

**TOWN OF KILLINGLY
WATER POLLUTION CONTROL AUTHORITY**

Meeting

Wednesday, February 17, 2021 at 6:00 PM

**Killingly Town Hall
Town Meeting Room
172 Main Street, Danielson CT**

The Public can view the meeting on Facebook Live.

Go to <https://www.facebook.com/Killingly/TM/>

CITIZEN'S STATEMENT AND PETITION

Pursuant to Governor's Executive Order 7B, all public comment can be emailed to publiccomment@killinglyct.gov or mailed to Town of Killingly, 172 Main Street, Killingly, CT 06239 on or before the meeting. All public comment received prior to the meeting will be posted on the Town's website www.killinglyct.gov.

MINUTES

1. **Roll Call** – Chair, Patrick McLaughlin called the Meeting to order at 6:01 p.m.
David Capacchione, Director of Engineering and Facilities, did the roll call.

Members Present:

Gerard CinqMars
Andrew Danna
Joseph Higgins
Patrick McLaughlin

Staff Present:

David Capacchione, Director of Engineering and Facilities
Mark Cataldo, Suez Project Manager
Shawn Meunier, Suez Area Manager
Jennifer Hawkins, Finance Director

Also Present:

Ed Grandelski, Town Council Liaison
Heather Belanger, Frito-Lay

2. Citizen Participation (on items not subject to public hearing)

Mr. Capacchione stated that no comments from citizens had been received.

3. Town Council Liaison Participation

Ed Grandelski reported:

- Andrew Danna was reappointed to the WPCA.
- Created an Ordinance to transfer \$189,000 from the sale of the NECCOG property into the Economic Development Trust.
- Acted on appeals of private property at Alexander's Lake.
- Approved the Town Manager to sign a temporary grant and access agreement to allow Richard Fedor on Pratt Road to access land-locked property to remove dead wood.

4. Adoption of Meeting Minutes January 20, 2021

Motion was made by Joseph Higgins to approve the Minutes of the Regular Meeting of January 20, 2021, as presented. Second by Gerard CinqMars. No discussion.

Roll Call Vote: Gerard CinqMars – yes; Patrick McLaughlin – yes; Joseph Higgins – yes; Andrew Danna – yes. Motion carried unanimously (4-0-0).

5. Finance Report

a. Monthly Finance Report

Jenn Hawkins reported:

- January collections continue to be favorable and on track.
- No additional applications for deferral of tax or sewer fees have been received.
- On track with budget as far as sewer use charges.
- Expenses continue to be on track. They have not done some of the year-end transfers related to debt service yet. Final closing was on January 21st on the refunded old sewer USDA Bonds which will reflect a \$40,000 on average, per-year savings in the debt service budget going forward in the next fiscal year.
- Professional Services are also in line with budget at this time.

At this time there was discussion regarding the COVID-19 vaccine.

6. Report of Project Manager

Mark Cataldo reported:

- Mr. Cataldo introduced Shawn Meunier, Area Manager who represents Suez for the Town of Killingly Project. Mr. Meunier has been with the Killingly Project since June 2020.
- There was an uptick in the process – 23 million gallons last month.
- BOD - 5 milligrams going out
- TSS – 4 milligrams going out
- Wet wells sludge thickening tank Primary #4 and Grit Tank #2 were off-line during the upgrade in January.
- Nitrogen - 58 pounds in December and 44 pounds in January. Now trending lower – in the 40's.
- Starting up the centrifuges this week.
- Everything in compliance for the month.

There was discussion and Mr. Cataldo explained that having to drop tanks and put tanks online was disruptive to the process. Mr. McLaughlin stated that it look like they have a pretty steady handle on it now. Mr. Cataldo explained that more tanks are being put online and that it won't affect the process.

7. Frito-Lay Representation

Heather Belanger stated that there are no operational issues to report at this time. Their High Focus Shutdown begins March 19th, so there will be very little flow from the 19th to the 22nd.

8. Unfinished Business

a. Facilities Project Update

David Capacchione reported:

- Running sludge through the centrifuge this week.
- So far, everything is going as planned.
- He explained that they should not have to take down any tanks, unless something malfunctions.

- Work continues in the wet well.
- Restoration work (excess concrete repair) should be done this week. Then, back to base contract work.
- The building around the wet well for the rag removal system is up. Roof is on. Doing duct work and HVAC, etc.
- Balancing of the odor control system in the de-watering building is going on.
- Still a lot of electrical work being done.
- Testing of equipment.
- Cover page for the monthly AIA Form was included in packets to Authority Members.

Mr. McLaughlin commented about the latest payment being lower than he expected. Mr. Capacchione explained that some work that they were asking to be paid for was not completed, so they were not paid for it.

Mr. Higgins asked for a cost estimate for the primary repairs for the concrete work. Mr. Capacchione explained that the cost estimate will be part of negotiations with R.H. White because he feels that there are unit prices in the contract to cover it. Mr. Capacchione will give Authority Members the unit prices in the contract and quantities for the work being performed. He said that they are looking for six months and \$1.3 million. Discussion continued.

There was discussion regarding when they will start demolishing the old incinerator building. Mr. Capacchione explained that cannot occur until they eliminate the old power for the old centrifuge. He estimates six to eight weeks.

9. New Business

a. FY 21-22 Budget Discussions

David Capacchione explained that there are three scenarios for the upcoming budget year (included in packets to Authority Members):

- #1 - Zero-percent increase to sewer rates with a \$681,729 appropriation from Fund Balance;
- #2 - Five-percent increase to sewer rates with a \$539,673 appropriation from Fund Balance;
- #3 - Ten-percent increase to sewer rates with a \$397,617 appropriation from Fund Balance.

Mr. McLaughlin requested that they review the proposed budget.

Ms. Hawkins explained the following:

- Everything is pretty much consistent with the prior year, based on current prices and things are look like they will remain relatively flat.
- The biggest change is related to the debt service. She explained that the design phase of the Facilities Upgrade closed in this fiscal year (July 31st), so that debt service is reflected in that Debt Service Facility Upgrade Design.
- Ms. Hawkins explained the three scenarios and she explained that, based on the timing of the Project and where we are at, it is in the Town's best interest to close as of August 31st because \$1.7 million in debt service is better than \$3 million.

Ms. Hawkins explained that last year, we held to the ten percent rate increase. The rate increases in the last several years were to be put aside for Capital knowing that the Facility Upgrade wasn't going to cover everything that needed to be addressed at the Plant. To keep pace with the debt service which was going to start becoming due starting with FY 22-23. They did reflect the \$40,000 in savings in the next fiscal year against those refunding bonds. The increases in operations over the last couple of years (based on flows) out-paced the increase for keeping up with putting the increase aside for Capital. CNR for sewer is about \$1.1 million. Total balance for Capital is just shy of \$900,000. She said that roofs on the Facilities are going to need to be addressed over the next three-to-five years, so that alone, would take care of what is in Fund Balance and Capital. She understands that there is concern about raising rates, however, she asked, do we do a small increase now vs. a big increase later?

Mr. Capacchione stated that she is correct and he added that some things were removed from the Facilities Upgrade due to the increase in prices from when it was approved to when they received authorization to go to design through the Clean Water Fund. So, those items still need to be addressed in addition to all of the I&I work in the collection system projects.

Mr. McLaughlin asked, because the flows have been so low, relative to previous years, this current year would that lower the contract with Suez for the coming year. Mr. Capacchione explained that it did and that Mr. Cataldo had provided a calculation showing a reduction (less value), but Mr. Capacchione was reluctant to include it in case we have increased flows. He feels last year was an anomaly and would rather plan on flows returning to somewhat historic levels.

Ms. Hawkins stated that the debt service coming on does effect the contract calculations for both Frito-Lay and Brooklyn. She suggested, that after closing in August, giving them adjusting billing rate factors because that would be based on actual debt service.

Mr. McLaughlin asked when this budget needs to be approved. Ms. Hawkins explained that it would need to be approved at the next WPCA meeting or schedule a special meeting.

Ms. Hawkins explained that there is a three-percent contractual increase in insurance, as well, which is reflected in the property insurance cost.

There was discussion regarding timeline.

Ms. Hawkins noted that she does not expect to have to refund Frito-Lay a large amount of money as in prior years. It may even be a refund. The audit probably won't be approved until mid-March.

There was discussion about previous years' increases. Ms. Hawkins explained that special work has been a big loss, and also, due to increased flows and percentage of flows to the Plant total, we've have two years of very large rebates that we've had to issue. There was discussion regarding that there haven't been any significant septage haulers (one truck last month).

It was decided to approve the budget at a Special Meeting next month, possibly March 10th. Depending on the availability of the Town Meeting Room, it may need to be virtual. Mr. Capacchione asked that, if there are suggestions/modification to be made, they let him know before the next meeting so that he and Ms. Hawkins can do the calculations in advance of the meeting. There was discussion regarding Fund Balance.

10. Correspondence – Included in packets to Authority Members.

11. Other

Mr. Capacchione stated that I&I meters will be going in next week for the rest of the study.

12. Adjournment

Motion was made by Joseph Higgins to adjourn at 6:41 p.m. Second by Andrew Danna. Motion carried unanimously by voice vote (4-0-0).

Respectfully submitted,

J.S. Perreault
Recording Secretary