

APPROVED

1/7/25

TOWN OF WALLINGFORD
PUBLIC UTILITIES COMMISSION
WALLINGFORD ELECTRIC DIVISION
100 JOHN STREET
WALLINGFORD, CT 06492
Tuesday, December 17, 2024

6:00 P.M.

MINUTES

PRESENT: Chairman Robert Beaumont; Commissioners Dr. 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, Junior Engineer Abdel Nassiri and Acting Recording Secretary Michelle Bracale

Absent – None

Members of the Public – Bill Comerford

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 November 19, 2024

Motion to Approve the Consent Agenda

Made by: Mr. Zabrowski

Seconded by: Dr. Rinebold

Votes: 3 ayes

3. Items Removed from Consent Agenda

RECEIVED FOR RECORD

AT

4:20 PM

AND RECEIVED BY

Kristen Pango

TOWN CLERK

None

4. Discussion and Action: Approval of the Director's Report for the Month of November 2024

Mr. Amwake referenced the addendum to the Sewer Division General Manager's Report dated December 17, 2024 and noted that at the wastewater treatment plant nitrogen discharge levels averaged 339 pounds per day for November 2024 (74.8% treatment efficiency with an influent nitrogen level of 1,347 pounds per day) versus a discharge of 395 pounds per day in November 2023. This quantity is approximately 70 pounds above the current permit level of 269 pounds per day. The annualized daily average is 547 pounds per day to date. For comparison, the annualized daily average for the period of January through November 2023 was 379 pounds.

Motion to Approve the Director's Report for the Month of November 2024

Made by: Mr. Zabrowski

Seconded by: Dr. Rinebold

Votes: 3 ayes

5. Discussion Only: Inflow and Infiltration Inspection Credit

Mr. Amwake stated that as part of the in-process Wallingford Sewer Division (WSD) financial forecast, retail cost of service and recommended retail rates study and the upcoming FY 2025-26 budget review and adoption process the WSD is asking for feedback from the PUC concerning an Inflow and Infiltration (I&I) Inspection Credit. The impetus for the I&I inspection credit would be to increase the number of inflow and infiltration inspections performed by the Engineering Section, which in turn should identify a greater number of private I&I connections to the sanitary sewer collection system, which will then lead to an increased quantity of private I&I connections being removed or disconnected from the sanitary sewer collection system. The level of effort for the I&I Inspection Program post-Covid (June, 2022 thru November, 2024) is as follows:

	<u>Total Correspondence</u>	<u>Inspections</u>	<u>% of Corresp.</u>
2022	831	259	31.17%
2023	1,708	417	24.41%
2024	1,244	245	19.69%

Mr. Amwake reviewed the draft proposal with the PUC for a \$50.00 I&I Inspection Credit which will be applied as a credit to the ratepayer's bill once an I&I inspection has been completed and the paperwork has been filed. This may take two billing cycles for the credit to be applied. For reference, as of November 30, 2024 the balance of the Inflow and Infiltration Reserve Account is

84 \$1,655,318.75. The I&I Reserve Account is utilized to assist property owners with the cost of
85 private inflow and infiltration removal from the sanitary sewer.

86
87 Mr. Zabrowski questioned what is the projection for 2025?
88

89 Mr. Amwake stated that for the first six months there may be a dip and then the next 6 months
90 there may be an increase if the I&I Inspection Credit is implemented. Mr. Amwake stated that
91 the typical goal would be mid-200 to mid-300 I&I inspections per calendar year.
92

93 Dr. Rinebold stated that he likes this idea and that it is innovative approach as he believes there
94 is a problem with inflow and infiltration.
95

96
97 **Public Question and Answer Period**
98

99 Mr. Comerford requested an update on the surveillance camera attached to the pole from the last
100 PUC meeting.
101

102 Mr. Beaumont stated that it is owned by the Cemetery and it was removed the next day.
103

104 Mr. Comerford questioned why it was installed.
105

106 Mr. Beaumont stated it was installed for security at the Cemetery.
107

108 **Public Question and Answer Period Closed**
109
110
111

112 **6. Discussion Only: Wastewater Treatment Facility Fine Screens Project**
113 **Construction and Construction Administration Funding Options**
114

115 Mr. Amwake stated that bids for Public Bid 24-026: Wallingford Water Pollution Control
116 Facility Fine Screens Addition were opened by the Bureau of Purchases on Thursday December
117 5, 2024 at 2:00 p.m. The original scope of the Water Pollution Control Facility (WPCF)
118 Upgrades Project included the design and construction of fine screens to replace the existing
119 mechanical coarse bar screens in the Screening and Degritting Building (Headworks Building) at
120 the wastewater treatment plant. However, due to budget and schedule concerns with the WPCF
121 Upgrades Project, the fine screens portion of the project was removed during the design process.
122 The design was completed and put out to bid in the open market. Four firms submitted bids as
123 follows:
124

125	Tucker Mechanical (Rocky Hill, CT)	\$4,719,777.00
126	C.H. Nickerson & Co., Inc. (Torrington, CT)	\$5,148,238.00
127	Coppola Services (Ringwood, NJ)	\$5,704,000.00
128	Lawrence Brunoli, Inc. (Farmington, CT)	\$6,403,700.00

129

The goal for the WSD is to request feedback from the PUC regarding funding options for the Fine Screens Project. Based on the feedback received from the PUC the WSD will prepare a Sewer Division FY 2024-25 budget amendment for discussion and possible action by the PUC at the January 7, 2025 PUC meeting. The formal ask for action will then be presented at the Town Council meeting on January 14, 2025. The four funding options are as follows:

- A. Option A – Do not fund the construction-phase of the WPCF Fine Screens Project (the Do-Nothing Approach). The WSD does not support this approach because the fine screens are important for treatment reasons and operational efficiencies.
- B. Option B – Fund 100% of the construction-phase costs utilizing existing Cash Above Minimum Funds. Mr. Amwake provided a detailed spreadsheet to the PUC showing the projection. As of June 30, 2024 the forecasted Cash Above Minimum is equal to \$9,394,360.00.
- C. Option C – Fund 50% of the construction-phase expenses utilizing Cash Above Minimum monies and fund 50% of the construction-phase expenses via bonding. This option would entail utilizing \$2,875,000.00 of existing Cash Above Minimum monies and bonding \$2,875,000.00. Utilizing an interest rate of 3.27% (as provided by the Comptroller's Office) at a 20-year term, the accrued interest equals approximately \$1,045,655.00. Thus, the overall construction-phase costs for Option C would equal \$6,795,655.00.
- D. Option D – Bond 100% of the construction-phase expenses. This option would involve bonding the full estimated construction-phase costs of \$5,750,000.00. Utilizing a bonding rate of 3.27% at a 20-year term, the accrued interest equals approximately \$2,091,309.00 for an overall construction-phase cost of \$7,841,309.00 for principal and interest.

Mr. Zabrowski commented that he likes the way this was laid out and that it was professionally done.

Mr. Amwake noted that the retail rate will be set on February 1, 2025 and he wants to incorporate in the Sewer Division rate model the Fine Screen Project and the I-91 Pump Station Project.

Dr. Rinebold thanked Mr. Amwake and stated that he believes Option A, the do-nothing approach is not a good idea at this point and time and should be eliminated. Dr. Rinebold liked Option B and believes that the WSD should go with the lowest bidder.

Mr. Beaumont commented that this was a great presentation and agreed that Option A is not an option. Mr. Beaumont stated that he believes option C would be a good route.

Mr. Amwake introduced Abdel Nassiri the newly hired Junior Engineer to the PUC.

176 **7. Discussion Only: Energy New England Contract Extension**
177

178 Mr. Hendershot stated that it is his intention to extend the WED's contract with Energy New
179 England for the Energy Portfolio Management and Power Supply Consulting Services unless
180 otherwise directed. Energy New England LLC is the WED's agent within ISO. They handle the
181 daily scheduling, daily settlement and important consulting services when needed. When the
182 current contract was established and executed Energy New England provided pricing for two
183 one-year extension periods. The pricing for this was included in the contract. Mr. Hendershot
184 stated that he is pleased with their work and it is seamless.
185

186 Mr. Zabrowski questioned if there are any substantial changes to the contract?
187

188 Mr. Hendershot stated that this is the contract from three years ago and the numbers included in
189 the contract are the numbers that were included in the contract from three years ago.
190

191 Dr. Rinebold stated that he is in favor of moving forward with this contract.
192

193 There was further discussion in regards to the services provided and pricing options with
194 different companies in the market.
195
196
197

198 **8. Discussion and Possible Action: Energy Initiatives Contract Renewal**
199

200 Mr. Hendershot reviewed the memorandum dated December 17, 2024 along with the proposed
201 new three-year agreement with Craig Kieny's firm, Energy Initiatives, Inc. with the PUC.
202 Energy Initiatives, Inc. is effectively the WED's wholesale power procurement manager that the
203 WED was never able to hire. Mr. Kieny provides important, extra-Division oversight of the
204 Town's conduct of power procurement activities. Interaction with the WED's Energy Portfolio
205 Manager and Wholesale Power Procurement Agent, Energy New England is constant, and WED
206 calls upon Mr. Kieny frequently for his knowledge of the regional wholesale power market. In
207 addition to his role in monthly wholesale power reporting activities, ERMOC meetings and
208 power purchases, Mr. Kieny has provided analysis of the value of block vs. load following
209 energy purchases and has led the PUC and Staff through workshops on wholesale power basics.
210

211 Dr. Rinebold questioned what is the cost of this service on an annual basis?
212

213 Mrs. Dill stated that the cost is roughly on average about \$4,000.00 a month.
214

215 Dr. Rinebold questioned how long is this contract looking to be extended to?
216

217 Mr. Hendershot stated that it is a three-year term. Other than the changes listed below, all
218 components of the extended contract are identical to those in the current contract.
219

- 220 • The extended contract will now be in effect through December 31, 2027

- The hourly billing rates in the extended contract will increase by \$8.50 per hour (4.9%) on January 1, 2025, by \$9.00 per hour (5.0%) on January 1, 2026 and by \$9.50 per hour (5.0%) on January 1, 2027

Motion to Authorize the Director of Public Utilities to extend the contract with Energy Initiatives, Inc. through December 31, 2027 as outlined in the memorandum dated December 17, 2024.

Made by: Dr. Rinebold

Seconded by: Mr. Zabrowski

Votes: 3 ayes

9. Executive Session pursuant to Connecticut General Statutes § 1-225(f), § 1-200, § 1-210(a) and § 7-232a to discuss commercially confidential information regarding power supply contract

Motion was made to move into Executive Session at 7:21 p.m. pursuant to Connecticut General Statutes § 1-225(f), § 1-200, § 1-210(a) and § 7-232a to discuss commercially confidential information regarding power supply contract

Made by: Mr. Zabrowski

Seconded by: Dr. Rinebold

Votes: 3 ayes

Attendance at Executive Session: Chairman Robert Beaumont; Commissioners Dr. Joel Rinebold and Laurence Zabrowski; Director Richard Hendershot; Electric Division General Manager Jake Arborio and Electric Division Business Office Manager Marianne Dill

Time of Executive Session: 7:22 p.m. to 7:42 p.m.

No Action Taken or Votes Held

Committee Reports/Correspondence

None

ADJOURNMENT

Motion to Adjourn

267 **Made by: Mr. Zabrowski**
268 **Seconded by: Dr. Rinebold**
269 **Votes: 3 ayes**

270
271 The meeting was adjourned at approximately 7:43 p.m.
272

273

274 Respectfully submitted,

275

276 *Michelle Bracale*

277

278 Michelle Bracale

279 Acting Recording Secretary

Respectfully submitted,

Laurence Zabrowski/mb

Laurence J. Zabrowski
Secretary