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APPROVED - June 6, 2023
PUBLIC UTILITIES COMMISSION
WALLINGFORD ELECTRIC DIVISION
100 JOHN STREET
WALLINGFORD, CT 06492

TOWN OF
WALLINGFORD
MAY 22 2023
DEPARTMENT OF
PUBLIC UTILITIES

Tuesday, May 16, 2023

6:30 P.M.

MINUTES

PRESENT: Chairman Robert Beaumont; Commissioners Joel Rinebold (via teleconference) (left meeting at 6:45 p.m.) and Laurence Zabrowski; Director Richard Hendershot; Electric Division Acting 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; Town Attorney Gerald Farrell and Recording Secretary Bernadette Sorbo

Absent – None

Members of the public – Mario Yopez

Mr. Beaumont called the Meeting to order at 6:30 P.M., and the pledge of Allegiance was recited.

1. Pledge of Allegiance

2. Consent Agenda

- a. Consider and Approve Meeting Minutes of May 2, 2023
- b. Consider and Approve Budget Transfer – FY 2022-2023 – Electric – General Plant – Transportation Equipment
- c. Consider and Approve Budget Transfer – FY 2022-2023 – Sewer – Workers Compensation

Motion to Approve the Consent Agenda

Made by: Mr. Zabrowski

Seconded by: Mr. Rinebold

Votes: 3 ayes

1 **DRAFT**

2 PUBLIC UTILITIES COMMISSION
3 WALLINGFORD ELECTRIC DIVISION

4 100 JOHN STREET
5 WALLINGFORD, CT 06492

6 Tuesday, May 16, 2023

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8 **MINUTES**

9
10 **PRESENT:** Chairman Robert Beaumont; Commissioners Joel Rinebold (via teleconference)
11 (left meeting at 6:45 p.m.) and Laurence Zabrowski; Director Richard Hendershot; Electric
12 Division Acting General Manager Jake Arborio; Electric Division Business Office Manager
13 Marianne Dill; Water and Sewer Divisions General Manager Neil Amwake; Water and Sewer
14 Divisions Business Manager Donald Langenauer; Town Attorney Gerald Farrell and Recording
15 Secretary Bernadette Sorbo

16
17 *Absent – None*

18
19 *Members of the public – Mario Yopez*

20
21 Mr. Beaumont called the Meeting to order at 6:30 P.M., and the pledge of Allegiance was
22 recited.

23
24 **1. Pledge of Allegiance**

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27
28 **2. Consent Agenda**

- 29
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32 Transportation Equipment
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34 Compensation

35
36 **Motion to Approve the Consent Agenda**

37
38 **Made by: Mr. Zabrowski**

39 **Seconded by: Mr. Rinebold**

40 **Votes: 3 ayes**

TOWN OF
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3. Items Removed from Consent Agenda – None

4. Discussion and Action: Approval of the Director’s Report for the Month of April 2023

Mr. Beaumont referenced Item No. 4-3, Personnel and questioned if the Sewer Division has had any luck with the hiring of Attendants?

Mr. Amwake stated that currently there are still four Attendant vacancies. Interviews have been completed and the Sewer Division is waiting to transmit Conditional Appointment letters. An Authorization of Employment was transmitted to Town Hall regarding hiring a fifth Laborer. The document is in the Mayor’s office for review and consideration.

Mr. Beaumont referenced Item No. 4-17, Reliability Improvement Projects and advised that Ives Street Resiliency Project should read Ives Road Resiliency Project.

Motion to Approve the Director’s Report for the Month of April 2023

Made by: Mr. Zabrowski

Seconded by: Mr. Rinebold

Votes: 3 ayes

5. Discussion and Possible Action: Customer Appeal – High Consumption and Billing – 60 School House Road

Mr. Amwake stated that a thorough review of the customer’s billing and consumption history over the last 10 years revealed a very consistent usage with a range of 400 to 1,700 cf per quarter over the last 5 years. An analysis of such unusual meter consumption of 123,000 cf would be indicative of continuous consumption of 7.02 gallons of water per minute for the entire 91-day billing cycle, which seems quite unlikely. The meter was left in place and the meter went back to the same consumption level. The meter was sent out for testing and the Division found the readings were inconsistent.

Mr. Langenauer recommended that based upon the knowledge and experience of the Water Division, there is strong reason to believe that an anomaly with the meter occurred and therefore recommends that all interest charges be waived and that the customer be billed at an average of his consumption over the previous four billing cycles for the same quarter. This is equivalent to 1,375 cf and a resultant bill of \$169.08.

Mr. Yepez stated that he agrees with the Division on their recommendation.

89 Mr. Rinebold stated that he appreciates the thorough analysis from the staff.
90

91 **Motion to waive the interest charges and bill customer at an average of consumption over**
92 **the previous four (4) billing cycles for the same quarter, which is equivalent to 1,375 cubic**
93 **feet and a resultant bill of \$169.08**
94

95 **Made by: Mr. Rinebold**

96 **Seconded by: Mr. Zabrowski**

97 **Votes: 3 ayes**
98
99
100

101 **6. Discussion and Possible Action: Budget Amendment – FY 2022-2023 – Water**
102 **Division – Pumping Plant – Electric Pumping Equipment**
103

104 Mr. Amwake stated that on Sunday, February 23, 2023 at approximately 2:00 a.m. a vehicle ran
105 into the Center Street Pressure Reducing Vault (PRV) damaging the SCADA communication
106 equipment including the antenna and associated wiring, electrical control box, components,
107 wiring and electrical conduits extending to and up the utility pole, as well as to the existing guard
108 rail. At this time the Center Street PRV is functioning though the WWD has no SCADA
109 communication with the PRV Station. Incidents like these are not budgeted. The current
110 estimate to repair the Center Street PRV Station is approximately \$80,000.00. The plan is for the
111 WWD to appropriate funds for the necessary repairs and then once the repairs are completed to
112 pursue reimbursement of the expenses from the insurance company or the driver of the vehicle
113 that caused the damage to the Center Street PRV Station. The Water Division is requesting PUC
114 approval of a FY 2022-2023 budget amendment to increase Account #43300325 – Pumping
115 Plant – Electric Pumping Equipment by \$80,000.00. Funds for this purpose will be made
116 available to the operating budget through a corresponding increase to the Appropriation from
117 Cash in the Source of Funds section of the Water Division Budget.
118

119 **Motion to Approve the appropriation to increase account #43300325 by \$80,000.00**
120

121 **Made by: Mr. Zabrowski**

122 **Seconded by: Mr. Rinebold**

123 **Votes: 3 ayes**
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127 **Public Question and Answer Period**
128

129 **None – No Members of the Public Present**
130

131 **Public Question and Answer Period Closed**
132
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134

135 **7. Discussion and Possible Action: Waiver of Right of First Refusal concerning a**
136 **re-sale of the Pierce Project**

137
138 Attorney Farrell stated that when Hall Street acquired the lease from CMEEC it had desired that
139 the Town of Wallingford waive the Right of First Refusal. Hall Street purchased approximately
140 37 projects in the United States. This was mostly investment money from Texas A&M and
141 Texas. When the investors thought it was a good time, they would look to sell the assets to make
142 a profit. The investors believed that offering these as a package instead of one at a time would
143 make better sense. The investors also believed it would be hard to seek a buyer if once they
144 negotiated they would then have to wonder if the Town of Wallingford would in fact exercise
145 their Right of First Refusal. A former Commissioner was the only one who thought it may be a
146 good idea to purchase it back at any point. In the original lease agreement CMEEC had to give
147 the Town of Wallingford thirty days' notice that they were out of the project and that Town of
148 Wallingford would not have tenants. Attorney Farrell advised that he does not have any vested
149 interest but believes it is in the benefit of the Town and the Electric Division to waive the First
150 Right of Refusal.

151
152 Mr. Hendershot advised the Town still owns the building and the land. Hall Street owns the
153 machines and the peripherals inside the building. Mr. Hendershot does not believe that there is
154 any risk of loss or lost opportunity in doing what Attorney Farrell has suggested.

155
156 Mr. Beaumont agreed.

157
158 There was further discussion with Attorney Farrell and the PUC in regards to waiving the Right
159 of First Refusal.

160
161 **Motion to Waive the Right of First Refusal concerning a re-sale of the Pierce Project**

162
163 **Made by: Mr. Beaumont**

164 **Seconded by: Mr. Zabrowski**

165 **Votes: 2 ayes**
166
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168

169 **8. Discussion and Possible Action: Agreement concerning the Decommissioning**
170 **Fund and Escrow Agent for MPH AL Pierce, LLC**

171
172 Attorney Farrell stated that the original lease agreement provided that CMEEC would establish a
173 decommissioning fund to bring the Pierce Plant back to how it existed before CMEEC took over
174 the lease hold. After research, CMEEC came up with a sum of \$430,000.00. The Town of
175 Wallingford never questioned this until the Town was looking to sell and assign the lease to Hall
176 Street and noticed this did not look adequate. The original lease agreement stated that it was to
177 be jointly administered by the Town and CMEEC. The Town was never involved with this and
178 questioned where the money was. The funds were moved to a few banks. The decommissioning
179 fund was part of the purchase price with Hall Street.

181 Mr. Hendershot stated that when the Town started digging into this, they found that there is an
182 industry of people who would do the work of decommissioning the facility in exchange for
183 salvage rights to the materials. For example, if Hall Street was done and the Pierce Plant needed
184 to be put back the way it was (an empty shell of the building) there are firms out there that will
185 pay Hall Street to go in and salvage the contents (the project and all of the peripherals).
186

187 Attorney Farrell stated that the banks all wanted to charge large fees and did not want to give
188 interest. In order to move forward with the agreement, he proposed the idea of an escrow agent.
189 Attorney Norman F. Fishbein has agreed to act as escrow agent and he will charge his hourly
190 rate. Attorney Fishbein will take the \$430,000.00 and put the funds in CDs of at least six months
191 in two separate banks. The funds will be held in Connecticut banks. Attorney Fishbein will not
192 release the funds until a written notice of termination is executed jointly by the Landlord and the
193 Tenant.
194

195 **Motion for WED to assign Attorney Norman F. Fishbein to act as escrow agent, condition**
196 **of giving up first right of refusal for facility transfer**
197

198 **Made by: Mr. Zabrowski**

199 **Seconded by: Mr. Beaumont**

200 **Votes: 2 ayes**
201
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204 **9. Discussion and Possible Action: Disconnect/Re-Connect Policy**

205
206 Mr. Hendershot referenced the Residential Service Disconnects and Reconnects for Non-
207 Payment Policy and stated that this was initiated by the previous General Manager, Tony
208 Buccheri. It codifies all of the practices of the Electric Division with regards to residential
209 disconnects and reconnects for non-payment. WED Customer Relations Supervisor Laura
210 Patterson along with Business Office Manager Marianne Dill researched and drafted this policy.
211 Assistant Town Attorney Geoffrey T. Einhorn reviewed the policy. This policy will help staff to
212 be well informed and help to stay consistent on how they the process and how they handle the
213 customers on a day to day basis.
214

215 **Motion to Approve the Residential service disconnects and re-connects for non-payment as**
216 **stated herein**
217

218 **Made by: Mr. Zabrowski**

219 **Seconded by: Mr. Beaumont**

220 **Votes: 2 ayes**
221
222
223

224 **10. Discussion and Possible Action: Rate Increase Deferral FY 2023-2024**

225

226 Mr. Hendershot stated that when the WED was preparing its budget for the upcoming FY it was
227 noticed that the Division was projecting that the WED was going to bring in too much revenue.
228 The recently approved WED Fiscal 2023-2024 budget gives the Division a 6.99% rate of return
229 on investment (ROI). This falls between the statutory minimum ROI of 5.00% and the maximum
230 ROI of 8.00%. If the planned rate change were to be implemented, the budget would have
231 produced an ROI of 9.14%. So that the WED's Fiscal 2024 revenues are properly in line with its
232 Fiscal 2024 budget, the WED requests that the PUC formally take action to authorize the
233 Division to postpone the previously approved rate changes for Fiscal 2024 and 2025 by one year
234 each. Thus, current WED rates would not change until July 1, 2024, at which time the previously
235 planned rate change for Fiscal 2024 would take effect. The previously planned rate change for
236 Fiscal 2025 would also be postponed for one year, until July 1, 2025. Mr. Hendershot noted that
237 the Purchase Power Cost Adjustment (Rate 12) may still increase in July and upcoming January,
238 as these are outside the retail rates.

239
240 The PUC had further discussion with Mr. Zabrowski to give him a better understanding on how
241 the deferral of the Fiscal Year rate changes work.

242
243 **Motion to: Defer the third and fourth period rates which were established and approved**
244 **by the PUC in May, 2021 each for one (1) year**

245
246 **Made by: Mr. Beaumont**

247 **Seconded by: Mr. Zabrowski**

248 **Votes: 2 ayes**

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252 **11. Committee Reports**
253 **a. Workforce Update**
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255 Mr. Hendershot stated that moving forward, he will periodically update the PUC with these
256 reports. It will show as Staffing Update and not Workforce Update. Mr. Hendershot referenced
257 the color keyed chart that highlighted the vacancies for the Water and Sewer Divisions and
258 advised that the utility divisions are in a staffing crisis.

259
260 Mr. Amwake stated that there are currently four Attendant vacancies at the wastewater treatment
261 plant. The Division is working on bringing hiring Laborers in lieu of Attendants since there are
262 limited candidates with wastewater operator certification who are looking to transfer from their
263 current utility. The Laborers will not be on site for another three to four weeks. These candidates
264 will need to give a minimum of two weeks' notice to their current employers. An Authorization
265 of Employment was requested and submitted to the town to bring on a fifth Laborer. This request
266 currently resides with the Mayor.

267
268 Looking at the Maintenance Repair Technicians (MRTs), there should be a staff of five. At this
269 time there are only two active mechanics. There is one vacancy, one MRT is on light duty due to
270 worker's compensation and one MRT is out on medical leave. Looking at the Collections staff as
271 of early July 2023 the Division will be down to two out of four employees. One of the employees

272 will be retiring. The laboratory is fully staffed with the second Laboratory Technician however,
273 Kim Maloney, the Chemist is planning to retire in the fall. The caveat is that without a certified
274 laboratory director, the Water and Sewer Divisions will lose its state accreditation to perform
275 water and wastewater sampling and analyses. The Divisions would then incur direct costs to
276 move significant portions of the analyses out of house.. The current employees in the Division
277 are stressed.

278
279 Mr. Hendershot stated that the employees that are remaining are burnt out. The relief is
280 untrained and unexperienced employees which the stressed employees then have to also train.
281 This is to a certain extent industry wide but should not be used as an excuse.

282
283 There was further discussion in regards to scheduling a workshop to talk about expediting the
284 hiring process, and Utility staffing in general.

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288 **Correspondence**

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292 **ADJOURNMENT**

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294 **Motion to Adjourn**

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296 **Made by: Mr. Zabrowski**
297 **Seconded by: Mr. Beaumont**
298 **Votes: 2 ayes**

300 The meeting was adjourned at approximately 8:18 p.m.

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302 Respectfully submitted,

306 Bernadette Sorbo

308 Recording Secretary

309

Respectfully submitted,

Laurence J. Zabrowski

Secretary