

**APPROVED**

6/18/24

PUBLIC UTILITIES COMMISSION

TOWN OF WALLINGFORD

45 SOUTH MAIN STREET

ROOM 315

WALLINGFORD, CT 06492

Tuesday, May 21, 2024

6:00 P.M.

**MINUTES**

**PRESENT:** Chairman Robert Beaumont; Commissioners Joel Rinebold and Laurence Zabrowski; Director Richard Hendershot; Electric Division General Manager Jake Arborio; Electric Division Business Office Manager Marianne Dill; Water and Sewer Divisions General Manager Neil Amwake; Water and Sewer Divisions Business Manager Donald Langenauer and Acting Recording Secretary Michelle Bracale

*Absent – None*

*Members of the Public – None*

Mr. Beaumont called the Meeting to order at 6:00 P.M., and the pledge of Allegiance was recited.

**1. Pledge of Allegiance**

**2. Consent Agenda**

- a. Consider and Approve Meeting Minutes of April 16, 2024
- b. Consider and Approve Budget Amendment – Sewer Division – FY 2023/2024 – Pumping Expenses

**Motion to Approve the Consent Agenda**

**Made by: Mr. Rinebold**

**Seconded by: Mr. Zabrowski**

**Votes: 3 ayes**

42 **3. Items Removed from Consent Agenda**

43  
44 **None**

45  
46  
47  
48 **4. Discussion and Action: Approval of the Director's Report for the Month of April**  
49 **2024**

50  
51 Mr. Amwake reviewed the Wastewater Division metrics and stated that at the WPCF, the  
52 average daily flow during April was 7.83 MGD. This is a 59.42% increase from April of 2023.  
53 The rolling 12-month average daily flow was 6.15 MGD, which is below the 90% permit  
54 threshold of 7.2 MGD. This is expected to decrease. There is high groundwater level which will  
55 continue to drop through the summer. Nitrogen discharge at the WWTP averaged 694 pounds  
56 per day, compared to 334 pounds per day during April 2023. The current permit level is 269  
57 pounds per day. The Nitrogen Project was completed in circa 2005. At the time, the direction  
58 from the former General Manager was to spend the least amount on expenses, and for that the  
59 Sewer Division pays more in annual Nitrogen credits. The biological Nitrogen process is best  
60 suited at wastewater flows less than 6 MGD. The average for the Wallingford WPCF is  
61 between 5.1 to 5.5 MGD. From a long term cost perspective, the Sewer Division is still in a  
62 better position than other wastewater treatment plants that allocated millions of dollars into  
63 nitrogen removal capital projects and are now seeing annual credit refunds in the five figures.  
64 Seasonal Phosphorus removal began in April. Average daily discharge was 9.33 pounds per day,  
65 slightly over the seasonal permit limit of 8.95 pounds per day. Some of the reasons for the  
66 overage is the high rain fall and lack of staffing.

67  
68 There was further discussion in regards to the nitrogen and phosphorus increases.

69  
70 Mr. Beaumont referenced Item No. 4-18 concerning the Electric Division regarding job postings  
71 for one System Operator and one Apprentice Lineman and questioned that the position was  
72 posted and came down on March 19, 2024 and there is still no list of candidates?

73  
74 Mr. Arborio stated that is correct. The fully qualified Lineman position did not have any  
75 candidates. The Apprentice Lineman position is currently in the interview stages. Interviews  
76 should be concluded by the end of the week. The System Operator is testing on May 21, 2024.

77  
78 **Motion to Approve the Director's Report for the Month of April 2024**

79  
80 **Made by: Mr. Rinebold**

81 **Seconded by: Mr. Zabrowski**

82 **Votes: 3 ayes**

83  
84  
85  
86 **Public Question and Answer Period**

87

88 None - No Members Present

89

90 **Public Question and Answer Period Closed**

91

92

93

94 **5. Discussion and Possible Action: Budget Amendment – Electric Division – FY**  
95 **2023/2024 – Acct. 431 – Other Interest Expense Customer Deposits**

96

97 Ms. Dill stated that this is a budget amendment that will allow the WED to increase the budget  
98 for interest expenses on customer deposits which is an expense account. The other side of the  
99 amendment is an increase to interest revenue. WED staff has estimated that the total interest  
100 expense earned on customer accounts for Fiscal 2023-2024 will be \$232,000.00. The WED had  
101 budgeted \$116,716.00. Based upon guidance that the WED received from the Finance  
102 Department at the time the budget was prepared (January 2023), the WED staff used an interest  
103 rate of 3.00% to calculate the interest expense on customer deposits. By the time the budget year  
104 commenced, the published interest rate based on the 13-week Treasury rate was 5.315%. Funds  
105 are available for this amendment in the Interest Revenue account therefore the WED is  
106 increasing both the Interest Expense budget and the Interest Revenue budget by the same  
107 amount.

108

109 Mr. Rinebold questioned if this will go back to the customers?

110

111 Ms. Dill stated yes the interest will go back to the customers.

112

113 Mr. Zabrowski questioned how often can this be adjusted?

114

115 Ms. Dill stated that the interest rate paid on the deposits can be adjusted once annually on July  
116 1<sup>st</sup>.

117

118 **Motion to Approve the Budget Amendment in the amount of \$115,284.00 to increase both**  
119 **the Interest & Dividend Income – Acct. 4190 (a Revenue Account) and the Interest Expense**  
120 **Customer Deposits – Acct. 431 (an Expense Account) per the memo dated May 9, 2024**

121

122 **Made by: Mr. Zabrowski**

123 **Seconded by: Mr. Rinebold**

124 **Votes: 3 ayes**

125

126

127

128 **6. Discussion and Possible Action: Budget Amendment – Electric Division – FY.**  
129 **2023/2024 –Acct 909 – Conservation Expense**

130

131 Ms. Dill stated that this is a request for a budget amendment appropriating \$100,000.00 from  
132 retained earnings into account #909 – Energy Conservation Expense for the current fiscal year.  
133 The State of Connecticut participates in the Regional Greenhouse Gas Initiatives (RGGI)



134 program. The Wallingford Electric Division is a recipient of funds received by Connecticut  
135 through quarterly auctions. These proceeds are used to fund the WED's Energy Conservation  
136 programs. The amount allocated to the WED is recognized as revenue in the year it is received.  
137 Each year, the expenditure of those funds for energy conservation purposes is budgeted under  
138 account # 909 in an amount equal to the estimated collections. If the WED does not expend the  
139 amount budgeted in account # 909 within a given year, the unexpended balance becomes  
140 retained earnings, but remains segregated as Energy Conservation (RGGI) Funds and may only  
141 be used for those purposes. This year the WED used approximately \$90,000.00 in RGGI funds to  
142 support HES energy use assessments and weatherization of 126 apartments for the Wallingford  
143 Housing Authority at Ulbrich Heights performed by the WED vendor, CMC. This unbudgeted  
144 program was in addition to the regular programs.

145  
146 Mr. Hendershot stated that the RGGI funds that the WED receives can be spent anyway one  
147 wishes as a receiving entity. It does not matter what source of heating a customer uses i.e. gas,  
148 oil or electric. Monies being collected from Electric sales are not being used to lower a  
149 customer's gas or oil bill.

150  
151 **Motion to Approve the Budget Amendment in the amount of \$100,000.00 from Retained**  
152 **Earnings to Acct. 909 – Conservation Expense**

153  
154 **Made by: Mr. Rinebold**

155 **Seconded by: Mr. Zabrowski**

156 **Votes: 3 ayes**

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160 **7. Discussion and Possible Action: Budget Appropriation – Electric Division – FY**  
161 **2023/2024 – Acct. 598 – Distribution Maintenance – Misc.**  
162 **Distribution/Environmental**

163

164 Mr. Arborio stated that this is a request for a Budget Appropriation to account #40100598 –  
165 Distribution Maintenance – Misc. Distribution/Environmental in the amount of \$40,000.00. This  
166 account includes expenses incurred by the Electric Division for spill response and remediation,  
167 transformer oil testing and disposal. Earlier this fiscal year, the account was impacted by  
168 unforeseen costs incurred at two separate sites in connection with the December, 2023 storm. In  
169 February, 2024 a budget appropriation of \$60,000.00 was approved to fund the initial costs to  
170 provide spill response and remediation to the two sites. As a result of the spill, the driveway at  
171 one of the two sites required replacement. The driveway replacement could not be accomplished  
172 before Spring, as the asphalt plants were closed for the season. Now that the plants have opened  
173 for the 2024 season, the spill response and remediation contractor retained by the WED has  
174 provided the WED with a proposal to complete the work. The proposal for the driveway work  
175 plus a contingency necessitates this request for an additional \$40,000.00.

176

177 **Motion to Approve the Budget Appropriation in the amount of \$40,000.00 from Retained**  
178 **Earnings to Acct. 598 – Distribution Maintenance – Misc. Distribution/Environmental**

179

180 **Made by: Mr. Rinebold**  
181 **Seconded by: Mr. Zabrowski**  
182 **Votes: 3 ayes**

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186 **8. Discussion and Possible Action: Budget Amendment – Water Division – FY**  
187 **2023/2024 – Write-Off Uncollectible Accounts**  
188

189 Mr. Amwake stated that this is a budget amendment for the Water Division. In accordance with  
190 Generally Accepted Accounting Principles (GAAP) and at the direction of the Department of  
191 Law, the WWD is requesting PUC approval to write-off an outstanding water interest charge in  
192 the amount of \$1,327.44 resulting from a foreclosure matter involving delinquent real estate  
193 taxes and water charges. As part of the foreclosure matter, the principal water charges of  
194 \$3,799.50 were paid in full, a partial interest payment of \$2,455.18 was made leaving an  
195 outstanding water interest balance of \$1,327.44 as noted above, and the water lien fees of  
196 \$1,038.59 were paid in full.

197

198 For reference, the principal real estate taxes were paid in full, a partial payment was applied  
199 towards interest for the real estate taxes, and the real estate lien fees were paid in full. . Funds for  
200 this purpose will be made available to the operating budget through a corresponding increase to  
201 the Appropriation from Cash in the Source of Funds section of the Water Division budget.

202

203 **Motion to Approve the Budget Amendment in the amount of \$1,327.44 from Retained**  
204 **Earnings to Acct. 43100904 – Write-Off Uncollectable Accounts**

205

206 **Made by: Mr. Rinebold**  
207 **Seconded by: Mr. Zabrowski**  
208 **Votes: 3 ayes**

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212 **9. Discussion and Possible Action: Continuation of Water & Sewer Divisions Town**  
213 **Center Zone Economic Development Program – Reduced Units of Connection**  
214

214

215 Mr. Amwake stated that the Water and Sewer Divisions were previously approached by Tim  
216 Ryan, former Economic Development Specialist for the Town of Wallingford, with regards to  
217 creating an economic development program within the adopted Town Center Zone as established  
218 by the Wallingford Planning and Zoning Commission at their August 13, 2018 meeting by  
219 unanimous approval. The intent for the continuation of the Water and Sewer Divisions Town  
220 Center Zone Economic Development Program is to offer a protocol for discounted units of  
221 connection for water and sewer service for commercial and mixed-use properties located within  
222 the Town Center Zone that require an increase in the size or number of water meter(s) for  
223 development, redevelopment or renovation. This program has been in place for six years. The  
224 Water and Sewer Division is requesting that the PUC approve the continuation of Water and

225 Sewer Divisions Town Center Zone Economic Development Program for the period July 1, 2024  
226 to June 30, 2028. There are no changes being made to the program other than updating the dates.  
227 This is a great way to support economic development in Town.

228

229 Mr. Rinebold stated that this is a good program.

230

231 **Motion to Approve the Continuation of Water & Sewer Divisions Town Center Zone**  
232 **Economic Development Program – Reduced Units of Connection for the Period of July 1,**  
233 **2024 to June 30, 2028**

234

235 **Made by: Mr. Zabrowski**

236 **Seconded by: Mr. Rinebold**

237 **Votes: 3 ayes**

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240

241 **Correspondence**

242

243 Mr. Hendershot referenced the memorandum dated May 15, 2024 from Mr. Amwake in regards  
244 to the Regional Water Authority's (RWA) PipeSafe Program and stated that RWA is looking for  
245 a business partner to help the RWA sell their insurance program. The plan is to provide the PUC  
246 with the PowerPoint presentation concerning the PipeSafe Program to review and then if needed  
247 have a discussion concerning the information provided at the June 4, 2024 PUC meeting.

248

249 The PUC agreed they were not interested in participating in the PipeSafe program as a partner  
250 with RWA at this time.

251

252

253

254 **ADJOURNMENT**

255

256 **Motion to Adjourn**

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258 **Made by: Mr. Zabrowski**

259 **Seconded by: Mr. Rinebold**

260 **Votes: 3 ayes**

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262 The meeting was adjourned at approximately 6:52 p.m.

263

264 Respectfully submitted,

265

266 

267 Michelle Bracale

268 Acting Recording Secretary

269

Respectfully submitted,



Laurence J. Zabrowski  
Secretary