

MINUTES FOR THE REGULAR JOINT MEETING OF THE WOODRIDGE LAKE SEWER DISTRICT SEWER AUTHORITY AND THE BOARD OF DIRECTORS OF THE WOODRIDGE LAKE SEWER DISTRICT MONDAY, JUNE 17, 2019, AT 3:00 P.M. HELD IN THE CONFERENCE ROOM LOCATED AT THE WOODRIDGE LAKE CLUBHOUSE, 260 EAST HYERDALE DRIVE, GOSHEN, CONNECTICUT

CALL TO ORDER: Raymond Turri President, called the meeting to order at 3:00 PM.

ATTENDANCE: Board members present, Alfred Shull, James Mersfelder, Raymond Turri, Richard Reis, Alternate Jeffrey Clark, and by telephone Alternate Thomas McKiernan, also attending Tax Collector/Clerk Laurie Mosley and Plant Superintendent Mark Theriault.

EXCUSED: James Hiltz

A MOTION WAS MADE BY, Raymond Turri, seconded by Alfred Shull, to appoint Alternate Jeffrey Clark to a voting member. There was no discussions. **SO VOTED.**

James Mersfelder asked to present new items to the agenda under new business.

1. To review and accept the Environmental Insurance.
2. Reissuance of the Co-bank Loan.
3. Resubmission of the DEEP Clean Water Fund.
4. Allow for the WLSA Sewer Authority to recommend an appropriation and bond resolution to WLSA Board of Directors. Allow for the WLSA Board of Directors to approve the appropriation and bond authorization resolution and a resolution to call the Special District Meeting to consider and vote on the appropriation and bond authorization.

A MOTION WAS MADE BY, Raymond Turri, seconded by Alfred Shull, to add the above items to the agenda under new business. No discussion. **SO VOTED.**

APPROVAL OF MINUTES: The minutes of the regular board meeting held May 20, 2019 and the Annual Budget meeting held May 25, 2019 were presented for approval.

A MOTION WAS MADE BY, Richard Reis, seconded by Alfred Shull, to approve said minutes as written. No other corrections or discussions. **SO VOTED.**

REPORT FROM PLANT SUPERINTENDENT-MARK THERIAULT

- Tower generator was here to do service on the generators at the main plant, pump stations 6 & 9 and the portable generator.
- John has sent in to the state of Connecticut his exam application. The exam is on July 10th. John feels confident that he will pass the exam.
- New blades were installed on the bush hog and the first round of mowing is almost completed, will be done by the end of June.

- Mark took samples of sludge, soil and liquid from the sludge lagoon up on the hill, behind the plant as Joe Wettemann had requested. The samples are being tested at Tunxis labs for the contaminants that were indicated to be of concern by Joe Wettemann.
- Mark sent the F-350 in for routine service at P+C repair in Thomaston. The service was done the same day and the truck is back in service.
- Flows: The average daily flow for May was 126,000 gal/day and the total rainfall for May was 5 inches. The average daily flow to date for June is 91,000 gal/day and the total rainfall to date for June is .086 inches.

Jeff Clark discussed his flow charts (that relate to the Torrington IMA) on Monthly ADF verse Limits, Fiscal Year Total Flow verse Limits and Fiscal Year ADF verse Limit and Speed Limit Penalties. Discussion occurred on this topic.

MONTHLY FINANCIAL REPORTS: Jeff Clark reported on the delinquent report. We have 13 in arrears, same as last year. 9 taxpayers are now under warrant. Total delinquent is \$12,569.19.

Under the Revenues, we have collected \$4324.00, \$186 over budget. Under expenditures we spent \$55,672.00, \$1,327.00 under budget. We are very under budget for Capital, all due to the project not starting yet. Year to date we are still doing well. We are over budget in revenue by \$4921.00 and under budget in expenditures by \$43,147.00. Therefore under the column Available to Transfer, we have \$51,349 available to transfer. Under Capital Expenditures, there were two items under expenditures; first was charged under Engineer Design Update was \$33,299.00, second was under Repair 4 miles of Collection System for \$3650.00 for a total of \$36,949.00. From a budget variance we have not started the pipeline project, which was forecasted to start so we are expenditures, year to date we have spent \$413,554.00, \$334,846.00 below budget.

A MOTION WAS MADE BY Richard Reis seconded by Jeffrey Clark, to go into Executive Session to discuss the Torrington Sewer Pipeline Project at 3:20PM. No discussion, **SO VOTED.**

At 3:45PM A MOTION WAS MADE BY Alfred Shull, seconded by Jim Hiltz to come out of Executive Session. No discussion, **SO VOTED.**

NEW BUSINESS:

- **To review and accept the Environmental Insurance.**

Jim Mersfelder reported that the Environmental Insurance has increased a little. We usually save by renewing for three years but due to the construction starting we will go to two years. The construction also made for a slight increase. The renewal rate is \$28,808 for two years.

A MOTION WAS MADE BY Richard Reis seconded by Jeffrey Clark, to approve the renewal of the Environmental Insurance through Abercrombie Burns McKiernan & Co. Insurance Inc. for \$28,808 for two years, No discussion, **SO VOTED.**

- **The reissuance of the Co-bank authorization for the construction loan.** The need to close out the loan by the end of June is here to start paying out on the Torrington Project. No change in amount. **A MOTION WAS MADE BY** Richard Reis, seconded by Jeffrey Clark to allow the reissuance (rollover) of the Co-bank authorization construction loan. No discussion, **SO VOTED**

- **Resubmission of the DEEP Clean Water Fund-** Due to DEEP not publishing some document, we have been told we must resubmit our request for Clean Water Funds that have already been designated. The District will have to fill out a new document, submit it for review, to receive these funds. There is no issue in receiving the designated funds, just more paperwork. . **A MOTION WAS MADE BY** Richard Reis, seconded by Jeffrey Clark to resubmit the request for the Clean Water Funds. No discussion, **SO VOTED**
- **The recommendation of the WLSDA to the WLSD Board to make a resolution to amend the appropriation and bond authorization for the construction of improvements to and extensions of the district's wastewater treatment system to connect with and use the city of Torrington's Wastewater Treatment Facility, as approved by the District's voters on May 28, 2016.**

James Mersfelder gave each member of the Board a copy of notes on the USDA funding, WLSD Project Cost and Funding Assumptions, and Elements of the Project. Bidding was completed on Friday. Jim asked our attorney Bruce Chudwick to join our discussion via telephone for legal advice. Jim discussed all the numbers now in for the project as reported. It has been approximately three years since the District sought and received taxpayer authorization for the funding necessary to complete this project. During that time we have faced major opposition from the Torrington Water Company, additional requirements imposed by the Departments of Public Health and Transportation and some unexpected conditions which were found along the route of the pipeline. The original estimate in May of 2016 was \$15,508,000, as of June 14th the estimated cost has risen to \$22,508,000. This is a \$7,000,000 shortfall. The notes explained costs in detail. Jim will tighten up and review the numbers for publication soon. The impact to taxpayers would be approximately a 22% increase. Currently the average household pays \$1771, after the increase it would be \$2163. If done by mill rate, we are currently at 4.7 that would increase to 5.74. Jim is working with the USDA to obtain a financing commitment and has talked with the Connecticut Regional manager about receiving part of the funding via a grant due to the very high percentage of the median household income spent on sewer services. The USDA target is a 2% spending level with the increase our level would be 2.8% making us eligible for grants up to 45% if the funds are available. He is going to be actively looking for that option.

After much discussion, with legal advice on hand, the WLSDA recommended the following Resolutions to the WLSD Board to adopt. The second two Resolutions were adopted by the WLSD Board of Directors.

First

WOODRIDGE LAKE SEWER DISTRICT

SEWER AUTHORITY

RESOLUTION TO RECOMMEND AN AMENDMENT TO THE REGIONAL SEWER EXTENSION PROJECT AND FINANCING THEREOF

RESOLVED, that the Sewer Authority of the Woodridge Lake Sewer District (the "District") recommends to the District Board of Directors that the District amend the appropriation and bond authorization for the construction of improvements to and extensions of the District's wastewater treatment system (the "System") to connect with and use the City of Torrington's wastewater treatment facility, as approved by the District voters on May 28, 2016, to 1.) increase the appropriation and bond authorization from \$15,500,000 to \$22,500,000, and 2) provide that the District's bonds, notes or other obligations may be secured as to both principal and interest by (a) the full faith and credit of the District, (b) a pledge of revenues to be derived from System use charges or (c) a pledge of revenues to be derived from System connection or use charges or benefit assessments or both and also by the full faith and credit of the District, as determined by the District Board of Directors and District Sewer Authority and as directed by the District voters.

A MOTION WAS MADE BY James Mersfelder, seconded by Richard Reis, to adopt the Resolution as presented. No discussion, **SO VOTED.**

Second

WOODRIDGE LAKE SEWER DISTRICT

BOARD OF DIRECTORS

RESOLUTION TO APPROVE AN AMENDMENT TO THE REGIONAL SEWER EXTENSION PROJECT AND FINANCING THEREOF AND TO CALL A SPECIAL DISTRICT MEETING FOR FINAL APPROVAL

WHEREAS, the Board of Directors of the Woodridge Lake Sewer District (the "District") has determined, subject to approval at a Special District Meeting, that the District amend the appropriation and bond authorization for the construction of improvements to and extensions of the District's wastewater treatment system (the "System") to connect with and use the City of Torrington's wastewater treatment facility, as approved by the District voters on May 28, 2016, to 1.) increase the appropriation and bond authorization from \$15,500,000 to \$22,500,000, and 2) provide that the District's bonds, notes or other obligations may be secured as to both principal and interest by (a) the

full faith and credit of the District, (b) a pledge of revenues to be derived from System use charges or (c) a pledge of revenues to be derived from System connection or use charges or benefit assessments or both and also by the full faith and credit of the District, as determined by the District Board of Directors and District Sewer Authority and as directed by the District voters.

BE IT RESOLVED, that the attached detailed appropriation and bonding resolution for the project (the "Resolution") is hereby approved and shall be submitted to a Special District Meeting to be held on Saturday, July 13, 2019 in accordance with the attached Notice of Special District Meeting, which is also hereby approved.

A MOTION WAS MADE BY James Mersfelder, seconded by Raymond Turri, to adopt the Resolution as presented. No discussion, **SO VOTED.**

WOODRIDGE LAKE SEWER DISTRICT

SPECIAL DISTRICT MEETING

RESOLUTION TO AMEND THE APPROPRIATION AND BOND AUTHORIZATION FOR THE CONSTRUCTION OF IMPROVEMENTS TO AND EXTENSIONS OF THE DISTRICT'S WASTEWATER TREATMENT SYSTEM TO CONNECT WITH AND USE THE CITY OF TORRINGTON'S WASTEWATER TREATMENT FACILITY, AS APPROVED BY THE DISTRICT VOTERS ON MAY 28, 2016

BE IT RESOLVED:

That the resolution approved by the voters of the Woodridge Lake Sewer District (the "District") on May 28, 2016 to appropriate \$15,500,000 for the construction of improvements to and extensions of the District's wastewater treatment system to connect with and use the City of Torrington's wastewater treatment facility, be amended to 1.) increase the appropriation and bond authorization from \$15,500,000 to \$22,500,000, and 2) provide that the District's bonds, notes or other obligations may be secured as to both principal and interest by (a) the full faith and credit of the District, (b) a pledge of revenues to be derived from System use charges or (c) a pledge of revenues to be derived from System connection or use charges or benefit assessments or both and also by the full faith and credit of the District, as determined by the District voters. The resolution, as amended, shall read as follows:

BE IT RESOLVED:

SECTION 1. That The Woodridge Lake Sewer District (the "District") appropriate \$22,500,000 for the construction of improvements to and extensions of the District's wastewater treatment system to connect with and use the City of Torrington's wastewater treatment facility, identified as Regional Alternative 1 (the "Project") in the Regional Sewer Extension Project, Phases 1 and 2, Environmental Report prepared by Woodard & Curran, Inc., issued on December 26, 2015 and updated on February 10, 2016 (the "Report"). The appropriation may be expended for site improvements, costs related to the acquisition of land or rights therein, design, engineering and construction costs, equipment, materials, professional fees, and for administrative, legal and financing costs and other costs related to the Project.

The appropriation shall include any federal, state or other grants-in-aid or other funds received for the Project. The District Board of Directors may reduce or modify the scope of the Project, and the entire appropriation may be expended on the Project as so reduced or modified.

SECTION 2. That the District finance the appropriation by issuing its bonds, notes or other obligations in an amount not to exceed \$22,500,000, or so much thereof as may be necessary after deducting any federal, state or other grants-in-aid or other funds received for the Project. The bonds, notes or other obligations may be secured as to both principal and interest by (a) the full faith and credit of the District, (b) a pledge of revenues to be derived from System use charges or (c) a pledge of revenues to be derived from System connection or use charges or benefit assessments or both and also by the full faith and credit of the District, as determined by the District Board of Directors and District Sewer Authority and as directed by the District voters. The bonds, notes or other obligations shall be issued pursuant to the Connecticut General Statutes, as amended. The bonds, notes or other obligations may be sold as a single issue or consolidated with any other authorized issues of bonds or notes of the District. The bonds, notes or other obligations may be in the form of project loan obligations issued to the State of Connecticut under the State's Clean Water Fund Program or loans issued to the United States Department of Agriculture, Rural Development, and Rural Utilities Service. The Treasurer shall keep a record of the bonds, notes or other obligations. The bonds, notes or other obligations shall be signed in the name and on behalf of the District by the District President and Treasurer, shall bear the District seal or a facsimile thereof and shall each recite that every requirement of law relating to its issue has been fully complied with and that such bond, note or other obligation is within every debt and other limit prescribed by law. The terms, details and particulars of such bonds, notes or other obligations shall be determined by the District Board of Directors and Treasurer. Said bonds, notes or other obligations shall be sold by the District Board of Directors and Treasurer, in their discretion, at public sale or by negotiation, or to the State under the Clean Water Fund Program or to the United States Department of Agriculture, Rural Development, Rural Utilities Service.

SECTION 3. That the District President and Treasurer are authorized to issue temporary notes in anticipation of the receipt of the proceeds of said bonds, notes or other obligations, including issuing and renewing temporary notes in the form of interim funding obligations issued to the State of Connecticut under the State's Clean Water Fund Program, in anticipation of the receipt of the proceeds of said bonds, notes, other obligations or project loan obligations. The temporary notes may be secured as to both principal and interest by (a) the full faith and credit of the District, (b) a pledge of revenues to be derived from System use charges or (c) a pledge of revenues to be derived from System connection or use charges or benefit assessments or both and also by the full faith and credit of the District, as determined by the District Board of Directors and District Sewer Authority and as directed by the District voters. The temporary notes shall be issued in accordance with the Connecticut General Statutes, as amended. The temporary notes shall be signed in the name and on behalf of the District by the District President and Treasurer, shall bear the District seal or a facsimile thereof and shall each recite that every requirement of law relating to its issue has been fully complied with and that such note is within every debt and other limit prescribed by law. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing, and marketing such notes, to the extent paid from the proceeds from the issuance of bonds, notes, other obligations or project loan obligations, shall be included as a cost of the appropriation.

SECTION 4. That the District hereby declares its official intent under Treasury Regulation Section 1.150-2 of the Internal Revenue Code of 1986, as amended, that the Project costs may be paid from temporary advances of available funds and that the District reasonably expects to reimburse any

such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing authorized for the Project; that the District President and Treasurer are authorized to bind the District pursuant to such representations and agreements as they deem necessary or advisable in order to ensure and maintain the continued exemption from federal income taxation of interest on the bonds, notes, other obligations or temporary notes authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years; and that the District President and Treasurer are authorized to make representations and agreements for the benefit of the holders of the bonds, notes, other obligations or temporary notes to provide secondary market disclosure information and to execute and deliver on behalf of the District an agreement to provide such information with such terms and conditions as they, with the advice of bond counsel, deem necessary and appropriate, including bonds, notes, other obligations or temporary notes issued by the State under the State's Clean Water Fund Program or by the United States Department of Agriculture, Rural Development, Rural Utilities Service.

SECTION 5. That the bonds, notes, other obligations or temporary notes, or any portion thereof, may bear interest which is includable in the gross income of holders thereof for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended, as the issuance of such taxable bonds, notes, other obligations or temporary notes is hereby determined to be in the public interest.

SECTION 6. That the District President, or his or her designee, is authorized to contract with engineers, contractors and others on behalf of the District and to approve construction expenditures for the Project. The District Board of Directors is authorized to enter into, and revise from time to time, agreements with the City of Torrington for the connection with and use of the City's wastewater treatment facility.

SECTION 7. That the District President, or his or her designee, is authorized to apply for and accept or reject any federal, state or other grants-in-aid or other funds for the Project, to execute and deliver to the State a project loan and project grant agreement under the Clean Water Fund Program, to execute and deliver to the United States Department of Agriculture, Rural Development, Rural Utilities Service any and all documents for grants and loans for the Project; and the District Board of Directors, Treasurer and other District officials and employees are authorized to take all actions necessary and proper to obtain such grants and loans, to implement such project loan and project grant agreement, to complete the Project and to issue the bonds, notes, other obligations or temporary notes to finance the appropriation.

The following would be the notice:

**THE WOODRIDGE LAKE SEWER DISTRICT
P.O. BOX 258
GOSHEN, CONNECTICUT 06756**

NOTICE OF SPECIAL DISTRICT MEETING

NOTICE IS HEREBY GIVEN OF A SPECIAL DISTRICT MEETING OF THE ELECTORS AND PERSONS ELIGIBLE TO VOTE IN DISTRICT MEETINGS OF THE WOODRIDGE LAKE SEWER DISTRICT TO BE HELD ON JULY 13, 2019, AT 9:30 A.M. AT THE WOODRIDGE LAKE

PROPERTY OWNERS' ASSOCIATION, INC. CLUBHOUSE, 260 EAST HYERDALE DRIVE, GOSHEN, CONNECTICUT FOR THE FOLLOWING PURPOSE:

ITEM 1. To discuss and vote on a Resolution:

(a) To amend the appropriation and bond authorization for the construction of improvements to and extensions of the District's wastewater treatment system (the "System") to connect with and use the City of Torrington's wastewater treatment facility, as approved by the District voters on May 28, 2016, to 1.) increase the appropriation and bond authorization from \$15,500,000 to \$22,500,000, and 2) provide that the District's bonds, notes or other obligations may be secured as to both principal and interest by (a) the full faith and credit of the District, (b) a pledge of revenues to be derived from System use charges or (c) a pledge of revenues to be derived from System connection or use charges or benefit assessments or both and also by the full faith and credit of the District, as determined by the District Board of Directors and District Sewer Authority and as directed by the District voters;

(b) To authorize the District Board of Directors and Treasurer to determine the terms, conditions, and other details of the bonds, notes or other obligations, and to authorize the District President and Treasurer to make such determinations for temporary notes;

(c) To take actions under applicable Internal Revenue Service Regulations and State statutes to allow the District to issue the bonds, notes, other obligations or temporary notes on a tax-exempt or taxable basis; and

(d) To authorize the District President to enter into contracts for the Project, approve construction expenditures and apply for grants and loans for the Project, to authorize the District Board of Directors to enter into, and revise from time to time, agreements with the City of Torrington for connection with and use of the City's wastewater treatment facility, and to authorize the District Board of Directors, Treasurer and other District officials and employees to take all other actions necessary to complete the Project and issue the bonds, notes, other obligations or temporary notes to finance the appropriations.

A copy of the full text of the Resolution is on file and available for inspection at the Office of the District Clerk and on the District's website at wlsd-goshen.org in the Community Meetings section.

Dated at Goshen, Connecticut this ____ day of June, 2019.

WOODRIDGE LAKE SEWER DISTRICT

Raymond A. Turri, President

Alfred L. Shull, Clerk

Jim asked if the Board would schedule an informational meeting on June 29th, 2019 at 9:30AM, with a vote on the Resolutions held July 13th, 2019. All agreed but where would have to be determined tomorrow after consulting the WLPOA for use in the clubhouse at those times and dates.

This presentation on June 29th will also review the implications of changing the taxing method from the current ad valorem method to a flat charge per connection and / or a benefit assessment method which will be voted on later this summer.

A MOTION WAS MADE BY Alfred Shull, seconded by Raymond Turri, to adopt the date of June 29, 2019 as an informational meeting and July 13, 2019 for the vote of District voters. No discussion, **SO VOTED.**

Also under new business, Laurie reported that Burt Welte sent a state statute that he feels should be done. The Statute states the mill rate should be published (within 5 days) in a legal notice after it is adopted. The board felt we should contact our attorney for recommendation if this specific statute is a requirement for the district. If it is, we will publish it next year.

OLD BUSINESS: None

A MOTION WAS MADE BY Alfred Shull, seconded by Raymond Turri, to adjourn at 5:20PM. No discussion, **SO VOTED.**

Respectfully submitted,

Alfred L. Shull, Clerk

Laurie Mosley, Recording Clerk

WOODRIDGE LAKE SEWER DISTRICT SEWER AUTHORITY
WOODRIDGE LAKE SEWER DISTRICT