

APPROVED

3/17/26

1
2 **SPECIAL MEETING**
3 **BUDGET WORKSHOP**
4 **PUBLIC UTILITIES COMMISSION**
5 **WALLINGFORD ELECTRIC DIVISION**
6 **100 JOHN STREET**
7 **WALLINGFORD, CT 06492**
8 **Wednesday, February 25, 2026**

9 **2:30 P.M.**

10 **MINUTES**

11
12 **PRESENT:** Chairman Robert Beaumont; Commissioners Dr. Joel Rinebold and Laurence
13 Zabrowski; Director Richard Hendershot; Electric Division General Manager Jake Arborio;
14 Electric Division Business Office Manager Marianne Dill (Mr. Arborio and Ms. Dill both were
15 dismissed after the Electric portion of the workshop); Water and Sewer Divisions General
16 Manager Neil Amwake; Water and Sewer Divisions Business Manager Donald Langenauer;
17 Water and Sewer Divisions Assistant Business Office Manager Scott Cleary and Acting
18 Recording Secretary Michelle Bracale

19
20 *Absent – None*

21
22 *Members of the Public – None*

23
24 Mr. Beaumont called the Meeting to order at 2:30 P.M., and the pledge of Allegiance was
25 recited.

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27 **1. Pledge of Allegiance**

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31 **2. Open Budget Workshop**

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33 **Motion to Open the Budget Workshop at 2:30 p.m.**

34
35 **Made by: Mr. Zabrowski**

36 **Seconded by: Dr. Rinebold**

37 **Votes: 3 ayes**

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41 **3. Discussion: Draft Budget – Public Utilities**

42
43 Ms. Bracale stated that Digital Records Conversion was added to the budget this year because
44 the PUC is required to keep all the PUC minutes permanently. The records that the PUC
45 currently have are just on paper. None of the minutes have been digitalized. Ms. Bracale received
46 a quote for this and spoke with the Bureau of Purchases. The Purchasing Department advised to
47 add 10% to the quote for contingency. The cost with the 10% added is \$8,942.00.

48
49 Dr. Rinebold questioned if this is a state requirement?

50
51 Ms. Bracale responded, yes.

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55 **4. Discussion: Draft Budget – Electric Division**

56
57 Mr. Hendershot noted that on February 24, 2026 the WED received final forecasts values from
58 Energy New England (ENE). The quantities of power to be purchased and sold have just
59 changed therefore the revenues have changed. The WED will get this over to the PUC before the
60 meeting where the budget will need to be voted on. These numbers are not the final figures.

61
62 Mr. Hendershot stated the health insurance and pensions costs will need to be updated as well.

63
64 Mr. Arborio noted that the WED is purchasing two bucket trucks this coming FY. The cost for
65 the replacement of these two trucks and four pick-up trucks is \$1,030,000.00. Over the next
66 couple of fiscal years there will be an increase of vehicle replacements as there was an increased
67 number of vehicles purchased in 2014, 2015 and 2016, and those vehicles are beginning to hit
68 the end of their useful lives.

69
70 Mr. Zabrowski questioned how are the used vehicles are disposed of?

71
72 Mr. Arborio stated that there have been conversations amongst the various departments to
73 discuss how trades would be treated.

74
75 Dr. Rinebold asked for a breakdown of all revenues and expenses.

76
77 Ms. Dill stated that the projected net income (loss) for the year is \$965,503.00. This is a result of
78 all the operating revenues less the WED expenses. The Depreciation Expense is \$4,830,916.00
79 which is noncash. The WED will then use \$728,457.00 from Retained Earnings to purchase the
80 \$6,524,876.00 of assets that were purchased this year.

81
82 Ms. Dill referenced page 6 of the Budget Summary Fiscal Year and stated this breaks down the
83 capital items. The biggest item is the transportation equipment in the amount of \$1,030,000.00.

84
85 Mr. Zabrowski questioned the Transfers out to General Fund is what is paid to Wallingford?

86
87 Mr. Hendershot responded, correct.

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Ms. Dill stated that this account is up by \$12,000.00.
There was further discussion on insurance and FEMA.

5. Discussion: Draft Budget – Water Division

Mr. Amwake stated that the Town’s collective bargaining agreement with the Water Unit (UPSEU 424-16) was signed on November 5, 2024. As such, the FY 2026-2027 WWD budget includes a 2.50% increase for FY 2026-2027 for UPSEU 424-16 members. The Town’s CBA with the Management Unit (UPSEU 424-17) expires on December 31, 2026. As such, the FY 2026-2027 budget includes salary increases for managers for CY 2026 (July 1st – December 31st) and no salary increase for CY 2027 (the second half of the fiscal year from January 1st to June 30th). Contractual merit increases for specific staff are reflected in the proposed budget. The prior collective bargaining agreement between the Town and Teamsters, Local 443 expired on June 30, 2024 and with the current CBA settled on November 13, 2025. As such, the proposed FY 2026-2027 WSD budget includes retroactive wage increases for FY 2024-2025 (market rate increases plus a general wage increase of 2.00%) and FY 2025-2026 (GWI of +2.5%) plus a GWI of 2.5% for FY 2026-2027 for Clerks, the Engineering Aide and the Draftsman. The wages and benefits for the Clerks, Engineering Aide and the Draftsman are split 50% / 50% between the Water Division and the Sewer Division, with wage and benefits expenses then assigned to various accounts in each division’s budget.

Mr. Amwake reviewed the operating revenues and stated that the billed consumption continues on a downward trend (-4.96% between FY 2025-2026 and FY 2026-2027). Metered sales for FY 2026-2027 were computed via a straight-line regression equation based on the previous ten fiscal years (FY 2016-2017 to FY 2025-2026) forecasted forward to FY 2026-2027. Overall revenue from metered sales is only up 1.96%. This is due to the unit costs going up but then the sales consumption going down.

Mr. Amwake listed a few big items shown on the budget.

Mr. Amwake stated that there is proposed funding of \$550,000.00 to install additional gate valves along the existing water mains on North Colony Road to reduce the affected distance of any emergency shutdowns due to water main breaks. A large portion of this cost is for temporary and permanent pavement repair per CT-DOT state roadway requirements and standards.

Mr. Amwake stated that the stand-by generator at the Sunrise Pumpstation is over forty years old and will need to be replaced, including any associated electrical upgrades. This will be funded over two fiscal years: \$100,000.00 in FY 2026-2027 and \$50,000.00 in FY 2027-2028.

Mr. Amwake stated that the HVAC equipment and ductwork will need to be replaced in the filter area of the Pistapaug WTP as it is deteriorating.

133 Mr. Amwake referenced Account 43300332 – Water Treatment Equipment and stated that
134 various equipment upgrades and replacements at the Pistapaug Water Treatment Plant for
135 \$88,200.00.

136
137 Mr. Amwake referenced Account 43300342 – Distribution Reservoirs and Standpipes and stated
138 that there is funding of \$75,000.00 to replace the altitude control valve at the Hillhouse Tank.
139 The altitude valves control the elevation to which the ground storage tank is filled from the
140 Pistapaug Zone.

141
142 Mr. Amwake referenced Account 43100923 – Outside Services Employed and stated there is an
143 increase of \$33,600.00 (+56.00%) for meter reading services performed by the Electric Division.
144 This is based on WED wages and benefits. There is funding of \$55,000.00 for the upcoming
145 Leak Detection Survey. A Leak Detection Survey is required every five years per the WWD's
146 permit. There is additional funding for hydrants, gate valves, water services and associated
147 paving based on the findings from the leak detection survey and associated repairs. There is also
148 funding of \$7,500.00 for regulatory dam inspections for Mackenzie Reservoir Dam, Ulbrich
149 Reservoir Dam and Pistapaug Reservoir Dam to be completed in Fall 2026. These are class C
150 dam's therefore the regulatory inspections are every two years. There is an increase of
151 \$150,945.00 (+41.56%) for Proportionate Charges paid for Town Hall services. The
152 Proportionate Charges line item for the WWD equals \$514,137.00. Lastly, there is proposed
153 funding of \$15,000.00 for On-Call Engineering Services such as external peer review,
154 developmental of cost estimates, etc.

155
156 Mr. Hendershot questioned if these numbers reflect final health insurance costs and pension
157 costs?

158
159 Mr. Langenauer stated that these numbers do not reflect final health insurance costs and pension
160 costs; however, these numbers have been received.

161
162 Dr. Rinebold stated that he is happy with the budget and thanked Mr. Amwake for his diligence.

163
164 Mr. Hendershot referenced his memorandum dated February 20, 2026 and noted how similar Mr.
165 Amwake's numbers are. The 2026-2027 budget calls for an appropriation from cash of
166 \$229,067.00 vs. the 2025-2026 amended budget of \$266,678.00 from cash.

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170 **6. Discussion: Draft Budget – Sewer Division**

171
172 Mr. Amwake stated that the proposed FY 2026-2027 budget reflects the Usage Charge and Basic
173 Service Fees that were approved and adopted by the PUC on April 15, 2025. Usage based on
174 billed sewer consumption continues on a downward trend (-2.16% between FY 2025-2026 and
175 FY 2026-2027).

176
177 Mr. Beaumont questioned if the Basic Service Fee for a 5/8-inch meter customer should read will
178 be \$33.15 or is it anticipated to be \$33.15?

179
180 Mr. Amwake stated that this is a typo. The paragraph should read the Basic Service Fee for a
181 5/8-inch meter customer, including Sewer Flat customers, will be \$33.15 per quarter as of July 1,
182 2026.

183
184 Mr. Amwake stated that the proposed FY 2026-2027 Sewer Division budget includes an
185 Appropriation from Cash of \$743,595.00. This is being driven from not having adequate
186 operating dollars, specifically maintenance and deferred maintenance funds, put into the
187 wastewater treatment plant for many years. Now there is substantial capital dollars as well as
188 debt service plus ongoing maintenance expenses

189
190 Mr. Hendershot noted that the sewer rates are based on a presumption of a given use of cash over
191 five years. The rates are based on this idea.

192
193 Mr. Amwake stated that the prior collective bargaining agreement between the Town and
194 Teamsters, Local 443 expired on June 30, 2024 and was settled as of November 13, 2025. As
195 such, the proposed FY 2026-2027 WSD budget includes retroactive wage increases for FY 2024-
196 2025 (market rate increases plus a general wage increase of 2.00%) and FY 2025-2026 (GWI of
197 +2.5%) plus a GWI of 2.5% for FY 2026-2027. The teamsters, Local 443 CBA includes Sewer
198 Operations staff, Clerks, the Engineering Aide and the Draftsman. In addition, contractual step
199 increases per the collective bargaining agreement are reflected in the proposed WSD FY 2026-
200 2027 budget. The wages and benefits for the Clerks, the Engineering Aide and the Draftsman
201 are split 50% / 50% between the Sewer Division and the Water Division, with wage and benefits
202 expenses then assigned to various accounts in each budget.

203
204 Mr. Amwake stated that the proposed budget includes funding of \$247,500.00 to replace RBC
205 drives, RBC bearings and pillow blocks (the housing for the non-drive portion of a bearing).
206 There is also funding of \$250,000.00 to repair (machine) eight RBC shafts.

207
208 Mr. Amwake referenced Account 46100642 – Attendant and Laboratory Expenses and stated
209 that there is an increase in regular labor, overtime labor and benefits per the CBA as well as
210 anticipated step increases and career progression of Attendant (Trainee) staff and junior
211 operators.

212
213 Mr. Amwake referenced Account 46100643 – Electricity, Gas and Other Utilities (WPCF) and
214 stated that this is being driven by an increase of \$77,000.00 in natural gas expenses.

215
216 Dr. Rinebold questioned if there is any breaking news on this?

217
218 Mr. Amwake stated that it is what has been discussed.

219
220 Mr. Amwake referenced Account 46100645 – Sludge Disposal and stated following four seasons
221 (2022-2025) of tertiary phosphorus treatment the WSD has actual sludge production values
222 versus projections. As such, sludge production quantities have been refined (increased). The
223 current agreement with Synagro for sludge transportation and disposal expires on December 31,

224 2026 and as such the WSD anticipates a meaningful increase in sludge handling expenses for this
225 constrained market.

226

227 Dr. Rinebold questioned what is the proposed budget for sludge disposal?

228

229 Mr. Amwake stated \$550,000.00 which is a 41.03% increase.

230

231 Mr. Amwake referenced Account 46100651 – Maintenance of Structures and Improvements and
232 stated \$125,000.00 is being budgeted to clean and remove 36+ years of sludge and debris that
233 has been accumulating in the RBC's since 1989 to improve operational and treatment efficiency.
234 This funding is to clean one RBC row with the WSD approaching this project as a trial, which
235 will be evaluated after completion.

236

237 There was further discussion on RBC's and the sludge disposal process.

238

239 Dr. Rinebold questioned if the \$247,500.00 is for part of the eight RBC shafts?

240

241 Mr. Amwake stated that the \$250,000.00 is to repair the eight shafts as defined. The other
242 \$247,500.00 is to replace RBC drives, bearings and pillow blocks. Six RBC drives are
243 \$180,000.00 (each RBC is \$30,000.00) and six bearings assemblies are \$45,000.00 (each bearing
244 assembly is \$7,500.00) for a total of \$225,000.00. The WSD added a 10% contingency which
245 equals to a total of \$247,500.00 to replace six RBC drives, bearings and pillow blocks.

246

247 Mr. Amwake referenced Account 46100928 – Regulatory Commission Expenses and stated there
248 is a decrease in the cost to purchase nitrogen credits for the CY 2025 nitrogen effluent
249 (discharge) levels. For CY 2025 the average daily nitrogen discharge was 379 pounds per day as
250 compared to 535 pounds per day for CY 2024. The Wallingford WPCF permit limit for nitrogen
251 is 269 pounds per day.

252

253 Mr. Amwake gave all the credit and compliments to Sean Baia the WSD Superintendent for the
254 superb job running nitrogen and running the plant for CY 2025.

255

256 Mr. Amwake referenced Account 46100403 – Depreciation Expense and stated that the
257 depreciation expense decreased by \$620,727.00 due to the installation date of facilities and
258 equipment installed for the WSD. The 1987-1989 WPCF construction project is now fully
259 depreciated.

260

261 Mr. Amwake referenced Account 46300332 – Treatment Plant Equipment and stated that the
262 WSD requested funding of \$150,000.00 for settling tank rehabilitation of the flights, chains,
263 screws and other components. The treatment plant is thirty-five years old and this project will
264 need to be contracted out as the WSD does not have the staff to complete this.

265

266 Dr. Rinebold questioned what is the age of this treatment plant?

267

268 Mr. Amwake stated it was built in 1989.

269

270 Mr. Amwake referenced Account 46300343 – Collection System and Appurtenances and pointed
271 out that the Collection System Lining is \$250,000.00, Manhole Repairs at \$87,500.00 and
272 Engineering study and analysis of the hydraulics for South Elm Street sewer siphon at
273 \$44,250.00. During periods of high flow, the geometry and layout of the South Elm Street
274 siphon causes a backup in the sanitary sewer upstream of the siphon, impeding wastewater flow.
275

276 Mr. Amwake referenced Account 46300392 – Transportation Equipment and stated that SD-7
277 2016 is a pickup truck (4x4) and not a passenger vehicle. The current 4x4 pickup truck has
278 109,842+ miles and is in fair condition. This vehicle is utilized by the Collections Crew Call man
279 to respond to after-hour emergencies (backups, blockages, etc.) of the collections system. This
280 vehicle is also utilized during the workday by the Collections Crew to transport staff, conduct
281 manhole frame and cover adjustments, rights-of-way clearing and investigate sewer complaints
282 along with other tasks.
283

284 There is additional funding at \$7,500.00 for the SD-14 2017 CCTV Truck based on a more
285 refined cost estimate. The PUC will see a bid waiver request coming around the second week in
286 March for an endorsement to go to the Town Counsel. There will also be a bid waiver from the
287 Water Division for the WWD John Deere 400 series backhoe. Both of these items will be
288 purchased through National Purchasing Agencies. There is a discount for the backhoe. The WSD
289 will purchase the John Deere 710 backhoe from the Water Division at the same value of the trade
290 in. The trade in value that was received from W.I. Clark was \$35,000.00 therefore there is no
291 profit and no loss.
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295 **ADJOURNMENT**

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297 **Motion to Adjourn**

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299 **Made by: Mr. Zabrowski**
300 **Seconded by: Dr. Rinebold**
301 **Votes: 3 ayes**
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305 The meeting was adjourned at approximately 4:59 p.m.
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307 Respectfully submitted,
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310
311 Michelle Bracale
312 Acting Recording Secretary

Respectfully submitted,



Laurence J. Zabrowski
Secretary