

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

DRAFT

Public Utilities Commission
Wallingford Electric Division
100 John Street
Wallingford, CT
Tuesday, March 19, 2019

6:30 p.m.

MINUTES

PRESENT: Chair Robert Beaumont; Commissioners Joel Rinebold & Patrick Birney; Director Richard Hendershot; Electric Division General Manager Tony Buccheri; Office Manager Tom Sullivan; Water and Sewer Divisions General Manager Neil Amwake; Office Manager William Phelan; Recording Secretary Cynthia Kleist; Town Attorney Gerald Farrell; Public: Steve Gale; Jared Liu.

Chair Beaumont called the Meeting to order at 6:30 p.m.

1. Pledge of Allegiance

2. CONSENT AGENDA

Consider and approve Minutes of March 5, 2019

Motion to approve consent items:

Made by: Birney

Second by: Rinebold

Vote: 3 ayes

3. Items Removed from Consent Agenda – None

Chair Beaumont took the agenda in the following order:

14. Executive Session pursuant to Section 1-200(6)(A) to discuss CMEEC Arbitration

Motion to go into Executive Session at 6:31 p.m. made by: Birney

Second by: Rinebold

Vote: 3 ayes

1 **PRESENT: Chairman Robert Beaumont, Commissioners Patrick Birney and Joel**
2 **Rinebold, Director of Public Utilities Richard Hendershot, Electric Division General**
3 **Manager Tony Buccheri and Town Attorney Gerald Farrell.**

4 **Motion to come out of Executive Session at 6:44 p.m.**

5 **Made by: Mr. Birney**

6 **Seconded by: Rinebold**

7 **Votes: 3 ayes**

8 **4. Discussion and Action: Approval of Director's Report for the Month of February 2019.**

9 Motion to approve the Director's Report for the Month of February 2019.

10 **Made by: Mr. Rinebold**

11 **Seconded by: Mr. Birney**

12 **Director's Office/Department-Wide**

13 Mr. Hendershot reported that on Feb. 6 he, along with the WED General Manager and the
14 Director of Public Works, met with Mayor Dickinson to review each Department's respective
15 responsibilities to clear roads of vegetation felled by storms; on Feb. 11, along with Water and
16 Sewer Divisions General Manager and AECOM, he attended a Planning & Zoning meeting at
17 which the PZC approved the proposed site modifications associated with the phosphorus
18 removal project at the Wastewater Treatment Plant; on Feb. 13, he along with Mr. Amwake
19 attended the Town Council meeting where the Council authorized the Mayor to sign the
20 resolution needed for reimbursement of the Sewer Division by CT DEEP for 55% of the cost of
21 the recently completed Facility Plan.

22 On Feb. 15, met with the HR Director and Town's outside Labor Counsel to discuss and prepare
23 Last Best Officers for the IBEW 457 Production Unit arbitration proceeding.

24 **ELECTRIC DIVISION**

25 Wallingford Renewable Energy ("WRE") Solar-PV Interconnection

26 Mr. Hendershot reported the WED is preparing its construction schedule for the above
27 referenced project and the draft System Impact Study from ISO-NE has been received and
28 reviewed. He said WRE continues to expect to begin work before March 31.

29 Ashlar Village URD Replacement

1 Mr. Hendershot said Ashlar Village has completed its field surveying work, which will be used to
2 develop easement drawings.

3 Hall Avenue Streetscape

4 Mr. Hendershot noted this project will include installation of numerous new, unique ornamental
5 streetlights by a contractor working for CT-DOT, who will then turn these new lighting facilities
6 over to the WED for ownership and maintenance.

7 Mr. Hendershot said that service work in February included 11 new services, eight service
8 changes, and two retired services; street light work included 73 LED streetlight conversions and
9 nine street light repairs; to date, 1,468 LED streetlights have been installed, with 3,167 HPS
10 streetlights remaining to be replaced.

11 Personnel

12 The part-time Account Clerk began work on February 11 and is working mornings; the Division
13 continues to await candidate lists for the vacant Distribution Superintendent and Systems
14 Operator positions.

15 Electric System Metrics

16 Mr. Hendershot said system input for February totaled 47,416 MWh, an increase of 1.2% from
17 February 2018. Maximum system demand for February was 95.6 MW an increase of 5.6% from
18 the February 2018 peak.

19 Mr. Hendershot noted that the System Average Interruption Duration Index (SAIDI) and the
20 Customer Average Interruption Duration Index (CAIDI), were both significantly impacted by a
21 tractor trailer accident on Feb. 17. He said the WED's response was delayed by several hours
22 waiting for Frontier crews to arrive and move telephone trunk lines from the damaged truck
23 without cutting telephone trunk and fiber lines.

24 **January Wholesale Power Supply**

25 Mr. Hendershot reported that in January, 90.7% of the WED's total energy was hedged; this
26 was the same level of hedging forecasted for January of 2019; the WED purchased 5,003 MWhs
27 of "short" energy at an average price of \$73.13, which was the major contributor for the total
28 cost listed above being 5% higher than the hedged cost.

29 WED's all-in purchased power costs per MWh: January actual = \$91.84; 2018/2019 FY Budget
30 forecast (1/15/18) for January = \$100.69; Prevailing six-month average PCA forecast (1/1/19 -
31 6/30/19) = \$104.72; WED's generation cost: Average cost for hedged volume = \$44.08;
32 Average cost for total volume = \$46.36.

1 Mr. Rinebold asked about the Hall Ave. project. Mr. Hendershot said he believed the Town
2 received a Grant. He said it would approve walkability along one particular part of the
3 downtown. Chair Beaumont said this project involves Hall Ave, part of Washington Street up to
4 the Senior Center. Mr. Rinebold said he likes the ornamental lighting and complimented the
5 project. Mr. Rinebold asked about the outage with the tractor trailer. Mr. Buccheri said the
6 distribution recloser tripped and then reclosed and repairs were made by WED staff.

7 Mr. Rinebold asked if the Town gets reimbursed from the trucking company. Mr. Hendershot
8 said this is billable work and the trucking company will be billed.

9 **WATER DIVISION**

10 Mr. Hendershot noted that Water Division crews experienced no water main breaks or service
11 leaks during February.

12 Water Main Replacements

13 Mr. Hendershot noted that for Contract No. 36, water main replacements along Bonnie CT.,
14 Hamlin Ave., Pond Hill Rd., Wallace St., and Ward St. Ext; Division staff completed the locating,
15 repair, and/or adjustment of valve boxes in advance of this work. Existing valve depths were
16 also noted and this Contact will be posted out to bid in mid-April.

17 Uni-Directional Flusing Plan

18 Mr. Hendershot told the PUC a project kick-off with the Engineering Consultant and Staff took
19 place early February and requested information was supplied to the Consultant.

20 Stand-By Generator for Well Nos., 1, 2 and 3

21 Mr. Hendershot said the Division accepted a revised evaluation from the Consultant for these
22 stand by generator installations, and the Consultant is now working to produce 60% plans.

23 The new flow meter to measure water production at the Water Treatment Plant was
24 successfully installed and is in service. The Electric Division assisted with this effort.

25 Personnel

26 Mr. Hendershot said a new Operator II began work at the Water Treatment Plant on March 3;
27 efforts to fill the two vacant Maintainer positions are on hold for the time being; Applicants for
28 the vacant Water Quality Inspector position were tested on March 13.

29 Water Division Metrics

30 Mr. Hendershot said water production for February totaled 97.2 million gallons, an INCREASE of
31 11% from February 2018; reservoir storage at month's end was at 84.5% of total effective

1 impoundment. The historical average for February is 86.3%; precipitation for the month totaled
2 3.47 inches, which is 0.28 inches ABOVE the historical average for February. Precipitation to
3 date is 7.96 inches, which is nearly identical to the historic mean for the first two months of the
4 calendar year.

5 **SEWER DIVISION**

6 Mr. Hendershot said Sewer Division staff responded to and resolved a total of four WWTP
7 alarms and collection system trouble calls during February; also during February, the collection
8 system staff televised 21,335 linear feet of sewer main and flushed 1,027 feet of sewer. To
9 date, 6.2 miles of sewers have been televised and 0.55 miles flushed in 2019.

10 Personnel

11 Mr. Hendershot said the new Laboratory Technician began work on March 4; the new Account
12 Clerk began work March 18; a new Attendant III began work at the WWTP on Feb. 19. An
13 appointment letter has been issued to the preferred candidate for the vacant Attendant I
14 position.

15 Wastewater Division Metrics

16 Mr. Hendershot noted that at the Wastewater Treatment Plant, the average daily flow during
17 February was 6.96 MGD, a 16.77% DECREASE from February 2018. The 12-month rolling
18 average daily flow is 6.30 MGD, which is below the 90% permit threshold of 7.2 MGD; nitrogen
19 discharge for the month averaged 587 pounds per day. This amount is below the February
20 2018 discharge rate of 895 pounds per day, but is still over the permit level of 269 pounds per
21 day. Average daily discharge in 2019 is 682 pounds through February.

22 Private Side I/I Mitigation Program

23 Mr. Hendershot said that during February, Division staff conducted 25 inspections, which
24 identified two connections. Also during the month, three issues were corrected. Since inception,
25 the I/I program has conducted 1,407 inspections, identified 173 connections, and corrected
26 104 issues.

27 Chair Beaumont asked about the 97 million gallons of water sold but noted on page 4-103, the
28 amount for sewer was 195, basically doubled. He said part of this is probably because of heavy
29 precipitation from previous month which spilled over and also the I/I problem. Mr. Amwake said
30 this is still groundwater.

31 **Vote: 3 ayes**

32

1 **Public Question & Answer Period – 7:02 p.m.**

2 Mr. Gale asked when the next review of the Energy Efficiency Program would take place. Mr.
3 Hendershot said the Division is close to completing and submitting the annual report for 2018
4 where the activities that took place are described along with the monies spent and measures
5 accomplished. Mr. Gale asked about an independent consultant. Mr. Hendershot said the
6 Division gets assistance from a consultant in preparing the report which is submitted to the
7 State and Efficiency Board which reviews the report. Mr. Gale asked when the annual report
8 would be released. Mr. Hendershot said the report should be out by the next PUC meeting.

9 Mr. Liu asked about the remaining balance in the Energy Conservation Fund over the past five
10 years. Mr. Hendershot noted that in some years, it is all spent and leftovers are pulled in from
11 previous years. Mr. Sullivan said he believed the figure was between \$250,000 and \$275,000.
12 He said the figure at the end of 17/18 would be a cumulative of all of the years. Mr. Liu asked
13 to be shown how much was taken in and spent in each of these past years. Mr. Hendershot
14 said this can be done.

15 Mr. Liu asked about the possibility of putting solar panels on school roofs. He asked what
16 stopped this from occurring. Mr. Hendershot said he believed this was a Board of Education
17 decision noting the Electric Division has no specific monies to incentivize non-residential Solar
18 PV. Chair Beaumont said we didn't get the information from the Board of Education until less
19 than 24 hours before the PUC meeting and no one showed up. He said the anticipated payback
20 was going to be 21 or 22 years and the anticipated life expectancy of the units was 20 years.

21 Chair Beaumont said because of this, it was a no-brainer why we didn't get involved. Mr. Liu
22 asked about incentives offered to downtown businesses. Mr. Hendershot said there is a
23 downtown economic development rider for businesses moving into existing vacant place as the
24 downtown area. He said there is a map which delineates this. Mr. Hendershot said the
25 businesses receive a 50% discount on their electric bill the first year, then the discount goes
26 down to 40%, 30%, 20% and 10% and after the fifth year, there is no more discount. He said
27 a good payment record must be maintained during this period or the business is out of the
28 program. Mr. Liu asked if there is any tracking if the businesses stay in this space after the five-
29 year discount. Mr. Hendershot said he didn't believe the Division has noticed this, pointing out
30 some businesses fail before the five-year period is up and sometimes they stay. Mr. Liu asked if
31 there was another measure used to see if the program is successful. Mr. Hendershot said the
32 behavior is monitored, but this program is not a magic bullet to fill these spaces.

33 Mr. Liu spoke about residential solar and noted people told him they haven't pursued residential
34 solar is because two-way metering wasn't allowed by the WED or the incentives are not as good
35 as other Towns. Mr. Hendershot said other utilities may offer better incentives and wasn't sure
36 what other towns do. He said when someone comes to us with a project, the WED gathers the
37 information and noted there is a working relationship with CT Green Bank who tells us what the

1 incentive would be if the project would be in the Eversource footprint and the WED uses this as
2 the basis to determine what our incentives would be. He said the ongoing incentive of the
3 avoided cost is less here, because the kilowatt hours displaced here are less expensive than the
4 kilowatt hours displaced in the Eversource system.

5 Mr. Liu asked if two-way metering was an issue. Mr. Hendershot said this was not an issue and
6 noted the WED has two channel meters and have close to a dozen installations scattered
7 around the service territory. He said the Division does net metering Mr. Liu asked the number of
8 Wallingford is higher or lower or average compared to other towns of what they are putting on
9 their houses. He said when he was speaking to solar companies they said Wallingford was low
10 in this area and asked why. Mr. Hendershot said he believes the economics that solar installers
11 are used to dealing with are the prices with Eversource and U.I. He said the cost of a kilowatt
12 hour here doesn't work in their model. Mr. Birney noted Wallingford has the lowest kilowatt
13 hour cost in the State.

14 **Public Question & Answer Period – End at 7:14 p.m.**

15 **ELECTRIC**

16 **4a. Approval of the Electric Division Budget for FY 2019/2020**

17 **Mr. Birney noted there was a workshop on Feb. 15 and there have been**
18 **modifications and discussions along with a comprehensive email and a**
19 **memorandum received from the Director dated March 14, 2019. He said based upon**
20 **his participation in the Feb. workshop and his review of the information, he made a**
21 **motion to approve the Electric Division Budget for FY 2019/2020. Mr. Rinebold**
22 **seconded the motion.**

23 Chair Beaumont noted there was one change after the budget was put together. Mr.
24 Hendershot said a tax line was corrected. Mr. Birney said the reduction in the second
25 consecutive year in the head count which ultimately saved dollars as well as a decrease in the
26 operating budget from 2018/2019 resulted in his commending staff for their efforts. Mr.
27 Rinebold agreed.

28 **Vote: 3 ayes**

29 5. Review of Electric Division Disbursements for the Month of February 2019.

30 Mr. Rinebold noted the contribution to the Town of \$158,000. Chair Beaumont said this was a
31 wire transfer on page 5-1. Mr. Sullivan said this is the contribution based upon Division sales
32 from the previous fiscal year. **DISCUSSION ONLY – NO ACTION TAKEN**

33

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

WATER/SEWER

**6. Review of Water Division Disbursements for the Month of February 2019 –
DISCUSSION ONLY – NO ACTION TAKEN**

No Questions from the PUC.

7. Discussion and Action: Approval of the Water Division Budget for FY 2019/2020.

Mr. Birney made a motion to approve the Water Division Budget with multiple opportunities to review the budget slightly modified for the FY 2019/2020. Mr. Rinebold seconded the motion.

Mr. Birney commended the hard work and effort of the staff. He noted a slight increase in headcount and a decrease in operating expenses and no rate increase. Mr. Phelan said there is one outstanding item in the Sewer Division.

Vote: 3 ayes

8. Discussion and Action: Approval of the Sewer Division Budget for FY 2019/2020.

Mr. Birney: Motion to approve the Sewer Division Budget for FY 2019/2020 for the reasons stated in the May 14, 2019 memo from Mr. Hendershot and participating in the Feb. workshop and review of the budget. Mr. Rinebold seconded the motion.

Chair Beaumont said he appreciated the work that goes into the budget by staff.

Vote: 3 ayes

9. Discussion: Update on the WWTP Facility Plan/Phosphorus Treatment Project

Mr. Amwake provided a real-time update. He said previously the Sewer Division was in front of the PUC and the Town Council for the 55% Planning Grant for the Facility Plan which was submitted to DEEP and the State of CT Treasurer’s Office on Feb. 26. He said there will be follow-up before the check is issued. He noted the Facility Plan is separate from the funding that goes in for the phosphorus design and construction.

Mr. Amwake said on Feb. 26, 2019, there was a productive meeting with DEEP staff to review the status of the design, overall schedule and to walk them through high-level discussion as to where we stand with the design. Mr. Amwake said DEEP has been a strong partner with us and the line of communications has been strong. Mr. Birney asked how things went regarding the approval process with the Town. He asked Mr. Amwake if he was happy with the responsiveness of Town staff. Mr. Amwake said the response from Town staff has been very

1 good with the Town Planner, the Town Engineer and the Environmental Planner. He said Erik
2 Krueger, Sr. Engineer, Water and Sewer Divisions, does the heavy lifting for us.

3 Mr. Amwake said this is a unique project and noted the PZC waived the no front yard
4 landscaping requirement, pointing out the parcel is about 131 acres. Mr. Amwake said after the
5 Feb. 26th meeting with DEEP, there was a lot of documents going back and forth that had to do
6 with the front-end section, Division 0 and Division 1 which is the contract and administrative
7 language. He said this led up to the point where the Town officially advertised in the Hartford
8 Courant which DEEP recognizes as the newspaper having substantial circulation in our area. He
9 said there was also a small advertisement in the Record-Journal and the plans and
10 specifications have been posted on the Town's Purchasing Portal since last night at 5 p.m. He
11 noted next Tuesday at 10 a.m., there is the official pre-bid conference which is not mandatory,
12 but bidders, vendors, contractors and sub-contractors are encouraged to attend. He said on
13 Thursday, March 28, there will be a tour only, with no questions allowed to be asked.

14 Mr. Amwake said questions are due not later than April 4, 2019 by 5 p.m. and the bid date is 2
15 p.m. on April 23. He said Danbury has also bid and their current bid date is April 25 and noted
16 Ridgefield has not yet bid. Mr. Amwake said Meriden is a little ahead of Wallingford, noting he
17 believed their bids come in the next week and indications are they will have three or four
18 bidders. He noted Danbury already has a funding ordinance in place and Vernon is out to bid
19 as well.

20 In answer to Mr. Rinebold's question, Mr. Amwake said the bids have to come with a surety
21 bond. Mr. Rinebold said there will be very few people bidding on this and there are almost as
22 many projects. Mr. Amwake said he believes the bidders have the capacity. Mr. Rinebold said
23 he remains concerned. Mr. Amwake noted Item "C", bid alternates are a no go. He explained
24 there has been some pressure on the cost estimate. He said we were evaluating putting in
25 some bid alternatives for two items which was rejected by DEEP. Mr. Amwake said the
26 anaerobic tank would have been an add alternate along with the fine screens in the headworks.
27 He said how the bid alternates was set up violated the protocols in a competitive bid. He said
28 this was done for financial reasons.

29 Mr. Amwake said the anaerobic tank is officially in the project but the fine screens have been
30 removed. Mr. Hendershot said this was a cost cutting measure. Mr. Amwake said between
31 Thursday noon and Monday noon, AECOM had to reconfigure several specification sections and
32 several series of drawings in order to remove the fine screening from the headworks. Mr.
33 Rinebold asked about the removal of the fine screens. Mr. Amwake pointed out there are
34 currently no fine screens at the plant. He said we will continue to get foreign materials in the
35 RBC's.

36 Mr. Rinebold asked if this would have an impact on operational costs. Mr. Amwake noted that
37 costs are hard to define at this point. He said the RBC's still function and are basically a

1 strainer. He said it would be great to have the fine screens there but don't have an unlimited
2 budget. Mr. Amwake said we need to make some hard decisions and part of this was what can
3 be taken out of the bid package that fits in with the overall project, as well as what can we fit in
4 later ourselves. He explained to install an anaerobic tank by ourselves would be logistically
5 prohibitive. Mr. Amwake said the fine screens at the headworks could still be constructed and
6 installed as a future project.

7 Mr. Amwake said we want to advertise as long as possible, to get the best price. He said we
8 continue to focus and refine the electrical and instrumentation and control designs; he said
9 Value Engineering responses were provided to DEEP on March 7, 2019 and DEEP Flood
10 Management Certification (FMC) application is currently being reviewed. He said he didn't
11 expect issues in DEEP's hands.

12 **DISCUSSION ONLY – NO ACTION TAKEN**

13 **10.** Discussion and Action: Approval of the PUC Budget for 2019/2020 as amended.

14 **Mr. Birney made a motion to approve the PUC Budget for 2019/2020 as amended.**
15 **Mr. Rinebold seconded the motion.**

16 **Vote: 3 ayes**

17 **Committee Reports/Correspondence – No Reports or Correspondence**

18 **EXECUTIVE SESSION**

19 **11. Executive Session pursuant to Section 1-200(6)(A), 1-210(b)(2) and 1-225(f)**
20 **of the CT General Statutes to discuss the evaluation and performance of the**
21 **Director of Public Utilities**

22 **Motion to go into Executive Session at 7:41 p.m. to discuss the evaluation and**
23 **performance of the Director of Public Utilities without further motions until a**
24 **motion to come out of Executive Session.**

25 **PRESENT: Chairman Robert Beaumont, Commissioners Patrick Birney and Joel**
26 **Rinebold, Director of Public Utilities Richard Hendershot.**

27 **Made by: Birney**

28 **Seconded by: Rinebold**

29 **Vote: 3 ayes**

30

1 **12.Motion to come out of Executive Session at 8:19 p.m. Made by Birney**
2 **seconded by Rinebold**

3 **Vote: 3 ayes**

4 **ADJOURNMENT**

5 Mr. Birney made a motion to Adjourn the Meeting at 8:20 p.m. Mr. Rinebold seconded the
6 motion which passed unanimously.

7 Respectfully submitted,

Respectfully submitted,

8

9 Cynthia Kleist

Joel M. Rinebold

10 Recording Secretary

Secretary

11

12

13

14

15