

MINUTES OF THE BOARD OF WATER COMMISSIONERS

The regular meeting of the Board of Water Commissioners was held on Thursday February 5, 2009 at the Department Offices, 605 West Queen Street, Southington, CT. A recording of this meeting can be found on file tape #541.

Present: President Stephen C. Pestillo, Vice President Thomas J. Murphy, Secretary and Treasurer John C. Dobbins, Commissioners Erik E. Semmel, Robert M. Berkmoes, Angelina Santa Maria, Superintendent Thomas R. West, Assistant Superintendent Frederick W. Rogers and stenographer Janice Eisenhauer.

1. CALL TO ORDER

The meeting was called to order by President Pestillo at 6:05 p.m.

2. Approval of minutes of the January 8, 2009 meeting.

Corrections to the minutes were noted as follows: at Committee Reports c) it was Commissioner Murphy who asked about underground utilities and not President Pestillo; at Committee Reports d) Mark Pandolfo's name is misspelled in two places; and under NEW BUSINESS 5a) the second paragraph should read "This mapping is state mandated and it has cost Southington Water Department close to \$900,000" and not \$90,000.

A motion was made by Commissioner Murphy to accept the corrected minutes. It was seconded by Commissioner Berkmoes and the motion passed on a voice vote.

3. Communications

b) Communications from Administration

Superintendent West asked if all members of the Board now hold a membership in CWWA. The April 2009 issue of CWWA's publication will feature the Southington Water Department with several historical photographs.

Superintendent West also reported that the Southington Water Department has received an award from the Center for Disease Control citing a perfect fluoridation record in 2007. He acknowledged the treatment staff of Southington Water Department for their good work and quality product. This news will be released to the press.

c) Communications from Board Members

Commissioner Semmel reported that he has done some research on wireless meters and has found an interesting high-tech product. Superintendent West said that he had been investigating

one manufactured by Neptune, a familiar supplier. This will be further explored.

Commissioner Santa Maria thanked the Water Department for the extra attention staff paid to a special helper at the December toy drive when they provided a VIP tour for him. He was thrilled to see the trucks and equipment and thoroughly enjoyed the experience. Superintendent West acknowledged that it was the department's pleasure. President Pestillo thanked the entire department for their interest and caring.

4. Financial Matters

a) Review of Water Billings & Outstanding Jobbing Bills and Approval of Invoices

Superintendent West reported that income and paid out invoices are about even for last month. He reminded that there has been a recent rate increase and he expects to see it appear in the numbers soon. Sales are off and since the majority of costs are fixed, it will continue to be necessary to keep a careful watch on expenses. He also reported that two outstanding jobbing bills have been paid, but two have been added. Warning letters have been issued.

There were some questions about outstanding invoices. Superintendent West explained that the Liberty St. work had been budgeted for. Commissioner Santa Maria asked about invoices more than 90 days old. Superintendent West explained the difference between the billing of construction companies versus water customers. There is a deposit required for construction jobs. He also explained that water bills are now being rendered at the beginning of the month rather than the end. Purchase of gas for vehicles was discussed and it was reported that the Town of Southington has made a fortuitous gas purchase and currently that is being used.

Commissioner Berkmoes made a motion to authorize payment of the bills presented. This was seconded by Commissioner Semmel and passed unanimously on a voice vote.

The Board decided to address New Business a) out of order.

7. NEW BUSINESS

a) Proposed 4 lot Subdivision located off of Marion Road, "Upson Place Subdivision," by Core Development, LLC

Assistant Superintendent Frederick Rogers presented the maps for this development near the Cheshire town line. He answered the questions of the commissioners. The plans meet accepted criteria. The hydrant is on the Southington side. Commissioner Berkmoes made a motion that this application be accepted as presented, per the January 28 revision and it was seconded by Commissioner Dobbins. A voice vote was unanimously in favor of the motion.

5. Committee Reports

a) Executive Committee

None

b) Infrastructure Committee

Superintendent West reported on a recent meeting of this committee. He and Asst. Superintendent Rogers had met with the town to review upcoming paving plans. There is about a million dollars worth of work being planned. Projects for the next fiscal year include West St. from W. Main to W. Center, Norwood Drive, South End Rd. Extension, however there is some discussion about the Curtis property being developed and that may alter those plans. Included as well are N. Pleasant St., from Flanders Rd. and Laning, Buckland St. between Rt. #10 and Mulberry St., Ivy Dr. and Knollwood Dr., Carter Lane between Old Turnpike and Rt. #10. The Water Board may wish to work with the developer on the South End Rd project if that comes about. There was some discussion about these projects.

In fiscal year 2010-2011 there are some projects plans, where it would be advantageous to get some underground work done before the repaving--South End Rd. between Route 322 and Mulberry St., Canal St. Ext. south of the Meriden-Waterbury Turnpike.

Marion Rd. south of the Meriden-Waterbury Turnpike is interesting and planned for 2009-2010. There is some 6" cast iron pipe there that could be upgraded. This will need engineering. West Center St., between West St. and Summer St. is a big job. There have been some problems out there and it would make sense to upgrade the lines in that area. This project was discussed. It will need engineering. Perhaps the engineering could be done so that it would be ready when the time comes. This would be in early 2010 so that the Board could take advantage of the expected repaving in that area.

The town intends to do East Summer St a year or two after that and it would be advantageous to plan for that. He spoke specifically of South Main St between Plantsville center and as far down as Norton needs to be addressed. He recommends getting that engineered and on the shelf, ready when a state road project comes up. It could be broken down into phases. It's a huge job.

Superintendent West gave a report on existing projects and projections for the future. Questions were entertained and answered.

c) Wellhead Protection Phase 2

Superintendent West reported. There is not much progress of late. The generator is on site and the new electrical service is up and running. Some plumbing needs to be done in the building. There are still a few months of work pending. Target date is late April at this point.

d) Technology Committee

President Pestillo reported that the Technology Committee has not met.

The Board decided to take NEW BUSINESS 7b out of order.

7. NEW BUSINESS

b) Presentation by Auditor for 2008-2009 Audit.

Michael Ziebka from Budwitz & Meyerjack Inc., Certified Public Accountants, addressed the board. He reported that the audit of the accounts proved exemplary and it was filed and accepted without reservation. The audit opinion was clean, as it was the previous fiscal year. He discussed the balance sheet and pointed out some income/outlay trends to the board. He presented a comparison to peer water departments and this was discussed at length. The need for rate increases incrementally was discussed along with investments. He offered various charts for review and suggested further consultation to set goals and to set in place financial planning in order to achieve them. Capital expenditures need to be addressed. Questions from Commissioner Murphy regarding debt service were answered by Mr. Ziebka. There was also a discussion about debt being paid off as new debt comes on line. All questions were answered to the satisfaction of the commissioners. Commissioner Murphy asked for a spread sheet listing each existing debt individually, date of retirement, and projected additions. Mr. Ziebka made a note of his request and will produce it.

He provided the complete audit in two booklets for each commissioner. He explained the contents, breakdown of information and pointed out what he is obligated to provide by law. He discussed comparison studies among peers, costs, investments and debt-sales ratio. Future rate increases were discussed.

Superintendent West offered that he participated in a peer study sponsored by AWWA and a gratis report will be forthcoming from it. He will share it when it arrives.

6. OLD BUSINESS

a) Update on Federal Grants, State Grants and SRF Loans

Superintendent West reported on funding opportunities with the economic stimulus package being in the forefront. It appears that there will be some infrastructure money in this proposal. Regarding STAG, a request for 2 million dollars has been made, but is very doubtful anywhere near that will be forthcoming. If anything, it will probably be in the quarter to half million dollar range. Superintendent West had a meeting recently with the Ferguson Group, President Pestillo, and Vice President Murphy to assess current status on grants. The State

Health Department does not have a viable mechanism to distribute funds. EPA Region 1 is not aware that there will be restrictions on stimulus money. CWWA will meet with the State Health Department to see if a mechanism to dole out the funds in Connecticut can be set up. It appears that the only way to have an opportunity to receive any funding is to apply for a loan, hoping that a grant fund may become available. There was a discussion about applying for this as a way of securing a place on the list. Two projects are presently shovel-ready and a third nearly ready. All would seem to meet the criteria for this funding. Commissioner Berkmoes feels that no opportunity should be allowed to pass. There are strings attached to the economic stimulus money and time is of the essence. Superintendent West explained the system in some detail for securing different grants, should they become available. Following some discussion it was decided to apply for a stimulus loan, in the hopes that a grant program will arise from that list of applicants.

Commissioner Santa Maria questioned the decrease in revenue due to foreclosures and there was a discussion about it.

b) Medication Return Program

Commissioner Dobbins reported on the program for the Medication Return Program to be held on April 25, 2009 from 10 AM to 2 PM at the Southington Water Department building. The advertising has started. Flyers will soon be printed, a notice has been placed on water bills and the event is being advertised on cable TV. Suggestions for further outreach were discussed. The University of Connecticut School of Pharmacy and a Registered Pharmacist are on board. Bristol Water Department is interested in taking part and hosting this event other years. Commissioner Santa Maria suggested contacting the Chamber of Commerce; they send out a newsletter. There are a number of legislative measures on the table on this serious and cutting-edge issue.

c) Cost Savings Initiative

Superintendent West presented a spread sheet, as had been discussed, and there was a discussion about each item. There is the possibility of an alternative revenue source that needs to be discussed. Superintendent West is working on a grant proposal but it requires matching funds. There was a discussion about matching grants and different strategies to utilize them. Commissioner Santa Maria reported that state mandates are going to be more regulated. Superintendent West does not feel it will greatly affect the Water Department.

d) Safety Valve

Safety Valve has asked to be present at the April meeting to address the board. They have also asked if they could distribute reusable shopping bags with their logo on them to Water Department employees. It was the consensus of the board to allow them to hand them out to anyone who wants one. Commissioner Dobbins mentioned giving them out at medication day.

7. NEW BUSINESS

d) Proposed Cell Site Lease at Mill Street Tank

To be discussed in Executive Session.

8. EXECUTIVE SESSION

Commissioner Dobbins made a motion to adjourn to Executive Session at 8:13 PM., barring the public and press, including the Superintendent and Assistant Superintendent. This was seconded by Vice President Murphy. The motion passes unanimously.

The Board entered Executive Session at 8:17 PM.

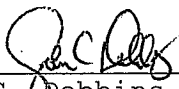
The Board exited Executive Session at 9:35 PM.

Commissioner Berkmoes made a motion to approve the cell site lease with Pocket Wireless for the Mill Street Tank site at the rate of \$2600 per month and 4% increases per year with the Water Department Attorney's approval on the language changes discussed. Commissioner Dobbins Seconded the motion and it passed unanimously.

Commissioner Semmel made a motion to adjourn the meeting. Commissioner Dobbins Seconded the motion and it passed unanimously.

The meeting adjourned at 9:35 PM.

Attest:



John C. Dobbins, Secretary & Treasurer