

Meeting Minutes
Eastern WUCC Meeting #14
Southeastern Connecticut Council of Governments – 5 Connecticut Avenue, Norwich, CT
July 12th, 2017 1:00 p.m.

The Eastern Water Utility Coordinating Committee (WUCC) met on July 12th, at 1:00 p.m. The meeting was held at the Southeastern Connecticut Council of Governments offices at 5 Connecticut Avenue, Norwich, CT. Prior notice of the meeting was posted on the DPH website, Eastern WUCC webpage: <http://www.ct.gov/dph/wucc/>

The following WUCC member representatives were in attendance (listed in alphabetical order of affiliation):

WUCC Member Representative	Affiliation
Kenneth Skov	Aquarion Water Company
Jim Paggioli	Colchester Water and Sewer Commission
Cindy Gaudino	Connecticut Water Company
Brad Kargl	East Lyme Water and Sewer
Brendan Avery	Jewett City Water Company
Jonathan Avery	Jewett City Water Company
Ed Lynch	Ledyard WPCA
Chris Clark	Mohegan Tribal Utility Authority
Brian Lynch	Montville WPCA
Eric Sanderson	Northeastern Connecticut Council of Governments
Mark Decker	Norwich Public Utilities
Samuel Alexander	Southeastern Connecticut Council of Governments
Jim Butler	Southeastern Connecticut Council of Governments
Josh Cansler	Southeastern Connecticut Water Authority
Bob Congdon	Town of Preston
Jim Hooper	Windham Water Works

The following non-WUCC member representatives were in attendance (listed in alphabetical order of affiliation):

Non-WUCC Member Representative	Affiliation
Lori Mathieu	CT DPH
Eric McPhee	CT DPH
Justin Milardo	CT DPH
Melissa Czarnowski	CT DEEP
Scott Bighinatti	Milone and MacBroom, Inc.
Margaret Miner	Rivers Alliance of Connecticut

A copy of the meeting agenda is attached. A copy of the presentations (including Connecticut State Water Plan presentation) given at the meeting will be available for download from the Eastern WUCC webpage.

The following actions took place:

1. Welcome & Roll Call

The meeting was called to order at 1:03 PM by Tri-chairs Mark Decker (Norwich Public Utilities), Bob Congdon (Town of Preston), and John Avery (Jewett City Water Company). All in attendance stated their names and affiliations.

Scott Bighinatti (Milone & MacBroom) began a PowerPoint presentation and reviewed the progress of the WUCC to-date, as well as the items that would be addressed at the meeting.

2. Approval of June Minutes

Mr. Decker asked for comments and changes to the June Meeting minutes. Ed Lynch (Ledyard WPCA) suggested individually identifying him and Brian Lynch, separately throughout the meeting minutes, rather than saying “Mr. Lynch” after the first use of their names. Josh Cansler (Southeastern Connecticut Water Authority) made a motion to accept the June Meeting minutes with Ed Lynch’s changes. Ed Lynch seconded the motion. The motion carried unanimously.

3. Formal Correspondence

Samuel Alexander (Southeastern Connecticut Council of Governments (SCCOG)) described the formal correspondence sent and received by the Eastern WUCC.

- Mr. Alexander stated that the Final Recommended Exclusive Service Area Boundaries Document was transmitted to the Connecticut Department of Public Health (CT DPH) on June 16th.
- Mr. Alexander stated that a request for data pertaining to Integrated Report topics and Introduction to Integrated Report Planning Elements document was sent to Eastern WUCC members on June 22nd. Mr. Alexander also stated that a revised document was sent on July 10th with the meeting agenda, which contains suggested edits from Regional Water Authority (Central and Western WUCCs) and Wallingford Water Division (Central WUCC).
- Mr. Alexander stated that numerous comments were received from utilities on the Introduction to Integrated Report Planning Elements document, and that they were addressed through changes to the document.

4. Public Comment

Mr. Decker asked if there were any comments from the public.

Margaret Miner (Rivers Alliance of Connecticut) raised questions about the rights and responsibilities of Exclusive Service Area (ESA) holders and the enforceability and weight of ESA boundaries relative to Water Supply Plans, as well as the discrepancy between “exclusive service area” appearing in lowercase letters in the Connecticut General Statutes and Regulations of Connecticut State Agencies but being used in uppercase letters by the WUCC. Ms. Miner also asked that the WUCC address environmental impacts. Ms. Miner stated that she believes environmental impacts should have been addressed, per statute, in the Water Supply Assessment

(WSA) portion of the Coordinated Water System Plan (CWSP) process and not just in the Integrated Report. Ms. Miner continued, explaining that there is some data provided in the WSA but little analysis done in the way of identifying environmental impacts. Ms. Miner stated that, per Public Act 14-633, environmental issues such as recreation and flood control needs should be addressed in the WSA. Ms. Miner also added that the Northwest Hill Council of Governments is concerned about the lack Council-of-Governments involvement in the WUCC process in the Western WUCC, particularly with regard to the lack of questions directed to Councils of Governments in the Integrated Report modules.

- Lori Mathieu (CT DPH) responded to Ms. Miner, explaining that Public Act 14-633 provides for environmental impacts to be addressed in the Integrated Report, not the WSA, and that the Integrated Report is the most appropriate document to address those issues. Ms. Mathieu also explained that Public Act 14-633 modified Section 25-33h of the Connecticut General Statutes, which provides the basis for the Department's contract with Milone & MacBroom, and that CT DPH will not pay Milone & MacBroom if the work does not meet the regulatory requirements. Ms. Mathieu, continued, explaining that the WUCC has put out a Frequently Asked Questions (FAQ) document which addresses questions about ESAs, and that the document could be modified if there are additional unanswered questions. Ms. Mathieu also addressed Ms. Miner's questions about involvement from the Councils of Governments, saying that there are at least two modules in the Integrated Report Planning Elements document with questions where responses from Councils of Governments would be useful.
- Mr. Bighinatti addressed Ms. Miner's questions, stating that the question about the use of lowercase and uppercase letters for "exclusive service area" is being addressed to the CT DPH attorney in response to the formal correspondence received in May. Mr. Bighinatti also explained that Public Act 14-633 requires that the CWSP address environmental and water quality issues as they pertain to the impacts of the CWSP itself, and that Milone & MacBroom will include an assessment of the recommendations of the plan as to how the recommendations might impact those resources. Mr. Bighinatti added that it may be difficult to perform assessments on all plan recommendations since some may be very broad. Mr. Bighinatti also explained that more questions could be asked of Councils of Governments in the way of coordination of planning efforts, for example, but that the questions in the Integrated Report Planning Elements document were more targeted toward large and small utilities.
- Ms. Miner responded, explaining that at the time Public Act 14-633 was passed, the Connecticut General Statutes pertaining to the WUCC contained enough implied requirements for the study of environmental impacts. Ms. Miner explained that, for this reason, the authors of Public Act 14-633 did not intend to alter the requirements for the Integrated Report, but rather the Water Supply Assessment.
- Mr. Congdon responded to Ms. Miner's previous comment about Council-of-Governments involvement, explaining that the Southeastern Connecticut Council of Governments is highly involved in water planning. Mr. Congdon explained that the region, through its Chief Elected Officials, has a Regional Water Planning Committee that has been responsible for a number of important projects.

5. ESA Modifications Discussion/Update

Mr. Bighinatti asked if there were any updates to potential ESA modifications discussed last month, between the Montville WPCA and the Southeastern Connecticut Water Authority (SCWA), and SCWA and Ledyard WPCA.

- Ed Lynch (Ledyard WPCA) indicated that his commission had no update at this time.
- Brian Lynch (Montville WPCA) asked Mr. Cansler if there was a reaction from the SCWA board about potential ESA modifications in the Town of Montville.
 - Mr. Cansler explained that the SCWA board would like more information about the long-term planning impacts of an ESA modification
 - Brian Lynch suggested that he and Mr. Cansler speak after the meeting and Mr. Cansler agreed.
 - Mr. Decker offered that Montville WPCA and SCWA may utilize a WUCC officer or officers to mediate discussions about ESA modifications. Mr. Decker also reminded the parties that any ESA modifications must follow the process laid out in the WUCC bylaws.
 - Mr. Cansler clarified that an ESA modification in the Town of Montville would be unlikely, from his perspective, preferring to instead work out guidelines on how the two commissions could come to agreement over potentially disputed area.
- Mr. Congdon asked Mr. Decker if there was an update on potential ESA modifications between Montville WPCA and Norwich Public Utilities (NPU).
 - Mr. Decker responded, stating that there were no updates.

6. State Water Plan Presentation by Water Planning Council

Lori Mathieu (Chief, Drinking Water Section, CT DPH; and the Connecticut Water Planning Council) began a PowerPoint presentation outlining the process taken to-date in drafting the Connecticut State Water Plan, which is available in final draft format and open for public comments at <http://www.ct.gov/water/cwp/view.asp?a=4801&Q=586878&PM=1>.

The presentation given by Ms. Mathieu offered an overview of the *State Water Plan Goals*, the *5 Most Important Highlights*, a review of the planning process, and major components of the plan. Ms. Mathieu explained that the plan stresses striking a balance between in-stream and out-of-stream needs.

Ms. Mathieu explained that the plan will be implemented through 13 broad policy recommendations, which each include more specific subsets of policy recommendations. Ms. Mathieu also explained that State agencies will work toward eliminating obsolete diversion registrations (which could help alleviate the maximum potential stress on certain basins), identifying funding sources for water-related projects, and identifying legislative priorities. Ms. Mathieu stated that the Connecticut Water Planning Council and sub-committees will continue to meet and track the progress of the plan relative to its goals and the goals of the Statute.

Ms. Mathieu explained that the Connecticut State Water Plan will be open for public comment from mid-July through mid-November, and is now published on the websites of the four State-agency authors of the plan, and the four State agencies responsible for overseeing the provision and protection of water in Connecticut: the Public Utility Regulatory Authority (PURA), CT DPH, the Connecticut Department of Energy and Environmental Protection (CT DEEP), and the Office of

Policy and Management (OPM). Ms. Mathieu explained that a final plan will be due to the Connecticut State Legislature by December 31, 2017. She encouraged the WUCC to, at a minimum, review the two-page overview and the 23-page Executive Summary, and if possible, to review Sections 5, 6, and 7 as those sections include information that is likely to be of most interest to the WUCC.

- Mr. Decker posed a question pertaining to the portion of the presentation that dealt with stressed basins and data about the water demand (and potential demand from unused registrations) relative to the total amount of water in the basin. Mr. Decker asked if this data was ever cross-examined with recently released CT DEEP data on streamflow, used in Streamflow Regulations.
 - Ms. Mathieu appreciated the idea of cross-examining the two sets of data and proposed that she will suggest the idea to the plan's consultants.
- Ms. Mathieu suggested that WUCC members reach out to the Connecticut Water Planning Council and that the council or their consultants will be available to attend additional meetings to discuss the plan. Ms. Mathieu also explained that the Connecticut Water Planning Council will soon be holding public meetings at the Councils of Governments across the state to discuss the plan.

7. Integrated Report Topics

Mr. Bighinatti continued the PowerPoint presentation, discussing the schedule for Integrated Report topics. Mr. Bighinatti explained that a topic syllabus was distributed in June and that a number of utilities have reviewed the document and given feedback. Of note, Mr. Bighinatti stated that Regional Water Authority (Western and Central WUCCs) suggested giving open-ended questions rather than simple yes-or-no questions, and that Wallingford Water Division (Central WUCC) suggested that questions specifically request data by calendar year, as opposed to fiscal year. Mr. Bighinatti then asked WUCC members to develop additional comments, if there are any, so that the syllabus can be complete and easy to answer.

Mr. Bighinatti led discussions about three Integrated Report topics: Asset Management, Financial Considerations, and Coordination of Planning:

Asset Management

There were no additional thoughts and comments from the WUCC about Asset Management. Mr. Bighinatti explained that the Asset Management questions have been revised and that there are now 8 questions. Mr. Bighinatti also explained that draft chapters of the Integrated Report, such as Asset Management, would be distributed as they are completed. He requested responses to these questions by the November deadline for data collection.

Financial Considerations

Mr. Bighinatti explained that there are two main goals of water-supply financing: covering the costs of future investments, extensions, and system modernization; and funding the costs of operation, repairs, and maintenance of the existing system. Mr. Bighinatti also discussed the different approaches taken by water utilities in financing and rate structure and how those are manifested in public and private utilities.

Mr. Bighinatti continued, explaining a 2014 study conducted by the, Townsley Consulting Group which surveyed small Community water systems regarding the different issues common to small utilities with respect to long-term financial planning, rate structure and collection, and burdens of regulatory requirements. Mr. Bighinatti also presented graphs of residential water rates for exclusive service area holders in the Eastern-WUCC, suggesting that public utilities tend to have lower rates because of municipal-side financing of capital expenses through municipal bonds, and that surface-water utilities tend to have lower operating costs than ground-water utilities, while groundwater utilities typically have a higher unit cost of water, and private utilities need to cover capital costs upfront which results in greater rates.

Mr. Bighinatti explained that there are now seven, revised Financial Consideration questions asked of the WUCC members and led a discussion.

- Mr. Bighinatti asked Brad Kargl (East Lyme Water and Sewer) when the last rate increase occurred in the Town of East Lyme.
 - Mr. Kargl stated that rates have increased every year, as of late. It was noted that many utilities hold off on rate increases for several years because it can become very political.
- Mr. Bighinatti explained to the WUCC that SCWA is able to build a special conservation surcharge into their rates.
- Jim Hooper (Windham Water Works) offered that Windham's rates have not increased since 2007.
 - Mr. Bighinatti noted that Windham Water Works, being a municipal utility, has among the lowest rates in the region.
- Jim Paggioli explained that Colchester Water and Sewer has increased rates 1.5% annually in the past three years and that small annual rate increases are more easily accepted by the town, as opposed to large increases after a delay of several years.
- Mr. Avery explained that Jewett City Water Company (JCWC) utilizes a Rate Adjustment Mechanism (RAM), which allows JCWC to add a surcharge to bills equal to revenue lost from decreased demand. Mr. Avery explained that almost all private utilities utilize a RAM. Mr. Avery also explained that private utilities may use a Water Infrastructure and Conservation Adjustment (WICA) to fund infrastructure improvements.
 - Mr. Congdon asked Mr. Avery when the RAM could be used, whether it was only for decreased demand due to conservation or if, for instance, it could be used if a major industrial user of water left town.
 - Mr. Avery explained that the RAM could be for any situation excluding non-collection of rates. Mr. Avery explained that the utility must apply to PURA every time a RAM is used, and that if the utility over-bills customers, 50% of the difference is returned to the customer, often in deductions to bills over the course of a year.
- Ed Lynch explained that Ledyard WPCA rates are uniform and only high enough to cover costs unless expenses increase, and explained that any excess revenue goes toward capital planning. Mr. Lynch also explained that capital improvements are largely funded by the Town of Ledyard through bonds. Mr. Lynch also stated that long-term contracts prevent rate increases in three- to five-year periods.

- Mr. Congdon offered that he assumes most towns with municipal water utilities have bonded indebtedness to cover the cost of capital investments.
- Mr. Bighinatti asked Mr. Lynch if the Ledyard WPCA has a cap on how much capital funding can be carried.
- Mr. Lynch stated that there was no cap.

Mr. Avery asked how many WUCC members responded to the questions contained in the data-request letter sent on June 21st.

- Mr. Bighinatti answered that one small system, the Vanilla Bean Café in Pomfret, and six large utilities have responded so far. Mr. Bighinatti added that most WUCC members appeared happy to have received the letter and that more should be sent out to keep members, especially small systems, updated on the Integrated Report process.

Mr. Bighinatti reviewed the five revised questions for the Coordination of Planning module, and requested answers by the November data collection deadline.

- There was discussion about the best way to solicit information from utilities. It was decided that the WUCC would send both PDF and Word documents with questions to make it easier to respond to data requests.

Coordination of Planning

Mr. Bighinatti explained that a function of the WUCC planning process is to establish coordination efforts both among water utilities and between local, regional, and state planners and water utilities. Mr. Bighinatti added that significant coordination efforts exist between utilities already, using mutual aid and emergency cooperation as an example.

Mr. Bighinatti continued, explaining that Water Supply Plans are protected from Freedom of Information Act (FOIA) requirements following the 9/11/01 terror attacks, which makes it difficult for planners to access information. Mr. Bighinatti suggested that the protection of Water Supply Plans may have created confusion about what is or is not sharable information. Mr. Bighinatti also suggested that disjointed planning cycles between water systems and municipalities, regions, and the state also account for lack of coordination.

- Mr. Bighinatti asked Ms. Mathieu for the status of potential changes to the water supply planning laws regarding what information needs to be shared vs. what information is considered security-sensitive. Ms. Mathieu explained that House Bill 7221 (now Public Act 17-211) recently passed, which clarifies what is and is not sharable water information. Ms. Mathieu explained that the bill is effective as of July 1st and that CT DPH is working on a guidance document for utilities. Ms. Mathieu suggested that a discussion of this could be added to the next WUCC agenda.

Mr. Bighinatti explained that municipal utilities are often more forthcoming with information to the general public, especially geospatial information, using water main and fire hydrant locations as examples.

Mr. Bighinatti reviewed the discussion questions for the Coordination of Planning module. Mr. Bighinatti led a discussion about Coordination of Planning.

- Mr. Bighinatti asked Ken Skov (Aquarion Water Company) how Aquarion Water Company coordinates with planners.
 - Mr. Skov explained that Aquarion Water Company coordinates with planners and developers when main extensions are required for their developments. Mr. Skov also suggested that utilities would benefit from more information on down-the-road projects that a town planner may know about but that has not yet come to fruition, as some time the utility is “the last to know” about a project.
- Mr. Bighinatti asked Eric Sanderson (Northeastern Connecticut Council of Governments) about the practices of northeastern-Connecticut towns.
 - Mr. Sanderson explained that most towns have little public water service and that many towns do not have full-time staff. Small systems are generally considered to be static entities.
- Ed Lynch offered that the Town of Ledyard requires developments within 1,000 feet of a water main to connect to the main. Mr. Bighinatti noted that this is in excess of the state’s minimum requirement of 200 feet.
- Jim Butler (Southeastern Connecticut Council of Governments) suggested that it is extremely important for planners and utilities to communicate, and that while he was Planning Director in the Town of Groton, he had good relationships with the point people at the town’s various utilities. Mr. Butler then suggested that utilities reach out to local planners and open-up lines of communication.
- Mr. Avery offered that a common utility-municipality conflict occurs when a private utility extends or repairs a water main and is then required to repave the road curb-to-curb, rather than patch it.
 - Mr. Bighinatti provided an example on how municipalities have worked with utilities to coordinate road-repair and main-repair or extension schedules.

Mr. Bighinatti reviewed the five revised questions for the Coordination of Planning module, and requested answers by the November data collection deadline.

Introduction of August Topics

Mr. Bighinatti explained that there are four upcoming Integrated Report modules that will be discussed in August: *Source Water Protection; Joint Use, Management, or Ownership of Facilities, and Shared Resources; Fire Protection; and Water Conservation, Drought Planning, High Volume Users, and Increasing Peaking Ratios*. Mr. Bighinatti also stated that a new letter will be sent to Eastern WUCC members with new questions to these topics and revised questions to the three previously discussed topics.

8. Other Business

Mr. Bighinatti presented a sample agenda for the August meeting and asked for potential additions. There were none at the time. Mr. Bighinatti stated that he will add an item for discussion of PA 17-211.

Eric McPhee (CT DPH) presented a draft online map of ESA boundaries for the entire State. Mr. McPhee explained that a final map will be available in a couple of weeks as the Department corrects inaccuracies.

- Mr. Bighinatti explained that original ESA boundaries were only drawn at a 1:50,000 scale, which is not to parcel level of detail. He reminded the group that ESA modifications could always be done between utilities to reach that level of detail.
 - Ms. Mathieu explained that as state-wide parcel data becomes available, the map could be updated with that data.

Mr. Congdon made a motion to adjourn the meeting. Mr. Butler seconded the motion. The meeting was adjourned at 3:07 PM.

Respectfully submitted,

Samuel Alexander (Southeastern Connecticut Council of Governments)
Recording Secretary