

Town of Montville Town Council/Water & Sewer Commission
Special Joint Meeting Minutes
Tuesday, March 18, 2014 – 6:00 p.m.
Town Council Chambers – Town Hall

1. Call to Order

Chairman Jaskiewicz called the meeting to order at 6:00 p.m. after establishing a quorum.

2. Pledge of Allegiance followed by a moment of silence in honor of our military.

3. Roll Call

Town Council: Present were Councilors Caron, Longton, May, Pollard, Tanner, and Jaskiewicz. Absent was Councilor McNally due to work.

Water & Sewer Commission: Present were Commissioners Schober and Siragusa. Absent were Commissioners Thorn, due to a previous engagement, and Murphy.

Also present were Mayor Ronald McDaniel, Attorney Matt Auger, Administrator Brian Lynch, Superintendent Mike Didato.

4. New Business

a. **Resolution #2014-25. THE TOWN OF MONTVILLE HEREBY RESOLVES TO ACCEPT THE GRANT-IN-AID OF \$5,000,000 FROM THE STATE OF CONNECTICUT FOR SEWAGE TREATMENT FACILITY INFRASTRUCTURE IMPROVEMENTS AND UPGRADES AT THE MONTVILLE WPTF**

WHEREAS, pursuant to Senate Bill No. 1502, June Special Session, Public Act No. 07-7, the Connecticut General Assembly passed legislation authorizing and adjusting bonds of the State of Connecticut for capital improvements and other purposes; and

WHEREAS, section 13(d)(38) of said Public Act authorized grant-in-aid to the town of Montville for infrastructure improvements and upgrades at the sewage treatment facility, not exceeding \$5,000,000; and

WHEREAS, the Town Council and the Montville WPCA have explored how best to invest this grant to provide the Montville WPTF with additional treatment capacity to accommodate economic expansion in Montville, provide a better and more environmentally friendly solution to treatment of all waste water produced within the Town of Montville and ensure continued compliance with all applicable State and Federal regulations; and

WHEREAS, the Connecticut Department of Energy and Environmental Protection (DEEP) is the State Agency tasked with administering and monitoring how the grant monies are expended.

BE IT RESOLVED, that it is in the best interests of the Town of Montville to enter into contracts with the DEEP to accept the grant-in-aid of up to \$5,000,000 from the State of Connecticut for sewage treatment facility infrastructure improvements and upgrades at the Montville WPTF. Further, Ronald K. McDaniel is the Mayor of the Town of Montville and pursuant to this resolution shall be authorized to enter into and sign said contracts with the DEEP on behalf of the Town of Montville. The Mayor is further authorized to provide such additional information and execute such other documents as may be required by the local, state or federal governments in connection with said contracts and to execute any amendments, rescissions, and revisions thereto.

Motion made by Councilor Tanner, seconded by Councilor Longton. Discussion: Town Attorney Matt Auger stated that revisions were made to the resolution to coincide with the requirements of the DEEP. The resolution's passage is the first step in fulfilling DEEP's requirement for the Town to formally authorize the Mayor to enter into contracts with DEEP

memorializing the relationship between DEEP, the Town, and the WPCA and will neither assign the project to any particular entity nor dictate how the project will unfold; this is merely a necessary first step in accepting the funds. Chairman Jaskiewicz added that, should the Town Council approve the resolution, a public hearing with the WPCA would be scheduled during which the details of the program will be discussed. Atty. Auger continued that Dr. Gene Keyser and Rand-Whitney's engineering firm has developed a conceptual design, which is currently at the 10% stage. The next stage will be to achieve the 30% level, at which time the designer will be able to provide the client with a guaranteed project amount, which the cost will not exceed. More detailed plans and a third party review will take place during this period to ensure the technological feasibility and adherence to the value engineering of the plan. The 10% plan has been vetted by their engineering firm, who determined that the program is far more cost effective and will realize a far greater increase in BOD capacity than the 2010 proposal obtained by the WPCA. Currently, Rand-Whitney's (RW) effluent is considered caustic industrial wastewater that is corrosive on the pipeline. With the anaerobic pre-treatment system (APS) in place and situated at their facility, by way of an easement, the effluent will be converted to one that is more similar to residential wastewater, greatly decreasing the degradation of the pipeline.

Due to the Town's past experiences with RW, Councilor Pollard expressed her concerns regarding the placement of the equipment on their property. Atty. Auger stated that, due to the science of the design, the best location for the system is as close to the facility as possible. In addition, locating the equipment close to its source will conserve the longevity of the pipeline from the source to the APS. Furthermore, the cost of construction of the system at RW will be less due to the availability of space and the operating costs associated with the APS once it is completed. A third party, who will be the ratepayer and who has been vetted and approved by DEEP, will operate the system. The operator will pay the user fee to the WPCA and enter into a separate contract with RW. In contrast to the currently suspended treatment agreement, the WPCA will be protected from any further disputes with RW regarding the treatment of wastewater. As such, the APS can be viewed of as a physical and legal barrier. RW will be required to comply with the DEEP permit and DEEP will be overseeing what is coming out of the APS. Should any disputes arise, they will be between RW and the operator or WPCA and the operator. Should the proposed project be rejected, the current MOU will expire resulting in a pre-MOU situation leading to a significant loss of funds and cost savings. Atty. Auger reiterated that the program is vetted and approved by RW's engineering firm and DEEP and, though placed on RW's property by way of an easement, will not be owned by RW. RW will be the silent landlord and will not be able to dictate its operation. Furthermore, the system would allow for significant economic expansion in the Town. Chairman Jaskiewicz added that DEEP, who will be providing the grant, is aware of the program and its proposed location.

Superintendent Mike Didato responded that RW is the right location to place the APS from a technical standpoint. Currently, there is pre-treatment equipment, which reduces solids and BOD, is procured by the WPCA, and set up for a token amount, located on their property. This will be a similar situation, but with the inclusion of the third party operator who would insulate the Town from future disputes. Councilor May clarified that the Town, not RW, will own the equipment and compared the APS to a water meter in which the equipment, while owned by the water company, is placed on one's property. He felt it necessary to put the past behind us and look to the future and move forward adding that the MOU marked a huge milestone in improving their relationship. He hopes to stay on this track and saw no reason to mistrust RW.

Councilor Caron noted that, while we all have and understands her concerns due to their past experience with RW, in the previous arbitration, the Councilors had dismissed the recommendations of the attorneys at the time. He felt that this resolution, which is supported by the engineers, DEEP, and their attorneys, is best for the Town moving forward.

Chairman Jaskiewicz reiterated that this resolution is merely the first step in accepting the grant. Should they prolong the process, DEEP could, conceivably, rescind the grant, which was originally authorized in 2007 and finally approved through the bond counsel.

Mayor McDaniel added that, while healthy skepticism is a good thing, the situation is not the same as in the past and they have ensured that the Town is protected on every level. What makes this a viable project is that the equipment will be monitored and worked by a third party operator protecting the Town from any lawsuits; the source point of the testing and permit point will be on RW's property and not downstream where the Town will be responsible after the fact. He reiterated that all of the engineers and DEEP agree that the closer the equipment is placed to the source of the effluent, the better it works out for the Town.

Councilor Pollard referenced the statement in the resolution, which reads "for infrastructure improvements and upgrades at the sewage treatment facility", adding that the equipment will be placed on their property and is being built, not upgraded. In response, Councilor May stressed the use of the word "and" in the sentence such that the funds may be used for both the equipment or infrastructure improvements *and* upgrades.

Mayor McDaniel stated that he has spoken with the Secretary of the OPM, DEEP, legislative delegation, and Governor, all of who understand the funding for this project and that the main part of system will be located at RW, who will also need to perform upgrades to accommodate the system. Chairman Jaskiewicz reiterated that the DEEP Commissioner agreed that this would be best location and worked with them to ensure that the Town is protected.

In response to Councilor May, Superintendent Didato explained the process of operation and how it is going to work. It is estimated that the APS will reduce the BOD entering into the facility by approximately 85% and will be treated in a homogenous way as with domestic users. The third party will handle the disposal and treatment of the BOD, sludge, and chemicals resulting in a reduction of polymer use, sludge transportation, and electricity costs for the WPCA. He estimates a cost savings of \$1.5 million in chemicals alone.

In response to Councilor Caron, Superintendent Didato, Administrator Lynch, and Atty. Auger expressed their support and endorsement of the system. Atty. Auger further added that Dr. Keyser, who has impressive accomplishments and clientele, has diligently worked to create a technologically advanced system for the Town and reiterated that, by approving the resolution, they are merely accepting the \$5 million grant; a grant with no strings attached.

Motion made by Councilor Tanner, seconded by Councilor Longton. Discussion: Commissioner Siragusa stated that the project is the result of RW's wishes to have the system so as to avoid further deterioration to the pipeline, for which they are responsible. He questioned who would be paying for the pipeline. Atty. Auger stated that, due to the 1996 modification maintenance agreement relative to the water supply agreement, the Town would have no liability on the pipeline and the pipeline remains RW's responsibility. Commissioner Siragusa questioned the selection of the third party operator and that it appears that they would be dealing with RW with respect to the pipeline between the APS and the WPCA, which is cause for concern due to their past relationship. Atty. Auger responded that the maintenance of the pipes are codified in the water supply agreement and agreed that the Town will need to deal with them in this respect. Mr. Siragusa also expressed concern regarding the source of the funds for the work that will need to be completed at the plant to accommodate the system. Councilor May added the Town's need for expansion, as they will not be able to handle the estimated growth over the next 20 years in their current situation.

Motion made by Councilor Tanner, seconded by Councilor Longton. Discussion: None. Roll Call vote, 5-1. Voting in Favor: Councilors Caron, Longton, May, Tanner, and Jaskiewicz. Voting in Opposition: Councilor Pollard. Motion carried.

5. Remarks from the Public — none.

6. Remarks from the Town Council

Councilor May thanked everyone for their work and a job well done over the past six to seven years and added that, while he originally did not feel strongly about the policy due to their past experiences with RW, this is a good plan and they are lucky to have the support of the State of CT.

Councilor Longton felt that, after a long process comprised of several meetings and studying of the policy, he was unable to find any holes or see a downside for the Town. He felt that they have done their due diligence and it is a good deal for the Town, adding that he is unsure as to the reasons behind those who have expressed their opposition to the policy.

Councilor Caron understood Councilor Pollard's hesitation, but felt it necessary for the Town to move forward and work in the best interest of the Town. He is looking to the future and aims to keep an eye on the issue and its process as it progresses.

Chairman Jaskiewicz reiterated that, while the \$5 million grant will most likely be used for this particular plan, they would still have the option to utilize the funds for different plan. He expressed his confidence that the WPCA will hold a public hearing to explain and discuss the plan they select with the public. He credited the Town Council for getting this going.

7. Remarks from Water & Sewer Commissioners — none.

8. Remarks from the Mayor

Mayor McDaniel thanked the WPCA members and Town Councilors, who learned about this *ad nauseum*. Based upon the comments, past and present, he felt that the Town has learned its lesson and will proceed cautiously and continue to work to ensure that the Town is protected.

9. Adjournment

Motion made by Councilor May, seconded by Councilor Longton, to adjourn the meeting at 7:09 p.m. Discussion: None. Voice Vote, 6-0, all in favor. Meeting Adjourned.

Respectfully Submitted by:

Agnes Miyuki, Recording Secretary for the Town of Montville

**AN AUDIO RECORD OF THE MEETING IS ON FILE IN THE MONTVILLE TOWN
CLERK'S OFFICE**