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Fred Hurley,
Director

TOWN OF NEWTOWN
WATER AND SEWER AUTHORITY

Marianne Brown,
Chairman
Richard Zang
Louis Carbone
George Hill
Alan Shepard
Eugene Vetrano
Carl Zencey

THESE MINUTES ARE SUBJECT TO APPROVAL BY THE WATER AND SEWER AUTHORITY

The Water and Sewer Authority held a regular meeting, Thursday, May 9, 2019 at the Waste Water Treatment Plant, 24 Commerce Road, Newtown, CT. Marianne Brown called the meeting to order at 7:00pm.

Present: Marianne Brown, Lou Carbone, Dick Zang, Alan Shepard, George Hill, Carl Zencey
Absent: Gene Vetrano

Also Present: Director of Public Work Fred Hurley, Mike Burke of Suez Water Environmental Services and Mike Zemola from Toll Brothers

Public Participation – None

Minutes – D. Zang moved to approve the minutes from the 4/11/19 meeting. G. Hill seconded, motion unanimously approved.

Report by Suez Water Environmental Services – M. Burke reported that the acute toxicity test failed twice and is being tested again. 5 or 6 other plants around the state had this happen to them so they believe it is an issue with the testing facility. Grace Church had a lot of construction debris and paper that was pushed to the pump station. All flow meters were inspected and calibrated.

Report by Public Works Director – F. Hurley presented a letter from Robinson & Cole how the clean water fund program works (Attachment A).

UNFINISHED BUSINESS

Sandy Hook Pump Station – Bids should be out shortly.

Financials – F. Hurley is reviewing the revenues and expenses for Hawleyville and they are pretty close. He needs to take a deeper dive into the Suez reimbursable to make sure none of the expenses are capital expenses.

I&I – None

9 Covered Bridge – F. Hurley had Attorney Rodgers review 9 Covered Bridge. It was confirmed that it will be single entity but it is separate LLC's on each building for financing.

NEW BUSINESS

Water Pollution Control Plan – The Water Pollution Control Plan has been signed off by the Selectman so it is ready to be sent off to DEEP.

WSA Loan Assistance – F. Hurley explained that they have been getting requests for septic repair loans. In the past the town was kicking in for part of the sewers and it helped reinforce the line for the sewer avoidance area. D. Zang suggested kicking this around with the health district.

Suez Water Environmental Services, Inc. contract extension – The only change is the date, everything else is the same. D. Zang moved that they authorize the chairman to sign the contract extension with SUEZ Water Environmental Services, Inc. A. Shepard seconded, motion unanimously approved.

41,43,45 and 47 Mt. Pleasant Road, Rochambeau Woods, request to add 29 single family detached homes to the sanitary sewer system – Mike Zemola of Toll Brothers explained that they are in contract to purchase the property and in due diligence on Rochambeau Woods, Hunter Ridge. At this point they want to make sure they have sewer allocation and start the conversation about the pump house. They are proposing a 29 detached cluster housing. D. Zang explained that the central system is at 90% capacity and that there is 34,000 gallons per day available. This is an extension so the WSA requires a letter from Land Use and P&Z recommending the extension. They will build their own pump station and it is a question if the town will take over after it is completed. D. Zang moved to have Karin & Fazio Associates prepare and sewer benefit assessment. A. Shepard seconded, motion unanimously approved.

D. Zang moved to set a public hearing on the June 13, 2019 with the condition that prior approval from P&Z is received. G. Hill seconded, motion unanimously approved.

Having no further business, the meeting was adjourned at 8:00pm.

Respectfully submitted
Arlene Miles, Clerk

MEMORANDUM

To: Antonio Iadarola
David Day

From: Glenn A. Santoro

CC: David St.Hilaire
Les Pinter

Date: March 27, 2019

Subject: Clean Water Fund Program

Question Presented: Based on the meeting held in the City of Danbury ("Danbury") on March 25, 2019 with officials from Danbury and from each of the towns of Bethel, Brookfield, Newtown and Ridgefield (collectively, the "Interlocal Municipalities"), Danbury requested a memo explaining, generally, the process for receipt of funding under the State of Connecticut Clean Water Fund Program, CGS 22a-475 to 22a-483, inclusive (the "CWF Program"). Danbury has authorized, by Ordinance, an aggregate amount of \$112,600,000 for the design and construction of upgrades to the Danbury Water Pollution Control Plant (the "Project").

Answer: The expected Clean Water Fund project to be applied for by Danbury includes an estimated \$90,000,000 Clean Water Fund loan. Please note that the actual Clean Water Fund loan will not be finally determined until CT DEEP provides Danbury with the eligible CWF Program grant and loan amounts based on the Project bid amounts received. Based on design estimates, it is anticipated that the CWF Program loan is expected to exceed \$40,000,000. Pursuant to Clean Water Fund Memorandum (2016-004) (the "CWF Memo"), a copy of which is attached, Clean Water Fund projects with loans exceeding \$40,000,000 shall be subject to annual Permanent Loan Obligations ("PLO") closings. Please see the attached CWF Memo.

Danbury is expected to issue an Interim Funding Obligation ("IFO") in a principal amount exceeding \$40,000,000 pursuant to a Project Loan and Project Grant Agreement under the CWF Program (the "CWF Agreement"). The CWF Agreement shall be entered into by Danbury and each of the Interlocal Municipalities. Danbury shall issue the IFO to fund the design and construction of the project under the CWF Program. The borrowings under the IFO shall, pursuant to the CWF Memo, be permanently financed annually by the issuance of a PLO by each of Danbury and the Interlocal Municipalities based on each party's respective share of the costs of the project as to be set forth in an Interlocal Agreement to be entered into by Danbury and each Interlocal Municipality. The aggregate of the PLOs to be issued on an annual basis shall

equal the aggregate borrowings made under the IFO for the preceding twelve (12) months. With an estimated three (3) year construction schedule, it is expected that all parties will be required to issue three PLOs each. As discussed at the March 25 meeting, any party can, with the consent of the State, elect to pay, currently, such party's share of the IFO and not issue a PLO.

Any PLOs issued pursuant to the CWF Program and the CWF Memo must begin to be repaid one month after issuance of such PLO with monthly payments continuing thereafter. The maturity of each annual PLO will be twenty (20) years from the issuance date based on my conversations with the Treasurer's Office.

In addition, each Interlocal Municipality will need to approve the entering into of a PLO, as necessary. Please see CGS 22a-458 (attached hereto) for the required authorization of necessary funds to undertake and complete any action necessary to comply with an order to do so. The Interlocal Municipalities should each consult with their respective bond counsel as to any questions on the above summary.

Sec. 22a-458. (Formerly Sec. 25-54II). Water pollution control authority, mandatory establishment by municipality. Notwithstanding any provision of the general statutes, any special act or municipal charter provision to the contrary, including but not limited to any referendum provision, the legislative body of any municipality ordered by the Commissioner of Energy and Environmental Protection, under the provisions of chapter 474 and this chapter, to abate or control water pollution shall establish a water pollution control authority and authorize the necessary funds to undertake and complete any action necessary to comply with such order.

(1971, P.A. 305, S. 1; P.A. 78-154, S. 17; P.A. 11-80, S. 1.)

History: 1971, P.A. 872 allowed substitution of environmental protection commissioner for water resources commission; P.A. 78-154 substituted water pollution control authorities for sewer authorities and rephrased provisions; Sec. 25-54II transferred to Sec. 22a-458 in 1983; pursuant to P.A. 11-80, "Commissioner of Environmental Protection" was changed editorially by the Revisors to "Commissioner of Energy and Environmental Protection", effective July 1, 2011.

In this instance, statute prevails over town charter and does not violate home rule provision of Art. X, Sec. 1 of Connecticut Constitution. 216 C. 436. Cited. 237 C. 135.



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Clean Water Fund Memorandum (2016 – 004)

New Administrative Requirements on Clean Water Fund Agreements for Construction Project Loans exceeding \$40 million

In order to enhance the cash flow position of the Clean Water Fund (CWF) program and continue to fund construction projects when municipalities are ready to proceed, several changes to the Clean Water Fund program as outlined below have been implemented.

1. Projects with loans exceeding \$40 million shall be subject to annual Permanent Loan Obligation (PLO) closings. Instead of waiting one year after construction is completed to begin repayment of the loan, the municipality shall be required to begin repayment one month after each annual PLO closing.
2. The CWF shall no longer grant extensions to the Schedule Completion Date in the CWF agreement if it results in extending the loan payment schedule.
3. In order for any CWF construction application to be deemed complete, the municipality shall have opened bids for all projects listed in the application. If a municipality desires to minimize the number of CWF agreements, the Department is willing to make a commitment to fund projects as they are bid and then aggregate those commitments into a single funding agreement, provided there are sufficient funds.

5/25/2016
Date


Denise Ruzicka, Director
Planning & Standards Division
Bureau of Water Protection & Land Reuse