

Cromwell Fire District

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FIRE DISTRICT OFFICE
WATER DIVISION

FIRE DEPARTMENT
FIRE MARSHAL'S OFFICE

BOARD OF COMMISSIONERS **Special Water Operations Committee Meeting**

Wednesday, February 24, 2021

5:00 PM

West Street Firehouse

1 West Street

Cromwell, CT

Also via Conference Call

Present: Commissioners Roger Rukowicz (Chairman), Charles Epstein and Robert Donohue. Also attending were Water Operations Manager Joseph Palmieri, Executive Director Julius Neto, and Chuck Adelsberger from Environmental Partners. Commissioner Mertie Terry was absent.

Per Executive Order No. 7B, Governor Lamont has ordered and directed that in-person open meeting requirements be suspended. Therefore, the Board of Commissioners' Special Water Operations Committee meeting will be held via conference call. Members of the public may send questions or comments to meetings@cromwellfd.com on any agenda items.

- I. Call to Order. The meeting was called to order at 5:07 PM, by Chairman Rukowicz.
- II. Approval of Agenda. A motion was made by Commissioner Epstein, seconded by Commissioner Donohue and unanimously approved to accept the agenda as submitted.
- III. Public Comment. The Executive Director did not receive any public comments for the meeting.
- IV. New Business
 - A. Emergency Interconnection Project – Chuck Adelsberger—Environmental Partners. Mr. Adelsberger had dialed into the meeting to give the Committee an update on the Emergency Interconnection Project that he has been working on with Julius and Joe. He gave them credit for the foresight of submitting a Project Eligibility application last year. The project scored very highly so it got funded through the drinking water program. The emergency interconnection project is necessary due to the vulnerability of source water. It was funded through the drinking water sos plan. The emergency interconnection project is necessary due to the vulnerability of source water supply with the Gardiner Well Field being the only source of supply that Cromwell has. There is no other source of supply that could provide the demands that Cromwell needs to serve on average days let alone the max days. The source water supply should have a quantity of water to supply a maximum day of demand. Since Gardiner Well Field is the only source of supply, should it be compromised in any way, and there are several potential factors that

could conceivably happen there, there would be enough water supply there to supply customers. That is why the emergency interconnection project scored so well with DPH and why they approved the funding for it. Now the District is in the process of moving forward with the selection process which is a requirement of the drinking water sos program. DPH requires that Cromwell seek qualifications from engineers which will be accepted on March 10. They think Cromwell will be successful there. They made out well there as far as understanding the system and understanding the project. The next step after that will be the selection of the engineer. Chuck, Julius and Joe have been in communication with a representative of the CT DPH. They are the liaison for the District on this project. The District's liaison is Joe Buhler. Mr. Buhler reported they are right on schedule for the project. It is hopeful that the District accepts the proposals on the 10th and the next step would be to negotiate a scope of work for the preliminary engineering report.

Back in 2001 when Chuck was with his previous employer they looked at 3 potential locations for interconnections. That is what will be looked at in the preliminary engineering report. To look at the hydraulic conditions in MDC in Rocky Hill on Rte. 3, Shunpike Rd. There is no interconnection there but the systems are close together. MDC's system in 2001 could supply that gravity to the District. The second location that could probably supply the most water is Middletown to the south. Off of Rte. 3 they recommend that Cromwell make a connection there. That connection would probably require pumps to serve the maximum day demand because their grade is lower. They have a more significant amount of water and it would be necessary to provide Cromwell with the maximum day demand. They have also been in contact with the Berlin Water Control about a potential emergency interconnection on Pascal Hill Road. That would also require a pump and would provide enough flow but they think the redundancy of having three emergency interconnections would provide the flexibility to provide the maximum day demand should the Gardiner Well Field be compromised at all.

In showing the need for the project they are preparing the risk assessment. Joe and Julius have been getting all the information needed for the assessment. Chuck received a draft report from the team that he is in the process of reviewing. It should be completed within the next couple of weeks. The main vulnerability they saw in the system was the lack of supply redundancy which he mentioned before. Gardiner Well Field is the only supply source and there needs to be something else to supply Cromwell with its maximum day demand. The emergency interconnections will provide that. Getting funding for it will provide opportunities for low interest loans. As the project moves forward they will go through the preliminary engineering report and the financial assistance application would be the next thing, FAA, which is required by DPH. They have to review that form and any contract to be signed by the engineer so they make sure all the appropriate language is included in that agreement. Hopefully they will be picked up on March 10 and they will be able to work with the District to pull that information together.

These are the next steps after those two steps to get approval from DPH to go into the final design. They are anticipating that the project will be designed through all of next year. They will go out to bid for a spring construction next year. Mr. Adelsberger asked if there were questions or concerns.

Chairman Rukowicz asked if it would be cost effective to try to do two interconnections at once. He asked what the cost would be. Mr. Palmieri replied that would be determined by the engineering study. Mr. Adelsberger added that it would be determined

in the preliminary engineering study. Whoever the engineering firm is they are going to have to look at the hydraulics of each of the systems to make sure Cromwell can get the water it needs. They will need as many interconnections as necessary to get the maximum day demand. The cost will be assessed during the preliminary engineering report. They will be looking at the hydraulic conditions and that will determine what they will need to pump.

Commissioner Epstein asked if the work the District has to do on its tank comes under the work with the interconnection project. He wanted to know if there was State funding to assist with the work to be done on the tank. Chuck replied this project is more of a phased in approach on that. The tank cannot be taken off line to make any repairs until you have a redundant supply. Julius and Joe brought that point up during the process before Chuck got involved with DPH. DPH suggested it would be a two phased approach where they understand you can't take the tank off line without having those emergency interconnections so they suggested doing the emergency interconnections first making sure they are operational and working fine as a subsequent phase to that to be able to take the tank off line and do the necessary rehab and repairs to it as the second phase. That would probably happen in the following year. That way the tank could be taken off line to do what needed to be done for it.

Commissioner Donohue had a question about the three connections. He asked if Rocky Hill would be cheaper because of the downhill runs rather than lateral pumps. Chuck stated that it was a good point, and it would be least expensive. The problem is that it would not provide all the flow that is needed. The most flow to get is from Middletown but that will have to be pumped. The least would come out of Berlin. They will be able to confirm exactly what each site has for flow from the preliminary engineering report. Chuck gave the MGD (million gallons per day) for each site. Rocky Hill is 1.3 MGD, Middletown is 3.04 MGD and Berlin is 1million. Commissioner Epstein noted that MDC might be most expensive at price per gallon. Chuck stated that is correct. Mr. Adelsberger suggested that the Committee look at the flow but also be impacted by the pricing. Mr. Palmieri added that this will open the door especially for Middletown for future possibility of sales of water to Middletown and Durham. Cromwell will be able to serve Middletown and Berlin by gravity. Chuck knows that Berlin would welcome an additional supply of water from Cromwell.

The Chairman asked that Committee members review the minutes from this meeting when they are available, and keep the valuable information available for future reference.

- B. 2021/2022 Budget Discussion. The Executive Director wanted to have an opportunity with this Committee to discuss budget issues. This is the time to begin budget talks and submit budget requests. He asked the Committee if there were any items they thought that the Executive Director and Mr. Palmieri should focus on. There are a few things they already have on a wish list. Other than the special truck, he asked if there were any other items they would want them to review, analyze and get more information or numbers on so that when they present the budget to the Executive Committee, it meets the needs of the Committee.

Commissioner Epstein thought it was the items they are discussing in this meeting which are the important items besides infrastructure. What he thinks will be needed is taking the tank off line and repair it, at whatever cost that is. However, the Committee already knows the tank cannot be taken off line unless the District knows they have water

available if something goes wrong to back them unless they install flow adapters. He thinks those are the most important issues over the next three years. He also noted that the Town keeps building which means more demand for water and more demand for hydrant water. The Water Division needs to make sure we have that covered. Even though it will be more in sales, it is also more in cost of operation.

Commissioner Donohue stated that between Mr. Palmieri and the Executive Director, they know what is needed. They advise the Committee what they need. He has seen the Water Department in operation and knows that whatever is needed, he has seen firsthand that they need what they say they need. He agreed there are a lot of new things coming to Town, and it seems a lot may come all at once because they are in proposal. He puts his trust in what Mr. Palmieri and the Executive Director request.

Mr. Palmieri reported that they have been working on their budget. Donna has been doing some good work working on the budget. He will prepare a list to meeting with Julius and review everything requested.

Chairman Rukowicz discussed the phases of the emergency interconnection project. He reviewed that there will be a phase I, a phase II and possibly a III. The first phase will be the connections. He liked the timeframe which will probably have a start date of next year at this time. That has to be done. Financing has to be done. The following year they will focus on the new tank. That will be able to be done because they will have emergency backup water sources. Everything is finally falling into place. He agreed that the Town is growing and the capacity for water will increase.

The Executive Director discussed some things he planned to put into the budget cycle for the Water Department. Based on some analysis on what the District compensates the Water Department staff, they are not overcompensating that group compared with local smaller water companies. The Committee will see a program of not just dealing with the standard annual COLA's but he thinks it is important to evaluate and do serious thinking about a gradual plan over the next couple of years to integrate small bumps to the Water staff's baseline salary. They still have one open position. They have that open position because of making a conscious decision to save it as a way to control cost but also to be competitive they need to look at the present salary structure. Mr. Neto plans to have a program to present to the Committee and the Water Department because they are finding that a utility person, a laborer or an individual that operates equipment in a non-union environment, is usually on the low end of salary groups. He did not have any numbers, but wanted to explain the concept because he thinks its important. The Water Department is evolving. They are being required by the Dept. of Public Safety and FEMA and Homeland Security to keep the utility in an effective, secure environment. That requires ongoing oversight to protect the franchise. With that comes training of staff to take over responsibilities that can't be done just by one person. This opens up Joe's time to do more management things vs. physical boots on the ground or boots in the hole type of thing. If the staff is going to be kicking up their responsibilities a notch or two, there should be some financial recognition. Mr. Neto reported that they have a great small team. They are the unsung heroes that get it done every day. He wanted to let the group know there will be something in the budget identifying this need.

Commissioner Rukowicz asked if the Foreman position was still in the Water budget. Mr. Palmieri stated they never established anything for the foreman position. All they have is the open operator's position. Commissioner Rukowicz asked if they are going to

have one. Mr. Palmieri replied that eventually there will be one. Commissioner Rukowicz thinks it is an important position to bring back.

Commissioner Epstein wanted to know the cost to consumers for water compared to Middletown, MDC or Berlin. Mr. Neto had a chart he distributed comparing area towns. A copy is attached to the minutes on file in the Fire District Office. Mr. Neto explained the chart. The towns included were Portland, Middletown, Berlin and CT Water. Cromwell is next to the lowest in terms of rates. Kensington Fire District is the lowest. The cost was calculated per 1,000 gallons of water.

- C. Discussion of Future Possibility of Water Rate Increase. Chairman Rukowicz began by saying that he had asked the Executive Director when the last time was that Cromwell had an increase in water rates. It was at least 12 years ago. So many other consumable goods have gone up in price since then, but the water rates remained the same. The other question he asked was for every penny the rate goes up, what does it generate for revenue. Mr. Neto was not able to get that information because Mr. Alibrio has still been out. He is home due to the present COVID environment. Part of the reason for this item is to start these types of discussions to try to understand what information the Committee needs from the Water staff to start to think about the need for a water rate increase.

Mr. Neto advised that there is a need for a water rate increase. There are a lot of infrastructure costs on the horizon. He suggested there be two approaches. He will be working with the Chair to have another meeting before the next quarterly meeting. The first approach would be a serious analysis and review about increasing the water rates. The District needs to be fair and equitable, but they also need to be very realistic since the last time there was an increase was 12 years ago. The District's costs have increased the infrastructure needs. The District has done some improvements but there are a lot of big ticket items.

The other approach is serious commitment to collections. The District had been less aggressive in this approach because of the COVID issues. There is a lot of money out there that needs to be collected. The District needs to come up with a plan on how to collect that. Mr. Neto estimates there is at least \$250,000 out there that needs to be collected. Both of these strategies will shore up the District's financials. They have a fiduciary responsibility to protect and maintain the distribution system. Up until this point the water customers may not appreciate the level of service or quality of the water at a low price. The District will need to start educating the customers as well. Mr. Neto thinks the District needs to have a serious assessment of rates. Mr. Neto is going to need to rely on Mr. Alibrio to do the deep analysis. Mr. Neto would like to get that information to the committee at a special meeting between now and before the budget is finalized.

Chairman Rukowicz suggested that this discussion be tabled until the analysis information is received. He would like to have more specifics on if the rates go up how much revenue it will generate instead of just guessing. He wants to know what the average cost for water is and if the rates increase, how much of an impact that will be. He thinks that an increase is needed since there has not been one in so long, and he does not think there will be much resistance from the Town's people.

Commissioner Epstein wanted to know what we would do today if something happens to the water supply. The plans for the emergency interconnection will not be implemented

for two years. What do we do in the interim. Do we run emergency pipes along the side? Do we have an emergency plan like that and what would it cost to implement. There is a fire hydrant to the north of us. Mr. Neto noted that in the worst case, we can put an engine there with a 5 inch and create a ramp so people can still use County Line. That same situation can be set up with Berlin and/or Middletown. That does not solve the problem but gets some water to Cromwell in a quick way. The other option for drinking water is bring in truckloads of bottled water and come up with a distribution system. Cromwell would need to see what resources they would need on a temporary basis while the problem is being corrected. There would be funds available to correct any issues even though it is not budgeted. The emergency funds on the Fire side are the General Fund. The emergency funds for the Water side are the Water Enterprise Fund. The Water Enterprise Fund and General Fund are to be used for emergencies. By design they need to have enough funds to operate for 6 or 7 months on the Fire side and up to a year on the Water side. Commissioner Donohue agreed that there needs to be some public education on the topic of increasing water rates. The Chairman suggested scheduling another meeting within the next month to set an increase. The next billing cycle should include a letter identifying the increase and the reasons why. The Executive Director asked the Committee if there were any other information points they wanted to include on the agenda of the next special meeting. Mr. Neto suggested a percentage increase based on 1,000 gallons.

Another topic for discussion are water company fees. Over the last 12 years the salaries have increased for the Water staff but the fees for the services the water division provides to the public have not. If any of the Committee members have any further questions or concerns after this meeting, they were advised to call or email the Executive Director.

- V. Commissioners' Comments. There were no Commissioners' comments to report.
- VI. Adjournment. There being no further business, a motion was made by Commissioner Epstein, seconded by Commissioner Donohue and unanimously approved to adjourn the meeting at 6:02 PM.

Respectfully submitted,


Roger Rukowicz, Chairman

Nancy Deegan
Recording Secretary
3-11-21