

MINUTES REGULAR MONTHLY MEETING OF THE WOODRIDGE LAKE
SEWER DISTRICT SEWER AUTHORITY & BOARD OF DIRECTORS OF THE
WOODRIDGE LAKE SEWER DISTRICT, TUESDAY, APRIL 8, 2014
6:00 P.M. CONFERENCE ROOM, WOODRIDGE LAKE CLUB HOUSE
EAST HYERDALE DRIVE, GOSHEN, CT

CALL TO ORDER: Raymond A. Turri, Chairman and President of both Boards respectively called the meeting to order at 6:00 P.M.

ATTENDANCE: Board members present, Raymond A. Turri, Joan M. Lang, James Hiltz and by conference phone Jim Mersfelder and Robert Goldfeld. Also present Plant Manager, Charles Ekstrom, WLSA Finance Committee Chairman Richard Reis and Woodridge Lake property owner Al Shull.

APPROVAL OF MINUTES: The minutes of the March 17, 2014 meeting were presented for approval. **A MOTION WAS MADE BY** Ray Turri seconded by Jim Mersfelder to approve said minutes. Noted for correction on Page 3, first para., second sentence, correct spelling of the last name of John Wertam from Wrentham to Wertam. There were no other corrections noted, the minutes were **APPROVED** as amended.

PLANT MANAGERS REPORT: Plant Manager Charles Ekstrom reported on the following and his report is on file with the minutes of this meeting. Under Personnel it was noted the Jason Patrick has completed two (2) on-line courses in preparation for the Class IV exam. Presented for Board consideration was pay increases for office personnel. Joan Lang and Al Shull excused themselves from the meeting while the matter was discussed.

Projects: Pump Station #2 ragging problem- Using the hooking tool, cleaning wipes are occasionally being found. Eastern pulled the pumps on March 5, and a small amount of ragging was found in one pump. The cost for Eastern to pull and check the pumps was \$700.00. The problem of wipes being discharged into the system was addressed in the Breezes which goes out to all WL property owners and work to educate the people will continue. The house from which the wipes are coming has been identified and notified, but if the wipes continue to be found in the line, it was recommended that a registered letter be sent to them letting them know there could be consequences if they continue to discharge them into the system.

Portable Emergency generator – Tower Generator was given the go-ahead to replace the belts, hoses, batteries and rebuild the leaking water pump. The cost for the work being done by Tower Generator is \$1,358.00. The portable generator will be down for approximately a week while the water pump is being rebuilt and the Board agreed with the recommendation of the Plant Manager if needed during that time, a call would be made to have a generator delivered. Integrity Electric is doing the work to install overload/surge protection at a cost of \$2,813.00. Work is also being done to install ground protection at the stations for the generator.

Deep Cut Repairs – Under discussion with Dave Prickett, Charlie is recommending that of the three locations which are scheduled to be repaired that only Brynmoor and Wellsford Drive be done. A revised quote has been given by Fay & Wright which

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includes the extra gravel that the Town of Goshen Public Works required at the time W. Hyerdale was done. The revised quote came in at \$51,500.00, \$24,900 For Brynmoor and \$26,600 for Wellsford. For the record it was noted that the projects went out to bid in the fall of 2013. Canterbury deep cut was found to be deeper than originally thought making it more expensive to do an open cut and Charlie recommended that the protruding pipe be cut off and a liner be installed at a cost of approximately \$2,000 vs. the quoted \$30,000.00+. The work would be scheduled to be done once the spring ground water level goes down.

Plant Flows – The average daily flow for February was 92,000 gallons with a maximum daily flow of 112,000 gal. with total precipitation of 4.92”. Total average daily flow for March was 123,000 gal, with a maximum daily flow of 280,000 with 5.11” of melted precipitation.

Proposed Work – Charlie is proposing the following projects to be considered by the Board to be included in the 2014/2015 Budget. Testing the in-ground steel tanks, A quote was received from Corr Tech in the amount of \$3,550.00 to do comprehensive cathodic evaluation of the 8 on-site tanks. It would cost approximately \$15,000 per tank to line the tank with a fiberglass lining and noted were the serious risks in doing that procedure. The Corr Tech testing would determine if the magnesium anodes installed to slow down the corrosion are working and will also determine if more are needed. It was felt that there was too much of a risk to try to line the tanks. If the Board was looking for a number to put in the 2014/2015 budget, Dave Prickett noted that it would cost approximately \$100,000+/- per tank. Based on the results of Corr Tech testing of the magnesium anodes and conditions of the tanks, consideration would be given to looking at environmental insurance coverage.

Graveling and grading of the road to the sludge dumping area – In wet weather, the road is very muddy and results in the vehicles getting stuck. To rework the existing road will require approximately 120yds of gravel at \$30.00 a yard plus the cost of equipment to spread the gravel. It is estimated that the cost will come in under \$5,000.00. Charlie was given Board approval to get a quote from Colby Excavation to do the work and the Board approved the \$5,000 expenditure with a cap of \$6,000. If the quote comes in over the \$6,000.00 Charlie would come back to the board for approval.

Pickup & Dump truck replacement – Both trucks are in poor condition and it is costing money to try to keep them working. A replacement pickup should be a basic full sized 4-wheel drive vehicle, looking at leasing or a not too old trade in vehicle. For the dump truck it was recommended that consideration be given to a finding a used small dump truck with a sound body. Charlie Ekstrom was asked to look into the leasing agreement purchase for a new pickup and come back to the Board with any information on the purchase of the two trucks.

Corr Tech Bid Contract – The quote agreement received from Corr Tech for the comprehensive cathodic evaluation of the tanks was presented board consideration.

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Said quote was good for (30) thirty days. **A MOTION WAS MADE BY** Jim Mersfelder seconded by Ray Turri to accept the Corr Tech quotation in the amount of \$3,355.00. There was no discussion on the motion, **MOTION CARRIED**.

There was no other items reported under the monthly operational report from the Plant Manager and Charlie Ekstrom left the meeting at 6:23 P.M.

MARCH 31, 2014 FINANCIAL REPORTS: District Treasurer, Jim Mersfelder reported on the following – At the March meeting the Board had approved the sending of a Lawyers letter to the most significant delinquent sewer district tax payer. It was reported however that currently the collection of the significant delinquent taxpayer is in the hands of the marshal for collection. The ninety (90) handling of the collection of the back taxes will be up in about a week and once it is no longer in the hands of the Marshal, the foreclosure Lawyers letter will be sent out. The Board remained in agreement that the letter should go out. The tax collectors report continues to show that collection of the taxes that collections are better than last year at this time. Two of the delinquent properties are in foreclosure and the District will receive the delinquent taxes under the foreclosure process.

FULL YEAR OPERATION FORECAST: The March 31, 2014 Financial Reports shows the operating expenditures to be \$103,755.73 under budget. Legal and Plant Equipment & Maintenance continues to be the two major under spent line items.

CASH FLOW ANALYSIS: Jim Mersfelder noted the addition of \$59,000 for the Deep Cut Work. The March report shows that we are currently under plan by \$1,382,100.01 and at this time it is projected that the District should end the June 30, 2014 fiscal year with \$940,968.73 in the bank.

UNION BANK LOCK BOX ANALYSIS: Based on an account analysis of the lock box operations, Union Bank determined that the \$180,000.00 that was being kept at an interest of 0.850% was not paying for the lock box operation and to cover the cost of operation of the lock box was raised \$337,088.24. The Board remained in agreement that we continue to stay with the Union Bank lock box service. It is not expected that the cash would be needed this year, if needed next year, the District would pay the \$235.50 outright.

Bob Goldfeld signed off from the conference call at 6:30 P.M.

For the record it was noted that the USDA funding would be for the engineering and construction work for the SCADA and I & I projects. Jim Mersfelder reported that the USDA 45% grant is a solid number. The District expects to receive from USDA within the next couple of weeks what is called a 940A Obligation document which will need to be signed by Ray Turri and it is expected the District should receive the commitment letter by May 15, 2014 for the \$1,247,000 with a 45% Grant level. Once the commitment letter is received, the bid process can start. Ray Terri would be attending a meeting on

Wednesday to address the CT Clean Water Fund Grant funding process. It was reported that the list of the CT Clean Water Fund recipients is out and the WLSD is number 21 on the list. Ray Turri reported that he would be participating in a conference call between Dave Prickett, Ken Green and Jim Mersfelder to talk about the Wednesday, April 15th hearing with the DEEP. Attending the meeting from the District would be Ray Turri, Ken Green and Dave Prickett from Woodard & Curran pushing for a 20% CT Clean Water Fund grant from the DEEP.

2014/2015 Preliminary Draft Budget: Received from the Finance Committee was a preliminary copy of the proposed 2014/2015 budget. The Board was asked to review the draft budget and be prepared at the scheduled May 5th special meeting of the Board to ask questions and discuss any issues they might have on the budget. It is the responsibility of the Board to approve the 2014/2015 proposed budget to be presented for adoption by the taxpayers at the scheduled May 24th Budget Meeting. Jim Mersfelder noted the proposed changes in the line items for Personnel, insurance and legal expenses. It was noted that there is no monthly detailed cash flow at this time but based on the projected spend out on the proposed capital projects for 2014/2015 the District would be looking a June 30, 2015 balance of \$328,630.46. It was noted that \$844,500.00 is included under proposed capital for Plant upgrade engineering design. At this time, based on the proposed draft budget the mil rate would stay at the current 4.3mils.

Benefit Assessment vs. Ad Valorem: Richard Reis, Chairman of the Finance Committee presented a work sheet which detailed the WLSD 2014 Debt Financing Benefit Assessment vs. Ad Valorem. Projected for the SCADA and I/I projects is a loan of \$1,247,000.00, with a net loan amount of \$489,250.00 after the two grants with a debt service at 4% of \$24,537.00. Based on a flat Benefit Assessment on all hooked up properties, would amount to an additional \$36.00 a year in taxes. It was noted that the projected additional assessment amount could change based on contracts and funding numbers. Discussed were the local plant upgrade option and the impact it would have on the 45% pay down of a loan on the cost for a new plant. It was noted that the USDA like to do the projects in \$5,000,000.00 increments which would require negotiations with USDA to stay within their limits and the District still be able to complete the project in a timely fashion. It was noted that the 45% grant amount is a major plus and it remains unknown at this time what the District will receive from the State under the CT CWF. Going to Torrington vs. local plant upgrade would also have a major impact on the numbers. To be able present the matter to the taxpayers for discussion, the Boards will need to decide on what method or methods the Board recommends to be used to cover the debt financing. Ray Turri noted that the WLSD Planning Committee will be meeting on Wednesday, April 23rd and it is hoped that a recommendation will be decided upon at that meeting. Jim Mersfelder noted the work to be done on the to confirm the numbers prior to a meeting with the taxpayers to discuss how the money will be collected to cover the loan. So as to get feed back from the taxpayers, it was felt the Board should have a recommendation to present to the taxpayers at the scheduled May 24th, Budget meeting.

Noted was the May 5th, special meeting of the Board to review and approve the final budget package to be mailed to the taxpayers prior to being presented to the WLSD taxpayers for adoption at the May 24th budget meeting.

Ray Turri informed the Board of a meeting that Atty. John Wertam would be having with Ozzi and Denise Ruzicki of the DEEP on Friday April 11th at eleven A.M. to discuss the status of the Facilities Plan Summary Report submitted to the DEEP.

Other Business: Approval of request from the tax Collector for refund of over payment of sewer taxes. Presented for board approval was the request of a tax refund of \$281.31 to taxpayer Peter Kujawski and tax refund in the amount of \$25.81 to taxpayers Edward & Charlene Dutka. A MOTION WAS MADE BY Ray Turri seconded by Jim Hiltz to approve the tax refunds in the amount of \$281.31 to Peter Kujawski and \$25.81 to Edward & Charlene Dutka. No discussion, SO VOTED.

There as no other business to come before the Board. Ray Turri called for a motion to adjourn and the meeting adjourned at 7:00 P.M.

Respectfully submitted,

WLSDSA/WLSD

Joan M. Lang, Secretary & Clerk of both Boards respectively

