.00 and represents an increase of 1.22% or \$1,315.00 over last year.

The recommended increase in water rates to support this budget have been increased as follows: the Equivalent Meter Unit rate from \$12.25 to \$17.15 (40.0%) and the Commodity Charge rate from \$5.34/1000 gallons to \$5.58/\$1000 gallons (4.50%).

Recommended Resolution: The Town Council does hereby approve the 2014/15 Public Water System Operating Budget substantially in the form presented and furthermore adopts the following rate structure effective July 15, 2014.

Effective July 15, 2014 water billing rates are as follows:

- Equivalent Meter Units: \$17.15/EMU
- Commodity Charge: \$5.58/1000 gallons

ALTERNATIVE ACTIONS – at the discretion of the Town Council

FISCAL IMPACT – variable depending upon the ultimate action of the Town Council.



2014 – 2015 Public Water Systems Operation Budget

***63-59-0000-XXXX VCWS
63-59-0590-XXXX ROWS***

Recommended by WPCA: May 6, 2014

First Reading Date: May 13, 2014

Public Hearing Date: June 3, 2014

Town Council Adoption: June XX, 2014

**East Hampton Water Pollution Control Authority
Community Water Systems Fiscal Year Budget - 2014-15**

REVENUES

Residential Consumption Estimated

	VCWS	ROWS	
daily production (gals.)	7,500	10,000	
Est. daily cons./unit (gals.)	259	120	
Mthly. commodity cost (\$/1000gals.)	\$5.58	\$5.58	
Monthly commodity charge (\$)	\$41.85	\$55.80	
Monthly meter cost (1EMU = X.XX)	\$17.15	\$17.15	
<hr/>			
Per unit monthly cost (\$)	\$59.00	\$72.95	
Homes/units	29	83	
Estimated monthly revenue	\$1,711	\$6,055	
Est. <u>Residential</u> yearly revenue	<hr/> \$20,532.00	<hr/> \$72,658.20	<hr/> \$93,190
	Ctr. Sch.	Mem. Sch.	
Monthly meter cost (15 EMU = \$X.XX)	\$257.25		
daily consumption (gals/day)	500		
Monthly commodity charge (\$)	\$83.70		
Monthly meter cost (20 EMU = \$X.XX)		\$343.00	
daily consumption (gals/day)		2,000	
Monthly commodity charge (\$)		\$334.80	
Estimated monthly revenue	\$340.95	\$677.80	
Est. <u>Institutional</u> yearly revenue	<hr/> \$4,091.40	<hr/> \$8,133.60	<hr/> \$12,225
Estimated total revenue 14/15	\$24,623.40	\$80,791.80	\$105,415
Transfer From Annual Town Budget..... Village Water System			\$13,578
<hr/>			
Proposed fiscal year Operating Budget			\$118,993



Community Water Systems Expense Budget 2014-15

<i>EXPENDITURES</i>					
	Approved 13-14 Budget	Proposed 14-15 Budget	\$ +/-	%	+/-
5120 - PIT Seasonal PIR	5,128	5,128	0	0.00%	
5220- Social Security (.062)	318	318	0	0.00%	
5122 - Medicare (.0145)	74	74	0	0.48%	
5319 - Meetings/Conf.	1,075	1,075	0	0.00%	
5330 - Prof/Tech Services	7,600	5,786	(1,814)	-23.87%	
5430 - Bldg & Equip. Mnt & Rep.	17,650	18,300	650	3.68%	
5436 - UTT/Oper. Labor	26,250	27,038	788	3.00%	
5520 - Prop/Liab Ins	3,087	3,087	0	0.00%	
5530 - Communications	1,800	1,800	0	0.00%	
5540 - Newspaper Advertising	150	150	0	0.00%	
5580 - Travel	6,000	6,000	0	0.00%	
5590 - Other Purch. Services	10,881	11,573	692	6.36%	
5611 - Off Supp/Minor Equip/Material	200	200	0	0.00%	
5615 - Uniform Allowance	300	300	0	0.00%	
5622 - Electricity	18,900	18,900	0	0.00%	
5627 - Motor Fuel (Veh & Gen)	1,250	1,250	0	0.00%	
5680 - Chemicals	9,000	10,000	1,000	11.11%	
5690 - Other Supp/Materials	900	900	0	0.00%	
5744 - Computer Equip	75	75	0	0.00%	
5810 - Dues & Fees	1,140	1,140	0	0.00%	
5923 - Oper. Transfer to S.F.	2,500	2,500	0	0.00%	
5980 - Res for Cap & NR	1,000	1,000	0	0.00%	
5990 - Contingency	2,400	2,400	0	0.00%	
TOTAL	117,678	118,993	1,315	1.12%	



2014-15 Individual Water System Expense Breakdown

EXPENDITURES	25%			Total
	TCWS	ROWS	Mem Sch	
5120 - PIT Seasonal PIR	2,564	1,923	641	5,128
5220 - Social Security (.062)	159	119	40	318
5122 - Medicare (.0145)	37	28	9	74
5319 - Meetings/Conf.	500	406	169	1,075
Certification Training	125	125	75	
Conf./Seminars	375	281	94	
5330 - Prof/Tech Services	2,539	2,601	646	5,786
DOHS Water Quality Testing	2,329	1,811	621	
Misc. Engr.		500		
B102 Tank Insp/engr	n/a	n/a	n/a	
Annual Auditing Reports	210	290	25	
5430 - Bldg & Equip. M & Rep.	3,650	13,550	1,100	18,300
JF Labor	250	500		
well pump replacement	750	750	750	
Dist/WTP system maint.	1,500	500	150	
plumbing parts & repairs	400	800	200	
Greensand Solenoid Valves		2,500		
Greensand media changeout		2,750		
Emrg. Gen. Maint. & An. Insp.	750	750		
Storage tank cleaning				
Aqua Guard		5,000		
5436 - UTT/Oper. Labor	13,519	13,519		27,038
5520 - Prop/Liab Ins (inc 10%)	1,543	1,301	242	3,087
5530 - Communications	900	675	225	1,800
5540 - Newspaper Advertising	75	75		150
5580 - Travel	3,000	3,000		6,000
5590 - Other Purch. Services	3,172	8,303	98	11,573
Billing Administration (112 cust.)	2,297	6,278	73	
Shut offs/Final bills	100	400		
Locate leaks/R & R meter & radio	150	300		
Flushing water mains 2X/yr	450	1,300		
Annual Cross Connection Report	175	25	25	
5611 - Office Supplies	100	75	25	200
5615 - Uniform Allowance	150	112	38	300
5622 - Electricity	9,450	9,450		18,900
5627 - Motor Fuel (Veh & Gen)	600	600	50	1,250
Veh. \$200/200/50 - Gen. \$400/400				
5680 - Chemicals	1,750	6,000	2,250	10,000
5690 - Other Supp/Materials	600	300		900
5744 - Computer Equip	25	25	25	75
5810 - Dues & Fees	570	521	49	1,140
AWWA	45	34	11	
CWWA	150	113	38	
DEEP Annual Diversion permit	250	250		
DEEP Generator Permit	125	125		
5923 - Oper. Transfer to S.F.	1,000	1,000	500	2,500
5980 - Res for Cap & NR	500	375	125	1,000
5990 - Contingency	1,200	900	300	2,400
TOTAL	47,603	64,859	6,531	118,993
Approved Operating Budget 13-14	50,984	56,034	10,660	\$ 117,678
"+/-	(3,381)	8,825	(4,129)	1,315
"+/-	-6.63%	15.75%	-38.73%	1.12%

**TOWN OF EAST HAMPTON
AGENDA REPORT**

Agenda Item: 6b

Item to be presented by: V.F. Susco, Jr

DATE: May 28, 2014

SUBJECT: Phase 1-B Application – Certificate of Public Convenience & Necessity (CPCN)
Hampton Woods – PURA Docket 06-10-26

DEPARTMENT: WPCA

RECOMMENDED ACTION: Authorize the Town Manager to enter into an agreement to own and operate the public water system known as Hampton Woods by the Town of East Hampton through its' WPCA

BACKGROUND: The Phase 1-B stage of the CPCN process evaluates the well yield and water quality data so that proper pump sizing, storage and appurtenant equipment and any required treatment processes can be incorporated into the final design of the water system. Pursuant to the Town's "**Regulations for Acceptance of Public Water Systems under the Certificate of Public Convenience & Necessity**"; upon the successful completion and affirmative findings that (1) a sufficient quantity of ground water will be available to support the project and (2) non-interference with existing public and/or private water supply wells the WPCA shall recommend that the Town Manager be authorized to enter into an agreement to own and operate the PWS by the Town of East Hampton through its WPCA. We have provided additional background leading up to this recommendation;

Memo February 25, 2014 by Vincent F. Susco, Public Utilities Administrator for the WPCA
Memo April 25, 2014 by Woodard and Curran, hydrogeologists for the WPCA,
Resolutions of the WPCA dated May 3, 2014
Executed Agreement by owner dated May 20, 2014

ALTERNATIVE ACTIONS: As directed by the Town Council

FISCAL IMPACT: Pursuant to the Town's "**Regulations for Acceptance of Public Water Systems under the Certificate of Public Convenience & Necessity**"; all costs are to be borne by the Developer.

Town of East Hampton
Water Pollution Control Authority
P.O. Box 218, 20 Gildersleeve Drive
East Hampton, Connecticut 06424-0218
Telephone (860) 267-2536, Fax (860) 267-9913

TO: Mike Maniscalco, Town Manager

XC: Jim Carey, Building Planning & Zoning
Thad King, Director of Health

Date: March 13, 2014

From: V. F. Susco, PUA

Re: Phase 1-B Application – Certificate of Public Convenience & Necessity (CPCN)
Hampton Woods – Docket 06-10-26

Pursuant to the Town's "**Regulations for Acceptance of Public Water Systems under the Certificate of Public Convenience & Necessity**"; upon the successful completion and affirmative findings that (1) a sufficient quantity of ground water will be available to support the project and (2) non-interference with existing public and/or private water supply wells the WPCA shall recommend that the Town Manager be authorized to enter into an agreement to own and operate the PWS by the Town of East Hampton through its WPCA.

The Phase 1-B stage of the CPCN process evaluates the well yield and water quality data so that proper pump sizing, storage and appurtenant equipment and any required treatment processes can be incorporated into the final design of the water system.

Based upon the information contained in the Phase 1-B Application – Certificate of Public Convenience & Necessity for Hampton Woods – Docket 06-10-26 submitted on February 12, 2014 The WPCA determined the project should continue at its regular scheduled meeting of March 4, 2014 pending payment of the required deposit. On Monday, March 10, 2014 that deposit was received at the offices of the WPCA.

DETAILS:

Hampton Woods, LLC is in the process of developing a residential development on 63.2 acres of land located off Bear Swamp Road in eastern East Hampton. The 253-unit attached townhouse development will be regulated as a Community Water System (CWS) by the Connecticut Department of Public Health (DPH) because more than 25 people will be served on a daily basis. The site is not located within the boundaries of an existing public water system, but is within the Exclusive Service Area (ESA) of the Town of East Hampton. The water system will be supplied by six new bedrock wells that have been drilled, yield tested, and analyzed for water quality.

The project will be developed in phases. The water and wastewater facilities will be constructed in phases to match the phasing of construction. Each construction phase will be developed based upon the master plan to serve the entire complex.

Phase 1-A of the project will include activation of three of the wells and treatment capacity for 33 of the 253 units.

On October 29, 2007 DPUC stated that "The Department has determined that the criteria for Phase I-A have been met and hereby grants approval of Phase I-A of the Certificate process." Well sites were approved by the DPH on December 5, 2006 and August 27, 2007, with additional

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well site approvals granted on November 26, 2008; a renewal of the additional approvals was granted on December 28, 2009. The Chatham Health District was copied on these approvals. Each approval letter states that DPH has hereby granted its approval of this phase by issuing well site suitability certifications.

The estimated water system average daily demand (ADD) for the residential development is 49,335 gallons per day (gpd). Final peak hour demand is 16,445 gallons. The six wells will be classified as active water supply wells for the proposed water system. Water from the wells will be pumped to a new treatment building to be installed in the development. The treatment system will be initially sized to support the 33 units but will be constructed as such that expansion will be possible to accommodate the full build-out. The water treatment system will be equipped with pre and post chlorination, iron and manganese removal and pH control systems to address the concentrations of iron and manganese found in water from each well. A minimum of two atmospheric storage tanks located at the treatment plant will be required from which treated water will then be transferred via VFD booster pumps to the distribution system. The combined safe yield of the six wells was determined to be 66.57 gallons per minute (gpm). These rates are 90% of the sustained rates from the aquifer pumping test conducted from February 18, 2010 to February 23, 2010. Available water from the six wells is 71,895 gpd for pumping over an 18-hour duration.

WELL DRILLING

A total of 13 well sites were approved by DPH under Phase I-A, although only eight wells were drilled as presented in the following table. All wells were drilled by the Sima Drilling Company, Inc. of Cheshire, Connecticut between 2008 and 2010. Well drilling permits and well completion reports were submitted.

Well	Depth to Bedrock (ft)	Water-Yielding Fractures	Yield (gpm)
Well #1	15	50, 90, 110, 260	20+
Well #2	18	70, 90, 190	10
Well #5	11	30, 90, 230	3
Well #5R	3	120 (soft and caving)	2
Well #6	18	95, 200, 250, 275	30
Well #8	15	95, 170, 230-290 (soft)	8
Well #14	16	60, 90, 250, 310-330 (soft), 440	18
Well #15	18	180, 325	15

Based on the results of the drilling program, Wells #1, #2, #6, #8, #14, and #15 were identified as proposed sources of water supply. Wells #5 and #5R were considered to have unsuitable yields for public water supply purposes.

All infrastructure associated with water supply and treatment will be constructed on land deeded to the WPCA. This will include a well protective radius pursuant to the P.H.C. Class I Water Company Lands regulations.

Following the installation of the bedrock wells, Hampton Woods, LLC retained Milone & MacBroom, Inc. (MMI) to complete an aquifer pumping test in accordance with applicable DPH, CPCN, and Town of East Hampton WPCA regulations. This test occurred over a five-day period from February 18, 2010 at 9:30 AM through February 23, 2010 at 9:50 AM. A total of six bedrock wells were simultaneously pumped during the pumping test as outlined in the following table. The pumping test was designed to calculate the safe yield of each well per DPH regulations.

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Production Well	Maximum Drawdown (ft)	Sustained Yield During the 72-hour Yield Test (gpm)
Well #1	34.80	16.87
Well #2	31.70	8.23
Well #6	83.17	25.40
Well #8	53.90	6.05
Well #14	28.17	23.22
Well #15	125.88	6.17

Per Town Regulations a five day (120 hour) simultaneous pumping test was performed. Pre-test “background” levels were measured on February 16 and February 17, 2010 at all data collection points. The initial 48 hours of pumping were used to evaluate drawdown, mitigate potential interference effects, and establish pumping rates that would encourage stabilization. The final 72 hours of pumping was used as the formal safe yield test per DPH regulations. The total length of the pumping test was 120 hours and 20 minutes. A few hours of recovery monitoring occurred following the pumping test. Precipitation was minimal during the test.

The estimated average day demand of the 253-unit Hampton Woods development is 49,335 gpd. The margin of safety for an average day (the 18-hour available water divided by the average day demand) is 1.46, exceeding the PURA and DPH recommendation but below the Town requirement of 1.50. This can be mitigated by eliminating outside watering in the final approval.

The analysis with the largest well off-line demonstrates that the Hampton Woods water supply has sufficient redundancy. If the largest well (Well #6) were to become impaired or fail, the Town of East Hampton would operate the five remaining wells to supply the development.

WATER QUALITY

Water quality results are what is typical for East Hampton. Initial water quality sampling followed Town of East Hampton protocol and was conducted in the early afternoon of February 18, 2010. The complete sampling protocol required by DPH for the Phase I-B application occurred on February 23, 2010 beginning at 8:30 AM.

Based on the laboratory results, the water quality from the six wells is appropriate for a public water system. Proposed treatment will include chlorination, pH adjustment and iron and manganese removal. The proposed water treatment building will be sized to support treatment and distribution of the potable water supply at full build-out, although final components may be phased in. No testing for lead and copper were included and will be required (1) year after the first CO is issued. If not required sooner by Connecticut DOHS.

Four nearby homeowners were able to provide access to their wells for monitoring. Based on the minimal drawdowns in Wells #5 and Wells #5R, and the results of the private well monitoring, it is believed that the area of influence of the wells is mainly constrained to the project site. Minimal impacts can be expected to neighboring private wells.

MEMORANDUM



TO: V. F. Susco, PUA
FROM: Donald P. Iannicelli
DATE: April 25, 2014
RE: Hampton Woods Phase 1 – B application Review – Certificate of Public Convenience & Necessity (CPCN) Hampton Woods – Docket 06-10-26

AGENDA ITEM # 5.C.4.a

Attached for reference: Town of East Hampton Water Pollution Control Authority (WPCA) Memo dated March 13, 2014 from V.F. Susco, Public Utility Administrator (PUA) to Mike Maniscalco, Town Manager. The memo provides an overview of the system and details provided by the developers engineer in the Phase 1- B application.

The goal of this memo is to determine if the information included in the Phase 1 –B application meets the East Hampton WPCA requirements and to identify the liabilities the East Hampton WPCA will be assuming in accepting this water system once constructed. Upon review of the material the application demonstrates a sufficient quantity of ground water will be available and that there is no interference with existing public and/or private water supply wells. That being said we have the following comments and observations:

- The pump tests that were completed have some anomalies in the last 12 hours, very minor but anomalies none the less. The East Hampton WPCA should be aware that there may be some minor modifications to the safe yield once the agencies complete their review. The risk to the East Hampton WPCA lies in compromising the established standards and assuming the responsibility once the system is accepted. For example the current Margin of Safety (MOS) falls short of the WPCA requirement of 1.50. Should the agencies further reduce the safe yield the difference only increases.
- In the case of bedrock wells with high iron and manganese concentrations it is common for the yields to drop off over time.
- The prudent position for the East Hampton WPCA would be to require the developer to set aside suitable property deeded to the WPCA for future replacement wells sites.
- The water quality in the wells is acceptable with the primary concerns being iron and manganese however there is a trace of toluene in several of the wells that should be tested again during activation of those wells where the toluene is present.

In addition we would like to point out the following tasks that will need to be completed by the developer before the East Hampton WPCA can accept the water system:

- Diversion permits should be secured for all wells prior to the East Hampton WPCA assuming ownership of the system
- The iron/manganese removal system should include provisions and treatment steps to handle the elevated concentrations of both iron and manganese in some of the wells. This review will be completed during the Phase 2 of the (CPCN) process
- The developer should be reminded to follow the East Hampton WPCA water system specifications when designing the water system including the distribution system, sources of supply, booster pumping facilities, storage tanks and all other water system appurtenances.

and recommended water rates. All property owners and persons interested will have an opportunity to be heard.

Public Water Systems

The Village Center Water System continued to run within parameters during the period. Issues associated with the air stripper have been eliminated with the replacement of faulty check valves.

Water service to 97 Main Street has been activated bringing the total number of customers to 29 in the Village Center.

The invitation to bid for the Chatham Historical Society (CHS) project has been released. A mandatory pre-construction meeting was held on April 22, 2014. Bids are due May 13, 2014.

The request of the CHS to have the Town waive the Water Connection Charge (\$3,925.00) and the Water Permit Fee (\$100.00) has been forwarded to the Town Council for action.

The Royal Oaks Water System has experienced its' second consecutive quiet month with no call-outs for the first time in a long while.

Both systems are being scheduled to be flushed in mid-May and notices have been placed in the paper prior to the work.

Mr. Susco reported no action has occurred regarding the "Villages at Long Crossing".

Work on the Phase 1-B Certificate of Public Convenience & Necessity (CPCN) application for the proposed public water system known as "Hampton Woods" was tabled by the Authority at the last meeting pending a report by the WPCA Engineer. Mr. Susco presented the report of Woodard and Curran dated April 25, 2014. Their report reaffirmed that the Phase 1-B Application – Certificate of Public Convenience & Necessity for Hampton Woods – PURA Docket 06-10-26 submitted on February 12, 2014 should continue. The following resolution moved by Mr. Valentine, seconded by Mr. Kelsey was adopted by a 4-1 vote with Mr. Suprono voting against.

RESOLUTION: *The WPCA of the Town of East Hampton does hereby recommend that the Town Manager be authorized to enter into an agreement to own and operate the PWS Hampton Woods by the Town of East Hampton through its WPCA.*

Furthermore, said determination is based upon the Town's "Regulations for Acceptance of Public Water Systems under the Certificate of Public Convenience & Necessity"; and the successful completion and affirmative findings by Malone and MacBroom, Inc. dated February 12, 2014 that (1) a sufficient quantity of ground water will be available to support the project and (2) non-interference with existing public and/or private water supply wells.

Furthermore, both parties may develop additional conditions to affect the transfer of ownership and operation of the PWS. This agreement in principle allows both parties to proceed with the Certificate Process. Failure to transfer this PWS to the Exclusive Service Area provide may result in the Certificate being suspended or revoked.

**AGREEMENT IN PRINCIPLE
TO OWN AND OPERATE A
PROPOSED PUBLIC WATER SYSTEM**

Mr. Peter J. Carli, President of Hampton Woods Development, LLC has proposed a Public Water System (PWS), for the Hampton Woods subdivision in the Town of East Hampton and is applying for a Certificate of Public Convenience & Necessity (CPCN) in accordance with Section 16-262m of the General Statutes of Connecticut (CGS).

Pursuant to CGS Sec. 16-262m-6 Mr. Peter J. Carli, President of Hampton Woods Development, LLC and The Exclusive Service Area provider, the Town of East Hampton through its Water Pollution Control Authority, must execute an agreement indicating that the final constructed and approved water supply facilities will be dedicated to the Town of East Hampton.

It is agreed, should the PWS be built as approved, the Town of East Hampton through its Water Pollution Control Authority will receive, own and operate the proposed PWS when the final Certificate of Public Convenience & Necessity is granted.

Both parties further agree additional conditions to affect the transfer of the ownership and operation of the PWS may be developed and required prior to acceptance of the PWS. This agreement in principle allows both parties to proceed into the CPCN process. Failure to transfer this PWS to the Town of East Hampton may result in the Certificate being suspended or revoked.



Peter Carli
Proposed PWS
Authorized Entity for the Developer



Date

Michael Maniscalco, Town Manager
Exclusive Service Area Provider
Authorized Entity

Date

Addresses:

Michael Maniscalco
Town Hall
20 East High Street
East Hampton, CT 06424



Witness



Date

Witness

Date

Peter Carli
14 Chestnut Hill Road
Colchester, Ct 06415



AGENDA
ITEM # 7a

Office of the TOWN MANAGER
MICHAEL MANISCALCO, MPA
mmaniscalco@easthamptonct.org

July 9, 2014

TOWN COUNCIL

Barbara W. Moore
Chairperson
Kevin Reich
Vice Chairman
Patience Anderson
Ted Hintz, Jr.
George Pfaffenbach
Mark Phillhower
Philip Visintainer

Ms. Kathryn Keenan
Legal Office
Department of Health
410 Capital Ave., MS#13PHO
PO Box 340308
Hartford, CT 06134

Re: Water Utility Coordinating Committee (WUCC) Boundary Alteration
Town of East Hampton Comments

Dear Ms. Keenan:

In response to the Department of Public Health's (DPH) proposed boundary revisions, the Town of East Hampton would like to offer the following comments.

The Town of East Hampton cannot support the Departments' proposal for a Central Connecticut Corridor Public Water Supply Management Area. The sheer number of municipal and non-municipal water providers and the diversity in size of the area they serve cannot lead to success. The logistics of scheduling meetings, working through agendas and developing consensus around potable water issues would be difficult at best, if not impossible. Additionally, this Water Utility Coordinating Committee (WUCC) would contain many water utilities who may have competing interests regarding Exclusive Service Areas. Should the DPH strongly support such a boundary realignment we suggest the CCC WUCC be divided into two smaller "sub-areas" such as "north and south." Then a WUCC co-chairperson could be designated for each sub-area who would then report to a CCC WUCC Executive Committee.

The Town of East Hampton does support the Department's proposed realignment of Public Water Supply Management Areas with the proposed new Council of Government realignment. This will place the Town of East Hampton in the newly created Lower Connecticut River Valley WUCC. Such realignment should benefit the Town as greater synergies are available with similar sized Towns facing similar potable water needs.



We appreciate your consideration of these comments during the process of finalizing the future WUCC boundaries. Please feel free to contact myself or Vincent F Susco, Jr. at 860-267-2536 with any questions you may have.

Sincerely,

Michael Maniscalco
Town Manager

cc: Town Council
Water Development Task Force



AGENDA
ITEM # 10

Office of the COLLECTOR OF REVENUE
NANCY HASSELMAN, CCMC
nhasselmann@easthamptonct.org

July 3, 2014

To: The East Hampton Town Council

Documentation of the below listed tax refunds are available in the Tax Office for your review if you so desire. The refunds total \$501.53.

Thank you for your assistance.

Nancy Hasselman, CCMC

Nancy Hasselman, CCMC
Collector of Revenue

0 • C
39 • 81 +
66 • 58 +
13 • 32 +
381 • 82 +
501 • 53 *
0 • C

Purpose

In recognition that buildings, infrastructure, and major equipment are the physical foundation for providing services to the residents of the Town of EAST HAMPTON, a multi-year Capital Improvement Program (CIP) is prepared and reviewed annually. The purpose of the CIP is to budget for the acquisition, replacement or renovation of major capital/fixed assets. These items are generally not of a recurring nature and not included in the regular operating budget process. Careful planning during this process is critical to the procurement, construction, and maintenance of capital assets to meet the needs and activities of the Town. The General Fund, through the annual operating budget, is the primary funding source for the CIP and therefore plays an integral role in the development of the program. Proper planning and funding will mitigate budget fluctuations year over year.

A comprehensive capital plan will help ensure the future financial discipline and funding stability of the Town and systematically provide efficient delivery of public services to citizens and businesses.

Capital/Fixed Assets are categorized as follows:

- Land
- Land Improvements
- Buildings and Improvements
- Machinery and Equipment
- Infrastructure

The following Capital/Fixed Asset items are to be included in the Town's annual operating budget:

- Fixed assets that cost less than \$10,000
- Fixed assets that are of a recurring nature and acquired each year

Definitions

1. The **Capital improvement program** is defined as a plan for capital expenditures over a multi-year period to meet identified improvements in capital assets.
2. The **Capital Budget** is the first year of a five year plan for capital expenditures to be incurred over a given fiscal year from funds appropriated through the annual budget process for projects scheduled in the same year.
3. **Capital Equipment** is defined as any item that has an expected life of five (5) years or more and a purchase price in excess of \$5,000. Items costing less than \$5,000 and lasting less than five (5) years are to be purchased from material and supply accounts. The purchase price includes any costs of acquisition or transportation of the item or other costs associated with the installation or placing it into service. The expected life for a piece of equipment is that period of time for which it will be useful in carrying out operations without major repair to its physical condition. Generally, capital equipment includes, but is not limited to, furniture and fixtures, machinery and motor vehicles.
4. **Capital Projects** are the improvements that make up the capital budget. Each project has a specific purpose, justification and cost. Projects propose physical improvements in different elements of the Town's infrastructure. Improvements include but are not limited to: construction, reconstruction, rehabilitation, modification, renovation, expansion, replacement, extension of streets, bridges, buildings, sidewalks, playgrounds, lights and acquisition of land, buildings with associated relocation, demolition and improvements such as landscaping, fencing and paving.
5. Sinking Fund is defined as an account composed of the accumulation of sums of money set aside periodically to provide a definite amount for a specific purpose at a certain future date. Annual calculations are equal and are calculated by dividing the total amount required by the number of years during which the figure must accumulate.

Criteria

The following Capital/Fixed Asset items are to be included for consideration in the Town's Capital Improvement Program (CIP):

- The acquisition of and improvements to assets that cost \$10,000 or more and,
- The Capital/Fixed Assets, or improvements, that have an anticipated life expectancy of five years or more. Most non-recurring major expenditures are the result of the Town's acquisition of capital items that form the physical foundation for municipal services such as land, buildings, infrastructure improvements, machinery and equipment. However, there can be major expenditures for non-capital items that can be anticipated on a recurring and periodic basis and require significant funding. In addition to the above items, the following proposed expenditures may be considered in the CIP, although they may not constitute capital/fixed assets with useful lives of five years or more.
- Property revaluation required by the Connecticut General Statutes
- Technology programs and systems
- Sinking fund contributions for debt
- Sinking fund contributions for repairs to major fixed assets

These items and other similar items that may require significant funding of \$10,000 or more, and are not anticipated to be acquired each year, may be appropriate to be included in the CIP process.

The annual road paving program can be anticipated on a recurring basis; however, it requires funding of significantly more than \$10,000 and should be included in the CIP process.

This CIP provides for a five-year plan of acquisition, renovation, replacement and construction of the items included in the capital budget and includes a planning, budgetary and financing process.

Assets in excess of \$10,000 not precluded from acquisition in the general fund or other special revenue fund.

CAPITAL IMPROVEMENT COMMITTEE

MEMBERSHIP

The Capital Improvement Committee shall be composed of one member of the Town Council, one member of the Board of Finance, and one member of the Board of Education. Committee assignments shall be determined by the board chair. The Town Finance Director, Town Manager and Superintendent of Schools shall be ex-officio Committee staff members without the right to vote.

ROLES & RESPONSIBILITIES

The Committee shall study proposed capital projects and improvements involving major non-recurring tangible assets and projects which: 1) are purchased or undertaken at intervals of not less than five years; 2) have a useful life of at least five years; and 3) cost over \$10,000. All town departments, boards and committees, including the Board of Education, shall, by December 1st of each year, give to the Town Manager who shall forward to the Committee information concerning all anticipated projects requiring action during the ensuing five years. The Committee shall consider the relative need, impact, timing and cost of these expenditures and the effect each will have on the financial position of the town. No appropriation shall be voted for a capital improvement requested by a department, board or commission unless the proposed capital improvement is considered by the Committee.

The Committee shall prepare an annual report recommending a Capital Improvement Budget for the next fiscal year, and a Capital Improvement Program including recommended capital improvements for the following four fiscal years.

The report shall be submitted to the Board of Finance for its consideration and recommendation. The Board of Finance shall submit its recommended Capital Budget to the Town Council for approval (see Exhibit A).

Such Capital Improvement Program, after its adoption, shall permit the expenditure on projects included therein of sums from departmental budgets for surveys, architectural or engineering advice, options or appraisals; but no such expenditure shall be incurred on projects which have not been so approved by the town through the appropriation of funds in the current year or in prior years, or for preliminary planning for projects to be undertaken more than five years in the future.

The Committee's report and the Town Council's recommended Capital Budget shall be published and made available in a manner consistent with the distribution of the annual Town budget report. The Committee shall deposit its original report with the Town Clerk.

CAPITAL IMPROVEMENT PROGRAM TIMING/SCHEDULE

As part of the annual budget process, the CIP will be prepared, presented and acted upon in accordance with the following schedule:

No later than September 1	Department, board or agency shall submit a proposed five year CIP to the Town Manager
No later than October 1	Town Manager shall provide a five year planning document to the Capital Improvement Committee summarizing department proposals for capital improvements, a recommendation of items to be included in the CIP, project priorities for the following fiscal year and proposed method/sources of funding for all recommended projects.
On or about November 1	The Capital Improvement Committee shall receive, review and recommend the 5 year CIP. The plan will then be forwarded to the Board of Finance
On or about December 1	Board of Finance shall recommend CIP to Town Council
No later than January 1	Town Council adopts the CIP for the following fiscal year
Quarterly CIP meetings	The Capital Improvement Planning Committee shall meet at least quarterly to review and discuss current and proposed capital projects.

The Town Manager will provide the Town Council periodic CIP status reports throughout the year and present detailed project status reports or design plans on an as needed basis in accordance with the applicable project schedule.

IDENTIFICATION OF NEEDS

Capital Improvement items are considered on the basis of need and value to the community. Annually, each department, board or agency shall submit a proposed five year CIP to the Town Manager in accordance with the CIP schedule. Requested items shall include acquisition of capital assets, new construction, major renovations and improvements to municipal facilities, purchase of machinery and equipment and other items that satisfy the CIP criteria. Capital improvement proposals received outside of the formal CIP process from departments, citizens, agencies or organizations shall be forwarded to the Town Manager for review and recommendation to the Capital Improvement Committee, Board of Education, Board of Finance and Town Council as applicable.

Items that are to be included in the Capital Improvement Program include the following with an estimated cost of \$10,000 or more and have a useful life of not less than five years:

- Purchase of Land and Development Rights
- Construction of New Buildings
- Land and Building Improvements and Renovations
- Machinery and Equipment
- Infrastructure Improvements (streets, sewers, sidewalks, etc.)
- Vehicles and Construction equipment
- Feasibility Analysis/Design/Cost estimates and other professional services relative to anticipated major projects
- In addition to the above items, the CIP may include certain recurring expenditures/projects that due to their nature and anticipated cost are best appropriated through the CIP (e.g. revaluation or major software acquisition)

All Capital Projects under consideration must be submitted on forms provided by the Finance Department and include the following detail and descriptive information:

- 1) PROJECT TITLE: Enter the title best describing the project. Be concise, but as descriptive as possible.
- 2) SUBMITTED BY: Enter the Department, and division, if applicable.
- 3) CONTACT PERSON: Enter the name and telephone number of the person who can best answer detailed questions about this project.
- 4) PROJECT DESCRIPTION: Give a full, detailed description of the project. The description must contain enough information to allow for a detailed project cost estimate. If costs are estimated to exceed \$250,000 see "Estimated Costs" on page 5. If the project is construction of a building, specify the following: size; use; type of building; utility type; etc. If it is a street project, specify the following: length; width; whether it is new construction, reconstruction or resurfacing; whether it involves new signals, sewers, and/or sidewalks; etc. Photos and other documentation should also be submitted if they provide relevant information. Any project with insufficient information to develop a cost estimate will not be considered.
- 5) PROJECT JUSTIFICATION: Support the need for this project. Some of the questions you might want to consider below:

- Does the project meet established standards, codes or mandates?
- Does the project address a Town Council policy initiative or Board of Education goal?
- Does it address a health, fire, safety or security concern?
- Does it serve a segment of the community not currently served?
- Does it foster private investment? How much?
- Does it create jobs? How many? What type?
- Does it support economic development (i.e. tourism)?
- Does the project require additional staffing or operational increases (e.g. grant writer)?
- Does the project create any revenue?
- Do grant funds or other opportunities exist to offset costs?
- What will happen if the Town does not undertake this project?

Use the above and as a guide in submitting justifications.

- 6) PROJECT LOCATION AND SERVICE AREA: Give a brief description of the community impact the project will have as well as the area it will serve.
- 7) SIGNATURE: The Department Director must sign the bottom of the form and date it. The signature indicates that the director approves of the submission of the project and agrees with the information provided.

Estimated Costs

Costs shall be estimated for all items requested as part of the five-year Capital Improvement Program. Costs for

items requested in years two through five shall anticipate an escalation rate to be determined by the Town Manager and Finance Director at the beginning of the CIP process.

The steps for **major** capital projects in the CIP, those estimated to exceed \$250,000, may be required by the Town Manager and will generally include the following:

- A. Evaluation/feasibility phase, as necessary
- B. Preliminary design and cost estimating phase
- C. Final Design and construction

Subject to the specifics of the project, funding for steps A and B may be combined in the initial request. Cost estimates should include preliminary design fees, final design fees, architectural fees, construction management fees, construction costs, acquisition costs, contingency, escalation, legal and financing fees, including short term interest, and any other costs applicable to the project. The scope and estimated costs of in kind services shall be identified and presented along with the initial cost estimates for the project.

Funding

The Town Council, as part of the annual operating and capital budget process, will review the capital equipment and capital projects included in the CIP as recommended by the Board of Finance. The Town Manager and Finance Director will develop a recommended financing plan, with options, based on total project costs, cash flow, projected method(s) of financing the projects, Capital Reserve fund projections, mill rate and debt service impact on future operating budgets. The Town Council shall review these projections when developing project priorities and the recommended capital program for the following year. The goal is to effectively balance the total of the annual Capital Reserve Transfer and Debt Service requirements to minimize fluctuations in the mill rate in accordance with established guidelines set forth in this document.

An annual financing plan for the multi-year capital improvement plan is critical to the CIP process. Factors to be considered shall include:

- Anticipated revenue and expenditure trends and the relationship to multi-year financial plans
- Cash flow projections of the amount and timing of the capital improvement projects
- Compliance with all established financial policies
- Legal constraints imposed by Town charter or State statute
- Evaluation of various funding alternatives
- Reliability and stability of identified funding sources
- Evaluation of the affordability of the financing strategy, including debt ratios, future budgets and mill rate.

The Capital Improvement Program shall generally be funded as follows:

- A. **Capital Reserve Fund** – The Town will use the Capital Reserve Fund as the primary funding source for capital projects to be funded on a pay as you go basis. The Capital Reserve Fund is primarily funded through an annual appropriation from the General Fund.

Based on factors referenced herein the Town Council shall consider as a general guideline a **minimum** annual appropriation and transfer to the Capital Reserve Fund in an amount equivalent to three percent (3%) of the current adopted operating budget rounded to the next highest \$5,000. In no event shall the annual general fund contribution exceed 2 mills.

Annually the Board of Finance will review the General Fund unassigned fund balance, Capital Reserve unassigned fund balance and other funding requirements and may recommend a transfer of additional funds to the Capital Reserve Fund. The goal of the Town is to maintain an unassigned balance in the Capital Reserve Fund of an amount equivalent to \$1,000,000, except as needed to meet emergencies. The reserve policy will

be reviewed annually and adjusted accordingly as part of the CIP process. Factors to be considered include evaluation of the projects in the multi-year plan, the method of financing and their effect on projected mill rates.

- B. Capital Initiatives Fund** – This fund is primarily used to account for the construction and acquisition of major capital assets. Bond proceeds are the major funding source for projects accounted for in the fund.
- C. Donations/Grants/Loans** – Anticipated contributions from various organizations or groups towards certain Capital Improvement projects, grants and loans will be used in financing the CIP to determine final estimated net cost to the Town.
- D. General Obligation Bonds** – Projects that are anticipated to have a significant expenditure of funds should be considered for referendum and funded through the issuance of general obligation bonds that shall be authorized and issued in accordance with Connecticut statutes and the Town of East Hampton Charter. Projects funded through the issuance of debt must be approved by the Board of Finance, Town Council and Town Meeting. The Town Council may elect to have a project voted on at referendum in lieu of a Town Meeting.

AMENDING THE CAPITAL IMPROVEMENT PROGRAM

Revisions to Approved CIP Projects:

Periodically there will be changes made to the approved CIP Projects that will require extra funding. This could arise from unanticipated inflation, change from the original project description or bids that may push up the original cost estimate. These additional funding requests will be handled as follows:

- 1- The Department or authorized entity responsible for the Project makes an initial determination that additional funds are required for a specific purpose.
- 2- The Department Head submits a written request for additional funding to the Town Manager. This request will include the original Finance Department CIP request form and will include detailed cost differences in the original Project and the revised Project.
- 3- This additional funding can be approved by the Town Manager providing the additional costs do not exceed the greater of \$10,000 or 10% of the original Project cost.
- 4- Should the Project Cost increase be more than \$10,000 or 10% of the original Project cost then the Project must go back to the CIP Committee for their review and approval.

Funding New and Emergency CIP Projects:

Periodically there will be projects that arise suddenly or on an emergency basis. These projects may be recommended by employees, citizens, and members of boards or commissions.

- 1- The Department responsible for the project makes an initial determination that funds are required for a specific purpose.
- 2- The Department Head submits a written request for funds to the Town Manager. This written request is completed on the Finance Department's CIP Fund request form.
- 3- The Town Manager will make a recommendation to the CIP Committee. The Capital Improvement Committee will then make a recommendation that is forwarded to the Board of Finance.
- 4- The Town Manager will prepare a report and resolution for approval from the Board of Finance, Town Council, and Board of Education if needed. This report will be placed on the agenda of the next regular scheduled meeting of the Board of Finance and Town Council, and Board of Education if needed. Emergency meetings will be scheduled if necessary.

ACCOUNTING PROCEDURES

After all of the projects have been approved by Town Council the Finance Department will begin the process of establishing accounts for the approved programs. All appropriations will be established based upon the approved project cost and prepared by using the line item criteria established by the cost estimate forms. In addition, the

Finance Department will be responsible for the following:

- 1) Maintaining grant agreements;
- 2) Maintaining audit records;
- 3) Receiving and recording revenues;
- 4) Distributing payments;
- 5) Reconciling the general ledger;
- 6) Reconciling bank statements and investments; and
- 7) Monitoring department performance.

The Department Director or Project Manager will be responsible for the following:

- 1) Creating monthly project status reports;
- 2) Creating and maintaining project timetables;
- 3) Explaining project changes and/or cost overruns;
- 4) Providing updates to the Town Council;
- 5) Presenting projects to committee and the Town Council;
- 6) Completing data detail for the Finance Department; and
- 7) Estimating costs and/or staffing requirements.

DRAFT - FOR DISCUSSION

**MUNICIPAL 10 YEAR PLAN
EAST HAMPTON**

IDENTIFY AND FINALLY ADDRESS ISSUES TO:

Residents

Workers

Property Owners

Businesses

TEAM: Community Leaders : Town Council Chair and 2 other Council Members, 1 BOF member (BOF to decide), 1 BOE member (BOE to decide), 4 members from the community.

GOALS: Community Visions

DATA TO CONSIDER: Environment, Traffic Conditions, Economic Conditions, Social Conditions based on population and income, Public Services, Land Use (housing and zoning).

OUTCOMES: Population Projections, Economic Condition Forecast, Future Housing.

PLAN: 1. Background, history, past situations and decisions.

2. Goals – plans to implement

EVALUATE ALTERNATIVES

1. Weigh each alternative and scale 1-10

2. Choose best option

ADOPTION

1. TOWN COUNCIL

2. PUBLIC HEARINGS

3. TOWN MEETING