

HAND OUTS for WPCA VIRTUAL MEETING – Thursday, October 1, 2020

Minutes – September 3, 2020

Financial Reports:

WPCA Aged Payables

Account Register September 1 – October 31, 2020

Income Statement for the 3 months ending September 30, 2020

Income Statement – 12 months (2 pages)

Correspondence:

David Rosengren “Open Letter to Elected and Appointed Officials” emailed 09/21/2020
begins.... “Last Thursday, the AET.....”

**New Hartford Water Pollution Control Authority
TOWN OF NEW HARTFORD, CONNECTICUT
REGULAR MEETING MINUTES
Thursday, September 3, 2020 at 7:00 PM
Held Remotely Via Zoom**

PRESENT: Chairman Denton Butler, Mary Beth Greenwood, Michael LeClaire, Wes Marsh, Polly Pobuda, Joe Toro (7:03PM), and First Selectman Dan Jerram.

ABSENT: David Douyard.

Mr. Butler called the meeting to order at 7:00PM.

1. APPROVE MINUTES:

A. July 2, 2020.

The July 2, 2020 Minutes should include the following amendments:

The third paragraph on the first page, the portion of text that reads, "...Ms. Greenwood reviewed her proposal to decrease the water and sewer rates to \$78.88 per 1000 gallons of water..." should instead read, "...Ms. Greenwood reviewed her proposal to decrease the water and sewer rates to \$8.08 per 1000 gallons of water..."

MOTION: Ms. Greenwood, Mr. LeClaire second, to approve the July 2, 2020 Minutes as amended; Motion approved with Mr. Butler, Ms. Greenwood, Mr. LeClaire, and Mr. Marsh voting aye while Ms. Pobuda abstained.

2. 2019-20 FINANCIAL REVIEW – AUGUST 20-21 UPDATE:

Mr. Butler reported having found errors in the year-end financial report, so the review was postponed. He noted that the errors have been forwarded to King & King for further evaluation.

3. DISPOSITION OF AGED RECEIVABLES:

Mr. Butler reported that there were a number of receivables that have been carried for more than four years. He explained that one category included users who had incurred a late charge for past due accounts. These fees were less than several dollars but have continued to be carried as an open receivable, according to Mr. Butler.

MOTION: Mr. Toro, Mr. Marsh second, to remove \$8.67 from our books representing receivables from eight accounts no longer active; unanimously approved.

Mr. Butler reviewed four open accounts on deceased individuals wherein no estate had ever been open. Those four accounts were reported to total \$2,332.87.

MOTION: Ms. Greenwood, Mr. Marsh second, to remove those four accounts of deceased individuals, totaling \$2,332.87, from the receivable balance of the WPCA; unanimously approved.

Mr. Butler reported a balance of \$20,910 in aged receivables of over ninety days. He noted that he had reached out to TaxServ to inquire whether they may be interested in attempting to recover this lost revenue. Where he could, Mr. Butler noted he has liened properties. TaxServ receives compensation for their services by attaching an additional fee beyond principal and interest, according to Mr. Butler.

MOTION: Mr. Marsh, Mr. Toro second, to enter into an agreement with TaxServ, working in connection with The Torrington Water Company, to begin the collection process on a minimal outstanding debt, totaling \$20,910; unanimously approved.

4. OPERATIONS REPORTS:

A. Aquarian Water Company.

The Board reviewed the operations report from Aquarian Water Company. Mr. Butler reported additional information on the sinkholes that were identified in the report.

B. Torrington Water Company.

The Board reviewed the operations report from Torrington Water Company.

Mr. Butler reported that \$22,323 have been incurred in costs in storm-related non-routine charges. He noted that an email will be sent to the Board of Selectmen in response to their request for identified costs associated with Storm Isaias. Mr. Butler explained that \$17,973 was tied to the sewer system while \$4,350 was tied to the clean water. He noted that Mike Crawford of AWC would be in town next week to make an assessment as to whether to seek financial assistance for costs associated with components that are in need of replacement at the wastewater treatment plant after the power outage. For instance, Mr. Butler referred to the necessary replacement of the relays with the auger meister as well as a pump filter.

Mr. Butler explained that he had been meeting with the fire department chief to discuss flow meter readings on several hydrants followed by some retesting. He noted that the Torrington Water Company does not inspect the flow control valves because it is outside of their scope of expertise. Mr. Butler noted that he had been connected with a company that specializes in this type of work.

MOTION: Mr. Toro, Ms. Pobuda second, to authorize the chairman to proceed with a water valve inspection at an expense not to exceed \$2K for water valve inspection; unanimously approved.

5. AWC CONTRACT RENEWAL:

Mr. Butler reported that the Aquarian Water Company (AWC) contract is up for its third renewal. After negotiating the increase with AWC, Mr. Butler noted that they had agreed to a 2% increase rather than a 3% increase. He indicated that all other terms and conditions remain the same and noted that the adjustment is consistent with the increase authorized in February for TWC.

MOTION: Mr. Toro, Ms. Pobuda second, to accept the renewal for the Aquarian Water Company contract with all terms and conditions to remain intact with the exception of a 2% increase; unanimously approved.

6. OTHER BUSINESS/CORRESPONDENCE TO COME BEFORE THE WPCA:

A. Asset Review Update – Public Information Session – 9-17-20.

Mr. Butler reported a public information session had been scheduled for September 17, 2020 relative to the Asset Review Committee. Ms. Greenwood noted that she had been looking for information by reviewing all of the AET documents on the town's website but had not been able to find anything on the other towns who have gone through this type of experience with Aquarian. She questioned why this has not been published. Mr. Butler indicated that there was no reason to not have this information available except that he had simply not put the data in a report form. He reminded the Board that since 2011, Aquarian has acquired sixty-eight other water companies. Mr. Butler reported that the reviews he received on Aquarian had been

consistently positive. He noted that the chief complaint on Aquarian from users was on the transition from quarterly billing to monthly billing.

Ms. Greenwood sought information from other towns relative to what effect the transition to Aquarian had on the rates. Mr. Toro noted that comparisons relative to rates are difficult as the subject towns noting increases could have had much lower rates than New Hartford's. He reminded the Board that this town's rates are the highest in the state. Mr. Butler advised that in some instances of town's seeing rate increases after being acquired were a result of the state of their plant needing immediate repairs. Ms. Pobuda noted that PURA sets the rates.

Referring to the progress of the AET, Mr. Toro opined that it was time for the town to vote on whether to sell the assets. Ms. Greenwood reminded the Board that when discussions first occurred around holding public information meetings, it had been agreed that someone other than First Selectman Dan Jerram or Mr. Butler should lead the meetings and present the information. She explained that with both Mr. Jerram and Mr. Butler sharing the common objective that the assets ought to be sold, the presentations have been colored to reflect that. She indicated that the alternative of the town as a whole taking a different role in funding the systems has not been presented or discussed at the public information meetings. Mr. Butler disagreed, noting that there has already been discussion in this regard over the years and it had been demonstrated that the town is not inclined to want to move in that direction.

B. Water Valve Inspection.

Mr. Butler shared an update on the Canterbury Village agreement.

MOTION: Mr. Toro, Mr. LeClaire second, to adjourn at 7:50PM; unanimously approved.

**Respectfully submitted,
Pamela A. Colombie
Recording Clerk**

**WPCA
Aged Payables**

| | | | |
|----------------------|-------------|-----------------------------|--------------|
| Account Balance | \$18,243.70 | TWC Pyrmts 7/2/2020-present | \$158,283.47 |
| Outstanding Invoices | \$16,450.52 | Total TWC Bills | \$168,218.66 |

Outstanding Invoices

| | <u>Amount</u> | <u>Invoiced</u> | <u>Due Date</u> |
|-----------------------------|---------------|-----------------|-----------------|
| Tower Generator(recvd. 9/28 | \$180.75 | 8/31/2020 | 9/30/2020 |
| Paine's | \$56.82 | 9/23/2020 | 10/17/2020 |
| Savol | \$1,747.24 | 9/24/2020 | 10/24/2020 |
| Torrington Water | \$8,622.32 | 9/14/2020 | 11/8/2020 |
| Eversource | \$5,843.39 | 9/23/2020 | 11/22/2020 |

Debt Service

| | | | | | | |
|---------------------------------------|-------------|---------------|----------|-----------|----------|--------------------|
| <u>*Debt Service/WWTP,</u> | \$16,536.77 | quarter pymts | 8/1/2017 | 11/1/2017 | 2/1/2018 | 5/1/2018 |
| <u>USDA Modified Town Loan</u> | \$16,536.77 | quarter pymts | 8/1/2018 | 11/1/2018 | 2/1/2019 | 5/1/2019 |
| | \$30,111.75 | quarter pymts | 8/1/2019 | 11/1/2019 | 2/1/2020 | 5/1/2020 |
| | \$3,250.00 | quarter pymts | 8/1/2019 | 11/1/2019 | 2/1/2020 | 5/1/2020 |
| | | | 8/1/2020 | | | |
| | | | 8/1/2020 | | | |
| | | | | | | suspended payments |

*By vote of the Board of Selectmen policy was changed to reflect a suspension of discounted payments retroactive from 8/1/2017 to FYE 2021.

NEW HARTFORD WPCA
Account Register
 For the Period From Sep 1, 2020 to Oct 31, 2020
 1050-002 - NW Checking

Filter Criteria includes: Report order is by Date.

| Date | Trans No | Type | Trans Desc | Deposit Amt | Withdrawal Amt | Balance |
|---------|----------|------------|-------------------------------|-----------------|------------------|-----------|
| | | | Beginning Balance | | | 92,482.89 |
| 8/1/20 | 9/1/20 | Deposit | NHWPCA Customers | 2,662.83 | | 95,145.72 |
| 9/3/20 | 4540 | Withdrawal | Phoenix Environmental Lab, 1 | | 949.00 | 94,196.72 |
| 9/3/20 | 4541 | Withdrawal | Savol | | 1,747.24 | 92,449.48 |
| 9/3/20 | 4542 | Withdrawal | Frontier Communications | | 512.00 | 91,937.48 |
| 9/3/20 | 4543 | Withdrawal | Veolia Water North America | | 763.75 | 91,173.73 |
| 9/3/20 | 4544 | Withdrawal | Torrington Water | | 3,572.88 | 87,600.85 |
| 9/3/20 | 4545 | Withdrawal | Quinoco, Inc | | 356.70 | 87,244.15 |
| 9/3/20 | 4546 | Withdrawal | Paine's Inc | | 56.82 | 87,187.33 |
| 9/3/20 | 4547 | Withdrawal | Aquarion Water Company | | 17,443.00 | 69,744.33 |
| 9/3/20 | 4548 | Withdrawal | Aquarion Water Company | | 125.14 | 69,619.19 |
| 9/3/20 | 4549 | Withdrawal | EVERSOURCE | | 6,750.61 | 62,868.58 |
| 9/3/20 | 4550 | Withdrawal | Frontier Communications | | 236.06 | 62,632.52 |
| 9/3/20 | 9/3/20 | Deposit | NHWPCA Customers | 1,276.83 | | 63,909.35 |
| | | Deposit | Lien Balances Paid | 1,065.19 | | 64,974.54 |
| 9/11/20 | 9/11/20 | Deposit | NHWPCA Customers | 1,046.35 | | 66,020.89 |
| 9/14/20 | 9/14/20 | Deposit | NHWPCA Customers | 1,398.74 | | 67,419.63 |
| 9/16/20 | 9/16/20 | Deposit | NHWPCA Customers | 485.24 | | 67,904.87 |
| 9/17/20 | 4551 | Withdrawal | Patterson Oil Co | | 342.96 | 67,561.91 |
| 9/17/20 | 4552 | Withdrawal | JWC Environmental | | 482.93 | 67,078.98 |
| 9/17/20 | 4553 | Withdrawal | CT Dept of Energy& Environ | | 470.00 | 66,608.98 |
| 9/17/20 | 4554 | Withdrawal | CT Dept of Energy& Environ | | 1,722.50 | 64,886.48 |
| 9/17/20 | 4555 | Withdrawal | Phoenix Environmental Lab, 1 | | 1,261.00 | 63,625.48 |
| 9/17/20 | 4556 | Withdrawal | Torrington Water | | 8,622.32 | 55,003.16 |
| 9/24/20 | 4557 | Withdrawal | Frontier Communications | | 512.00 | 54,491.16 |
| 9/24/20 | 9/24/20 | Deposit | NHWPCA Customers | 578.35 | | 55,069.51 |
| 9/28/20 | 9/28/20 | Deposit | Lien Balances Paid | 1,065.19 | | 56,134.70 |
| 10/1/20 | 4558 | Withdrawal | Neher & Sons Inc dba Russ's S | | 2,860.00 | 53,274.70 |
| 10/1/20 | 4559 | Withdrawal | USA Blue Book | | 277.78 | 52,996.92 |
| 10/1/20 | 4560 | Withdrawal | Aquarion Water Company | | 17,443.00 | 35,553.92 |
| 10/1/20 | 4561 | Withdrawal | Aquarion Water Company | | 8,352.45 | 27,201.47 |
| 10/1/20 | 4562 | Withdrawal | Torrington Water | | 1,681.43 | 25,520.04 |
| 10/1/20 | 4563 | Withdrawal | EVERSOURCE | | 6,076.34 | 19,443.70 |
| 10/1/20 | 4564 | Withdrawal | Tower Generator Service LLC | | 1,200.00 | 18,243.70 |
| | | | Total | 9,578.72 | 83,817.91 | |

NEW HARTFORD WPCA
Income Statement
For the Three Months Ending September 30, 2020

| | Current Month | | Year to Date | |
|---------------------------------|-----------------------|-----------------|----------------------|---------------|
| Revenues | | | | |
| PAYMENTS RECEIVED | \$ 7,448.34 | 77.76 | \$ 158,470.37 | 98.02 |
| Lien Balances paid | 2,130.38 | 22.24 | 3,195.57 | 1.98 |
| | <hr/> | | <hr/> | |
| Total Revenues | 9,578.72 | 100.00 | 161,665.94 | 100.00 |
| | <hr/> | | <hr/> | |
| Cost of Sales | | | | |
| Total Cost of Sales | 0.00 | 0.00 | 0.00 | 0.00 |
| | <hr/> | | <hr/> | |
| Gross Profit | 9,578.72 | 100.00 | 161,665.94 | 100.00 |
| | <hr/> | | <hr/> | |
| Expenses | | | | |
| ROUTINE SERVICES -WATER | 8,622.32 | 90.02 | 25,866.96 | 16.00 |
| Electricity/Water | 1,657.09 | 17.30 | 5,299.89 | 3.28 |
| Phone/Communications | 512.00 | 5.35 | 1,536.00 | 0.95 |
| Non-Routine Water | 1,681.43 | 17.55 | 5,778.02 | 3.57 |
| Treatment Sup/Water | 1,747.24 | 18.24 | 3,494.48 | 2.16 |
| Licenses & Permits | 0.00 | 0.00 | 470.00 | 0.29 |
| DEBT SERVICE-WATER | 0.00 | 0.00 | 32,141.00 | 19.88 |
| TWP ROUTINE - SEWER | 17,443.00 | 182.10 | 52,329.00 | 32.37 |
| Electricity/Sewer | 4,186.30 | 43.70 | 13,370.45 | 8.27 |
| Telephone/Communications | 0.00 | 0.00 | 470.53 | 0.29 |
| Plant Supplies/Sewer | 277.78 | 2.90 | 760.71 | 0.47 |
| Sludge Hauling&Cleaning | 0.00 | 0.00 | 763.75 | 0.47 |
| Non-Routine Sewer | 8,352.45 | 87.20 | 12,197.59 | 7.54 |
| Fuel/Sewer | 0.00 | 0.00 | 356.70 | 0.22 |
| Chemicals | 0.00 | 0.00 | 1,086.29 | 0.67 |
| Lab Services/sampling | 0.00 | 0.00 | 2,210.00 | 1.37 |
| permit/sewer | 0.00 | 0.00 | 1,722.50 | 1.07 |
| Misc Sewer | 2,860.00 | 29.86 | 2,860.00 | 1.77 |
| Paines | 56.82 | 0.59 | 227.28 | 0.14 |
| Prospect Street | 0.00 | 0.00 | 4,221.15 | 2.61 |
| Legal & Prof Fees/Water & Sewer | 0.00 | 0.00 | 37.00 | 0.02 |
| | <hr/> | | <hr/> | |
| Total Expenses | 47,396.43 | 494.81 | 167,199.30 | 103.42 |
| | <hr/> | | <hr/> | |
| Net Income | \$ (37,817.71) | (394.81) | \$ (5,533.36) | (3.42) |
| | <hr/> <hr/> | | <hr/> <hr/> | |

For Management Purposes Only

NEW HARTFORD WPCA
Income Statement - 12 Periods
For July 1, 2020 through June 30, 2021

| | Period 1 | Period 2 | Period 3 | Period 4 | Period 5 | Period 6 |
|--------------------------------|--------------------|------------------|--------------------|-------------------|-------------|-------------|
| Revenues | | | | | | |
| PAYMENTS RECEIVED | \$ 80,164.15 | 70,857.88 | 7,448.34 | 0.00 | 0.00 | 0.00 |
| Lien Balances paid | 0.00 | 1,065.19 | 2,130.38 | 0.00 | 0.00 | 0.00 |
| Total Revenues | <u>80,164.15</u> | <u>71,923.07</u> | <u>9,578.72</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| Cost of Sales | | | | | | |
| Total Cost of Sales | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Gross Profit | <u>80,164.15</u> | <u>71,923.07</u> | <u>9,578.72</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| Expenses | | | | | | |
| ROUTINE SERVICES -WATER | 8,622.32 | 8,622.32 | 8,622.32 | 0.00 | 0.00 | 0.00 |
| Electricity/Water | 1,911.18 | 1,731.62 | 1,657.09 | 0.00 | 0.00 | 0.00 |
| Phone/Communications | 512.00 | 512.00 | 512.00 | 0.00 | 0.00 | 0.00 |
| Non-Routine Water | 3,061.45 | 1,035.14 | 1,681.43 | 1,200.00 | 0.00 | 0.00 |
| Treatment Sup/Water | 0.00 | 1,747.24 | 1,747.24 | 0.00 | 0.00 | 0.00 |
| Licenses & Permits | 470.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| DEBT SERVICE-WATER | 32,141.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TWP ROUTINE - SEWER | 17,443.00 | 17,443.00 | 17,443.00 | 0.00 | 0.00 | 0.00 |
| Electricity/Sewer | 4,839.43 | 4,344.72 | 4,186.30 | 0.00 | 0.00 | 0.00 |
| Telephone/Communications | 234.47 | 236.06 | 0.00 | 0.00 | 0.00 | 0.00 |
| Plant Supplies/Sewer | 0.00 | 482.93 | 277.78 | 0.00 | 0.00 | 0.00 |
| Sludge Hauling&Cleaning | 0.00 | 763.75 | 0.00 | 0.00 | 0.00 | 0.00 |
| Non-Routine Sewer | 3,720.00 | 125.14 | 8,352.45 | 0.00 | 0.00 | 0.00 |
| Fuel/Sewer | 0.00 | 356.70 | 0.00 | 0.00 | 0.00 | 0.00 |
| Chemicals | 1,086.29 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Lab Services/sampling | 949.00 | 1,261.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| permit sewer | 1,722.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Misc Sewer | 0.00 | 0.00 | 2,860.00 | 0.00 | 0.00 | 0.00 |
| Paines | 113.64 | 56.82 | 56.82 | 0.00 | 0.00 | 0.00 |
| Prospect Street | 4,221.15 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Legal & Prof Fees/Water & Sewe | 37.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Expenses | <u>81,084.43</u> | <u>38,718.44</u> | <u>47,396.43</u> | <u>1,200.00</u> | <u>0.00</u> | <u>0.00</u> |
| Net Income | \$ <u>(920.28)</u> | <u>33,204.63</u> | <u>(37,817.71)</u> | <u>(1,200.00)</u> | <u>0.00</u> | <u>0.00</u> |

For Management Purposes Only

emailed 9/21/2020

OPEN LETTER TO ELECTED AND APPOINTED OFFICIALS

Last Thursday, the AET Committee held its 3rd " public information" session regarding the potential sale of New Hartford's water and sewer. It was a disaster from start to finish. It was exactly the same presentation as the last two, with a little more slicked up power point presentation. Mr. Jerram, who moderated, acknowledged that the AET has answered *none of the written questions submitted to the AET more than 6 months ago and which the AET promised to answer and post on the Town website*. He claimed the AET has been "busy."

More disturbing was the fact that **not one member** of the general public zoomed in for the meeting. There were 2 reporters, the 3 members of the BOS, 3 members of the AET, 2 representatives from Aquarion, 1 member of the WPCA and a member of the Democratic Town Committee.

But everything can be boiled down to this, The members of the AET should be ashamed of themselves for enabling Mr. Jerram's 12 year obsession to completely sever any responsibility of the Town for the water and sewer systems and selfishly relieve himself of what he considers to be a political liability. As Mr. Jerram admitted during the meeting, the sale will relieve the Town of any responsibility to the user community. The users will be left to fend for themselves against the corporate wolves at Aquarion who are gobbling up public water systems with the goal of gaining monopoly control over the State's drinking water supply -- for the sole purpose of making profits for their shareholders.

At the meeting, Mr. Crawford, who apparently is the Aquarion executive in charge of this sale, was unable to answer basic questions, but more to the point he continued to put forward what Mark Twain would call a "damnable lie" -- the false narrative that the sale would represent a "public/private partnership." *Nothing could be further from the truth.* The sale is a pure asset sale, after which Aquarion will have no legal obligations to the Town with regard to the sale. Aquarion will be free to run the systems as they see fit subject only to the administrative review of PURA. They will charge the user community for all costs going forward and the users will pay whatever rate hikes PURA approves (It would be accurate to say that PURA has rarely seen a request for a rate hike that they did not like.). Moreover, if and when Aquarion takes over, PURA will not permit Aquarion to lower rates here in New Hartford.

But let me get back to the main point . The members of the AET who are supporting Jerram's political obsession should be **ashamed of themselves**. And

that is because they are abrogating their duty to the basic principle of community by dividing it rather than uniting it. A community, state or nation that stands divided will fall. That is what Lincoln taught us. And that is the problem in this Town. The AET is failing us because they are supporting a plan to abandon the hundreds of our fellow citizens and our downtown businesses dependent on public water and sewer, all of whom will continue to suffer when rates keep going up. Home and business values dependent on the systems will plummet. When you live in a community like that -- pitting neighbor against neighbor -- you are complicit in the eventual destruction of that community. It sends a clear and resounding message that "I don't care as long as I get mine." And that attitude then becomes the acceptable norm for how we treat each other. What could be more destructive?

Sadly, that same mindset has prevailed in New Hartford since Sally and I moved here 17 years ago and it is a corrosive force that will prevent the Town from making the progress it so desperately needs to meet the demands of the future -- and to thrive. The most recent example of this, before the water/sewer issue raised its head, is the Bakerville school issue. The Bakerville Coalition has been a destructive force pitting one side of our community against the other over a school system which is clearly too large, cumbersome and expensive for the community to have to pay for (to any objective onlooker this is not debatable). Yet for selfish reasons the Coalition, in its often angry and dismissive manner, has prevented the Town from doing the right thing -- which would be to create an effective and efficient plan of consolidation as any rational community would do when its school population has shrunk by nearly half over the last decade.

Sincerely,
David Rosengren
Selectman
New Hartford