

4 Turkey Hill Road
Newtown, CT 06470
Tel (203) 270-4300
Fax (203) 426-9968



Marianne Brown,
Chairman

Fred Hurley,
Director

WATER AND SEWER AUTHORITY

Mark Benedict
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, January 9, 2020 at the Waste Water Treatment Plant, 24 Commerce Road, Newtown, CT. Marianne Brown called the meeting to order at 7:00pm.

Present: Gene Vetrano, Marianne Brown, George Hill, Carl Zencey, Alan Shepard, Mark Benedict

Absent: Lou Carbone

Also Present: Director of Public Works Fred Hurley, Mike Burke and Julio Segarra of Suez Water Environmental Services

Public Participation – NONE

Minutes – G. Vetrano moved to approve the minutes of the 12/9/19 meeting. A. Shepard seconded, all in favor.

Report by Suez Water Environmental Services – J. Seggara reported that the plant is running well. The sand filters are starting to show their age and not filtering the water as they used to. It is still working but it will need to be overhauled. They had to replace a grinder pump and found that it is too low. The cord didn't fit so they had to do a work around. It will need to be brought back to a reasonable level. The parts for the clarifier have come in so that work will start soon depending on the contractor and weather.

They are having back up issues at the current Police Department. They know the main lines are clear so they are going to camera the pipes to see what keep causing the back up. It is suspected that paper towels causing the back up.

Report by Public Works Director – None

UNFINISHED BUSINESS

Sandy Hook Pump Station – The pumps and the generator have been ordered. They are working with Fuss & O'Neill to get the installation package out to bid.

Financials – F. Hurley presented the sewer budget (Att.) The water budget was discussed at the last meeting. They are waiting for the revenue update for the next meeting. On the sewer side, there is a

\$204,000 assumption that wasn't received until the current budget which can skew the numbers. F. Hurley will have the Finance Director come to a meeting before they decide on rate increases and possibly not doing a water benefit assessment should the usage stay as it is now. Fred would like to get the budgets passed to get them off the table. There have been no rate increase for the last three years. We are coming to the end of the life cycle of capital costs which they have been absorbing over the last few years.

A Shepard moved to approve the proposed \$1,9014,895 for the sewer expenditure budget, C. Zencey Seconded, all in favor.

G. Vetrano moved to approve the proposed \$407,000 water expenditure budget, A. Shepard seconded, all in favor.

I&I – No update

FFH Water Benefit Assessment Analysis – No update

FFH EDA Sewer Grant – No update

Comments from Board Members – None

Having no further business, the meeting was adjourned at 7:57pm.

Respectfully submitted
Arlene Miles, Clerk



TOWN OF NEWTOWN
PUBLIC WORKS DEPARTMENT

20-21 Sewer Budget Analysis and Proposal
Revised 12/18/20

Revenue

	2016-17	2017-18	2018-19	2020-21 (9% Increase)
Usage	\$844,971	\$918,847	\$862,889	\$940,549
Assessments	0	18,962	25,254	200,000
Other	151,067	82,347	202,214	159,500
Total	996,038	1,020,156	1,090,357	1,300,049

Expenses

Operations	\$1,100,040	1,152,089	1,332,902	1,296,450
Depreciation	530,704	558,405	588,445	618,445
Total	1,630,744	1,710,494	1,921,347	1,914,895

NET Cash (\$104,002) (131,933) (242,545)* \$3,599
w/o dep.

*Delayed payment of \$203,940 carried into 19/20

The 20/21 column is a suggested budget with a 9% rate increase. It substantially closes the overall budget deficit which has been more a function of capital renewal of a 20+ year old system that is reaching the end of the useful life of many components. This expense pressure will lessen over the next two years as we complete the over refurbishment. We will not catch up to depreciation but we will catch up to operational expenses and begin to rebuild reserves.

Revision Note: When we populated the actual budget line items using the three previous years and the first five months of 19/20 we ended up with slightly different estimates from the original estimate presented at the Board meeting. The current projection includes consideration of some \$350,000 of life cycle repair and replacement. What is somewhat indefinite is how much of that cost will end up in

19/20 or 20/21. When we meet in January, we should have added a sixth month to this year's actual expenditures which will be used to check our estimates before moving on a budget vote. In addition, we will finalize which budget year will hold what percentage of the \$350,000 of additional life cycle repair and replacement.

For planning purposes, this revision does not change any of the rate increase impacts previously listed below. However, when the capital repair items are allocated, a rate increase less than 9% may be in order.

The impact of various rate increases on usage charges is as follows: (Base \$8.34)

	Rate	Cash	Rate	Cash	Rate	Cash
Rate increase :	Year 1		Year 2		Year 3	
9%	\$9.09	\$77,660	\$9.91	\$84,649	\$10.80	\$92,268
8%	9.01	\$69,031	9.73	\$74,954	10.51	\$80,518
7%	8.92	\$60,402	9.54	\$64,630	10.21	\$69,154
6%	8.84	\$51,773	9.37	\$54,880	9.93	\$58,173

ACCOUNT #				ACCOUNT NAME	17-18 YTD	18-19 Actual	20-21 Proposed
EXPENDITURES							
Central Sewer District							
1-190-	13-800-	5720	-0000	SOCIAL SECURITY CONTR			
1-190-	13-800-	5301	-0000	FEES & PROF SERVICES	76,477	29,982	30,000
1-190-	13-800-	5310	-0000	PROF SVS - TOWN SVS	109,538	115,061	100,000
1-190-	13-800-	5350	-0000	PROF SVS - LEGAL	224	18,460	1,000
1-190-	13-800-	5385	-0000	PROF SVS - APPRAISAL	5,200	200	1,000
1-190-	13-800-	5411	-0000	UTILITY - WATER	2,646	2,983	2,500
1-190-	13-800-	5505	-0000	CONTRACT SVS - O&M	556,034	494,388	504,300
1-190-	13-800-	5506	-0000	CONTRACT SVS - REIMBURSABLES	113,564	206,327	200,000
1-190-	13-800-	5621	-0000	UTILITY - NATURAL GAS	15,655	12,709	15,000
1-190-	13-800-	5622	-0000	UTILITY - ELECTRICITY	117,624	103,262	64,500
1-190-	13-800-	5749	-0000	CAPITAL OUTLAY			15,000
1-190-	13-800-	5800	-0000	OTHER EXPENSES	13,028	141,766	150,000
1-190-	13-800-	5802	-0000	OTHER - HAWLEYVILLE			
1-190-	13-800-	5861	-0000	BOND INTEREST	68,308	62,468	56,000
1-190-	13-800-	5863	-0000	LOAN INTEREST	1,342		
1-190-	13-800-	5880	-0000	DEPRECIATION EXPENSE		588,445	513,309
				TOTAL CENTRAL DISTRICT	1,079,639	1,776,051	1,652,609
Hawleyville Sewer District							
1-190-	13-800-	5301	-1090	FEES & PROF SERVICES	10,851	485	1,000
1-190-	13-800-	5310	-1090	PROF SVS - TOWN SVS	0		20,000
1-190-	13-800-	5350	-1090	PROF SVS - LEGAL	1,024		1,000
1-190-	13-800-	5385	-1090	PROF SVS - APPRAISAL	0		1,000
1-190-	13-800-	5505	-1090	CONTRACT SVS - O&M	12,213	99,109	101,000
1-190-	13-800-	5506	-1090	CONTRACT SVS - REIMBURSABLES	1,662	1,148	2,000
				CONTRACT SVS - DANBURY O&M	28,800	20,743	21,800
				CONTRACT SVS - BETHEL O&M			
1-190-	13-800-	5622	-1090	UTILITY - ELECTRICITY	990		4,350
1-190-	13-800-	5749	-1090	CAPITAL OUTLAY	4,103		
1-190-	13-800-	5800	-1090	OTHER EXPENSES	54		5,000
1-190-	13-800-	5861	-1090	BOND INTEREST	58,690		
1-190-	13-800-	5880	-1090	DEPRECIATION EXPENSE			105,136
				TOTAL HAWLEYVILLE DISTRICT	118,387	145,296	262,286
				Total Sewer Enterprise	1,198,026.05	1,921,347	1,914,895

ACCOUNT #				ACCOUNT NAME	17-18 YTD	18-19 Actual	20-21 Proposed
REVENUES							
Central Sewer District							
2-190-	02-800-	4280	-0000	STATE GRANTS			
2-190-	02-800-	4290	-0000	FEDERAL GRANTS			
2-190-	03-800-	4335	-0000	INSPECTIONS & OTHER FEES			
2-190-	03-800-	4390	-0000	SEWER USE CHARGES - FFH	25,911	26,000	28,340
				SEWER USE CHARGES - STATE	233,653	240,632	262,289
				SEWER USE CHARGES - CENTRAL	551,893	596,257	649,920
2-190-	03-800-	4500	-0000	MISC REVENUE	27,217	38,803	29,600
2-190-	04-800-	4400	-0000	INTEREST ON INVESTMENTS	43,701	40,496	40,800
2-190-	05-800-	4391	-0000	SEWER USE PENALTY		142	
2-190-	05-800-	4392	-0000	SEWER ASSESSMENTS	18,754	25,254	200,000
2-190-	05-800-	4393	-0000	SEWER ASSESS INTEREST	11,850	75,396	43,600
2-190-	05-800-	4394	-0000	SEWER ASSESS PENALTY	8,734	30,169	20,000
2-190-	05-800-	4395	-0000	SEPTIC ASSESSMENTS		52	
2-190-	05-800-	4396	-0000	SEPTIC PENALTY	25	614	500
2-190-	05-800-	4397	-0000	SEWER BENEFIT CHARGE	37,696	16,646	25,000
				Central District	959,434	1,090,461	1,300,049
Hawleyville Sewer District							
2-190-	02-800-	4280	-1090	STATE GRANTS			
2-190-	02-800-	4290	-1090	FEDERAL GRANTS			
2-190-	03-800-	4335	-1090	INSPECTIONS & OTHER FEES			
2-190-	03-800-	4390	-1090	SEWER USE FEES	72,238		
2-190-	03-800-	4500	-1090	MISC REVENUE			
2-190-	04-800-	4400	-1090	INTEREST ON INVESTMENTS			
2-190-	05-800-	4391	-1090	SEWER USE PENALTY			
2-190-	05-800-	4392	-1090	SEWER ASSESSMENTS			
2-190-	05-800-	4393	-1090	SEWER ASSESS INTEREST			
2-190-	05-800-	4394	-1090	SEWER ASSESS PENALTY			
				SEWER BENEFIT CHARGE			
				TOTAL HAWLEYVILLE DISTRICT	72,238	-	
				Total Sewer Enterprise	1,031,672	1,090,461	1,300,049