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TOWN OF WALLINGFORD, CONNECTICUT

SPECIAL TOWN COUNCIL MEETING

Robert F. Parisi Council Chambers

THURSDAY

APRIL 14, 2022

6:30 P.M.

FY 2022-2023 BUDGET

MINUTES

The Special Town Council Meeting on Thursday, April 14, 2022 was called to order at 6:31 p.m. There was a moment of silence and the Pledge of Allegiance was said. Councilors in attendance were Autumn Allinson, Samuel Carmody, Craig Fishbein, Thomas Laffin, Christina Tatta and Chairman Vincent Cervoni. Councilors Marrone, Testa and Zandri were absent. Mayor William W. Dickinson, Jr., and Comptroller Tim Sena were also present.

1. Moment of Silence
2. Pledge of Allegiance and Roll Call
3. FY 2022-2023 BUDGET

PUBLIC UTILITIES COMMISSION

There were no questions.

ELECTRIC DIVISION

*In Attendance: Richard Hendershot, Director, PUC
Tony Buccheri, General Manager, Electric Division
Marianne Dill, Business Office Manager*

Mr. Buccheri presented the budget.

There was discussion about salaries, pole attachments, fees and taxes.

Councilor Tatta inquired about Line 920 on Page 69 and stated salaries went down.

Councilor Fishbein inquired about Line 454 on Page 67 and the decrease from the prior year. Mr. Buccheri stated pole attachments are done by a third party. Councilor Fishbein asked why we're at 10 % and Mr. Buccheri stated it's a matter of when it gets billed. Councilor Fishbein inquired if it's a benefit to get paid sooner and Mr. Hendershot said we would have to revisit agreements.

The Mayor stated its' 0.2% against total revenue and Mr. Sena stated it's less than 1% of total revenue.

Councilor Allinson wanted to remind the public that if we were to bill on something administrative costs are high. Councilor Laffin agreed with Councilor Allinson.

Councilor Carmody asked about potential for power shortages or rotating power emergencies. Mr. Buccheri stated we do have plans in place for that and have attended recent conferences.

Councilor Carmody inquired about energy efficiency and green energy. Mr. Buccheri stated we have a program - home energy audits, lighting upgrades and HVAC upgrades. He also stated we are looking at other opportunities. Councilor Carmody then asked if we know how much folks have saved.

Chairman Cervoni spoke about his new old house and noted that his energy audit and sealed doorways mad a difference – about 20 to 25%. He also stated he replaced 60 light bulbs.

WATER DIVISION

In Attendance: Neil Amwake, General Manager, Water and Sewer Division

See attached statements from Mr. Amwake.

SEWER DIVISION

See attached statements from Mr. Amwake.

Jared Liu, Curtis Avenue, inquired about water mains on Ivy/Parson streets and what's happening there. Mr. Amwake stated we use a matrix system to decide based on age and material of pipe and acidity of soil and noted the water division is committed to replacing water mains every year. There was detailed discussion between Mr. Liu and Mr. Amwake about phosphorous.

Mr. Liu inquired about supply chain worries. Mr. Amwake stated we look at that on a daily and weekly basis.

FINANCE

In Attendance: Tim Sena, Comptroller

Mr. Sena gave an update on the budget and mentioned they are almost back to full staff.

There was discussion with Councilors and Mr. Sena.

Councilor Carmody pointed out how direct deposit for payroll would be more sufficient and less costly in terms of efficiency. The Mayor stated we are opened to it and all bargaining units must agree with it. Everyone would need to be on board with being paid biweekly. He noted most are allowing it but several have not agreed to it. The Mayor also stated four different pay weeks is a

difficult situation. Mr. Sena stated it is impossible to implement direct deposit because payroll would have to be ready two days in advance.

Councilor Tatta had questions about microfilming and stated that terminology seems antiquated. The Mayor stated microfilm or paper is the only thing accepted by the state all other mediums degrade and won't last as archival record. Mr. Sena stated seven years after an audit is complete we dispose of it.

Councilor Fishbein inquired about making pension direct deposit. The Mayor stated it has to be uniform and many people don't have a bank account. Mr. Sena stated pensions are done monthly.

Councilor Laffin said it's a logistics thing we might not understand it but some people might want a weekly paper paycheck.

Councilor Carmody stated ten years ago people complained about not getting direct deposit and remarked it seem antiquated. He went on to say the state has a huge number of bargaining units and they figured it out. The Mayor said they can pass a state law and then we are forced to negotiate it.

CAPITAL APPROPRIATION RESERVE

Chairman Cervoni, Councilor Fishbein and Mr. Sena discuss lines on page 81.

DEBT SERVICES

Councilor Fishbein inquired about Line 8582 and stated there is nothing expended in that line. Mr. Sena said we will transfer out and true up and that will happen before year end. Councilor Fishbein asked how much and Mr. Sena replied not much from one line to another.

**MOTION TO ADJOURN
MADE BY: TATTA
SECONDED BY: ALLINSON
VOTE: ALL AYE
MOTION PASSED**

The meeting was adjourned at 8:50 P.M.

Respectfully submitted,

Lisa Moss
Council Staff
Meeting digitally recorded

Vincent Cervoni, Chairman

24 May 2022
Date

Deborah McKiernan, Town Clerk

Date

RECEIVED FOR RECORD 4 18 22
AT 3:00 P.M. AND RECEIVED BY
Deborah McKiernan TOWN CLERK



**WATER AND SEWER DIVISIONS
DEPARTMENT OF PUBLIC UTILITIES**

Town of Wallingford
377 South Cherry Street
Wallingford, Connecticut 06492
Telephone: 203-949-2660

Talking Points

Budget Workshop with the Town Council

April 14, 2022

Water Division

Revenue

- ✓ • The water consumption rate remains unchanged since June 1, 2015 at \$4.09 per ccf (one hundred cubic feet).
- ✓ • The Water Division Basic Service Fees remain unchanged since June 1, 2007.
- ✓ • Billed consumption continues on a downward trend at -2.68% between FY21-22 and FY22-23.
 - One cellular company at the Westside Tank has terminated their agreement with the Town and removed their equipment as of January 30, 2022.
 - (\$60,216); -64.18%

Operating Expenses

- ✓ • The FY22-23 Water Division budget includes retroactive wage increases for FY21-22 [+1.95%] and negotiated wage increases for FY22-23 [+1.95%] for Water Operations staff.
- ✓ • In addition, the budget includes retroactive salary increases for CY21 [+1.95%] and negotiated salary increases for CY22 [+1.95%] and CY23 [+1.95%] for management employees.

- As a reminder the FY21-22 budget included no wage or salary increases other than step or merit increases.

- ✓ ● **641** – Water Division staff continues to monitor chemical prices, specifically unit costs [versus an increase in chemical use], as well as supply and delivery logistics, particularly for Aluminum Sulfate.
- ✓ ● **673, 675 and 677** – The operating budget includes funding to repair water main, water service and hydrant leaks discovered during the upcoming leak detection survey.
 - The benchmark for the leak detection survey is less than 15% unaccounted for water losses.
- ✓ ● **923** – The FY22-23 budget includes funding for regulatory dam inspections at MacKenzie Reservoir Dam, Ulbrich Reservoir Dam and the Pistapaug Dam (\$6,600) as well as \$85,000 for a financial forecast and rate study for the Water Division.
- 928 – The DPH Safe Drinking Water has been (temporarily) suspended by the State of Connecticut.
 - (\$25,250); -100.00%
 - 403 – An increase in depreciation expense of \$172,697; +8.94%.

Capital Projects

- 321 – Funding across two fiscal years for a replacement generator at the Sunrise Circle PS with a total budget of \$135,000.
- ✓ ● **325** – An increased focus on proactive preventative maintenance items at the Pistapaug WTP and raw water pump stations which are 29+ years old.
 - MacKenzie Raw Water Pump at \$43,000
 - Ulbrich Raw Water Pump at \$36,000
- 332 – Replacement of the backwash recycle flow control system at \$25,000 (see above).

- 342 – Tank Painting Project
 - Additional funding of \$509,000 to undertake exterior and interior painting, and structural improvements at the Masonic Tank based on a revised and updated cost estimate.
 - Total funding is \$1,184,000.
 - Additional funding of \$181,000 to undertake exterior painting at the Westside Tank based on a revised and updated cost estimate.
 - Total funding is \$252,000.
- ✓ ● 343 - Ivy and Parsons Streets Water Main Replacement at \$576,000 (Water Main Replacement Contract No. 38.1)
 - Funding to replace approximately 700 linear feet of 8-inch water main along Ivy Street and approximately 550 linear feet of 8-inch water main along Parsons Street.
 - Please note that funding of \$565,000 for Water Main Replacement Contract No. 38.2 is scheduled for FY23-24.
 - Contract No. 38.2 includes funding to replace approximately 830 LF of 8-inch water main along Grove Street and approximately 640 linear feet of 8-inch water main along Jefferson Avenue.
 - The intent is to bid and construct Contract 38.1 and 38.2 as one contract in late FY23-24.
- ✓ ● 346 – The Public Utilities Commission at their February 1, 2022 meeting approved a budget amendment in the amount of \$131,036 so the WWD could place an order for water meters as soon as possible due to the approximate nine (9) month lead time for meter delivery after placing an order. This FY21-22 approved budget amendment therefore directly reduced the WWD’s appropriation request for FY22-23 capital budget.
- 396 – Funding of \$70,000 in FY22-23 and funding of \$70,000 in FY23-24 to purchase a new backhoe and loader utilized by the

Distribution Crew on a daily basis. The existing backhoe and loader is 30 years old.

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DEPARTMENT OF PUBLIC UTILITIES**

Town of Wallingford
377 South Cherry Street
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Talking Points

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Sewer Division

Revenue

- ✓ • Increase of sewer rates for bills rendered on or after July 1, 2022 as adopted by the Public Utilities Commission on July 21, 2022
 - Usage charge increases from \$6.24 to \$7.02 per ccf
 - The Basic Service Fee (BSF) increases from \$24.28 to \$25.34 per quarter for 5/8-inch meter customers (95.73% of all customers).
 - The amount of increase for median usage for a 5/8-inch residential customer is equal to \$10.32 per quarter.
- ✓ • Billed usage continues on a downward trend at -2.72% between FY21-22 and FY22-23.

Operating Expenses

- ✓ • The FY22-23 Sewer Division budget includes retroactive wage increases for FY19-20 [+2.00%], FY20-21 [+1.90%] and FY21-22 [+1.85%]. The current CBA expires June 30, 2022 so no future wage increases are reflected in the FY22-23 Sewer Division budget for sewer operations or clerical staff.

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- ✓ ● In addition, the budget includes retroactive salary increases for CY21 [+1.95%] and negotiated salary increases for CY22 [+1.95%] and CY23 [+1.95%] for management employees.
 - As a reminder the FY21-22 budget included no wage or salary increases other than step or merit increases.
- ✓ ● 641 – Projected additional chemical usage due to the new tertiary phosphorus treatment process in conjunction with unit cost increases.
- 643 – An increase in natural gas costs (both unit cost and quantity due to new buildings), offset by a decrease in electricity costs due to an overestimation in FY21-22.
- ✓ ● 645 – An increase in sludge transportation and disposal costs due to both an increase in the volume of sludge produced due to the tertiary phosphorus treatment process and in increase in T&D unit costs.
- 652 – Continued focus on preventative maintenance of existing RBC equipment (drives, shafts, bearings and pillow blocks).
- 673 – Please note that FY21-22 funding of \$50,000 for manhole repair and lining has been moved to the Capital Budget.
- 928 – Increase in the cost to purchase nitrogen credits for the CY2021 nitrogen effluent levels.
 - This line item assumes that the cost per nitrogen credit is \$7.14 per credit, the highest rate in the previous ten years.
- 403 – Increase in depreciation expense of \$967,315; +31.72%
- 427 – Increase in interest expense of \$339,110 for the loan portion of the Clean Water Fund (CWF) monies

Capital Projects

- 323 – Funding for a new underground electric service and pad mounted transformer at the Tuttle Avenue PS.
- ✓ • 331 - \$80,000 for upgrades to the existing Primary Settling Tanks to provide ‘food’ (BOD – biological oxygen demand) for nitrogen and phosphorus biological removal processes.
 - This will enable the Wallingford WCPF to make our own ‘food’ versus purchasing a BOD source such as methanol.
 - This is also projected to lower our nitrogen effluent levels and reduce aluminum sulfate usage for tertiary phosphorus treatment.
- 331 – Funding of \$414,000 for design of solids handling improvements as identified in the Facility Plan.
- ✓ • 343 – Collection system lining at \$250,000 and manhole lining and repairs at \$75,000.
- 392 – Jet vac replacement at \$250,000 with a second tranche of \$250,000 proposed in FY23-24.