

**THE WATER BUREAU
SPECIAL MEETING**
555 Main Street, Hartford
Monday, November 22, 2021

Present: Commissioners Andrew Adil, Peter Gardow, Jacqueline Mandyck, Raymond Sweezy and District Chairman William A. DiBella (5)

Remote

Attendance: Commissioners Georgiana Holloway, David Ionno, Shubhada Kambli, Gary LeBeau, Diane Lewis and Pasquale J. Salemi (5)

Absent: Commissioners Avery Buell, Dominic Pane, Jon Petoskey, Alvin Taylor and Special Representative Michael Carrier (4)

Also

Present: Commissioner Allen Hoffman (Remote Attendance)
Scott W. Jellison, Chief Executive Officer
Christopher Stone, District Counsel
John S. Mirtle, District Clerk
Steve Bonafonte, Assistant District Counsel
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Robert Barron, Chief Financial Officer / Director of Finance
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology (Remote Attendance)
Tom Tyler, Director of Facilities (Remote Attendance)
Lisa Remsen, Manager of Budget and Analysis
Nefertere Whittingham, Financial Analyst
Carrie Blardo, Assistant to the Chief Operating Officer (Remote Attendance)
Victoria Escoriza, Executive Assistant
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

The meeting was called to order by Chairman Sweezy at 5:31 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by District Chairman DiBella and duly seconded, the meeting minutes of September 22, 2021 were approved.

Commissioner LeBeau entered the meeting at 5:39 PM

2022 DISTRICT WATER RATES

To: Water Bureau for consideration on November 22, 2021

The 2022 budget in support of Water Operations calls for the water use rate to increase to \$4.09 per hundred cubic feet (CCF). The changes will become effective January 1, 2022.

A discussion of several rates that comprise the proposed schedule for 2022 and the recommendations pertaining to each follows:

Water Used Charge – Treated Water

Staff recommends that the rate charged for the use of treated water based on actual metered consumption increase from \$4.05 per CCF to \$4.09 per CCF.

CURRENT RATE
\$4.05/100 Cu. ft.

PROPOSED RATE
\$4.09 /100 Cu ft.

Customer Service Charge

Revenues from this customer service charge are intended to support a portion of the fixed operating, maintenance and debt costs associated with water operations. ***There are no proposed changes to the Customer Service Charge for 2022.***

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>
5/8"	\$14.98
3/4"	\$14.98
1"	\$14.98
1 1/2"	\$48.60
2"	\$77.80
3"	\$145.89
4"	\$243.55
6"	\$486.07
8"	\$771.16
10"	\$1,777.77
12"	\$1,896.38

Surcharge Outside The Metropolitan District

A fixed “surcharge” rate is added to all accounts for service outside the boundaries of the District. The surcharge is based on the size of the meter that serves each delivery point. Revenues from this charge are for the reimbursement of assets deployed. The surcharge rates have been set at the same rates as the Customer Service Charges. ***There are no proposed changes to the surcharge for 2022.***

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>
5/8”	\$14.98
¾”	\$14.98
1”	\$14.98
1 ½”	\$48.60
2”	\$77.80
3”	\$145.89
4”	\$243.55
6”	\$486.07
8”	\$771.16
10”	\$1,777.77
12”	\$1,896.38

Water Used Charge – Untreated Water

The District provides untreated water to other agencies and water companies for a fixed rate based on actual consumption. The current rate for this untreated or “raw” water is \$1.50 per hundred cubic feet of consumption. ***It is recommended that the charge for untreated water remain at the rate of \$1.50 per hundred cubic feet.***

Surcharge Outside the Metropolitan District for Capital Improvements

A surcharge is added to the water rate to recover the cost of major capital improvements and/or upgrades such as water main extensions, pump stations, etc. in non-member towns. The surcharge is calculated based on the aggregate hydraulic capacity of each meter size in each non-member town.

Private Fire Protection Charge

Rates for private fire protection are charged to all fire service accounts, including combination services, based on the size of the service connection. Staff recommends monthly service charges for fire protection to remain unchanged.

<u>SIZE OF CONNECTION</u>	<u>MONTHLY CHARGE</u>
1"	\$5.00
2"	\$22.85
3"	\$33.75
4"	\$60.00
6"	\$135.00
8"	\$240.00
10"	\$375.00
12"	\$540.00
16"	\$960.00
20"	\$1,500.00
24"	\$2,160.00

Conclusion

Staff believes that the foregoing rate change recommendations are justified, reflect the sound financial administration that has earned the District support among credit rating agencies and financial advisors, and are consistent with the policy direction of the Commission.

After reviewing the information contained herein

It is **RECOMMENDED** that it be

Voted: That the Water Bureau, acting under Section 5-4 of the District Charter, establishes revised water rates effective with the meter readings rendered on and after January 1, 2022, as set forth in the following "REVISIONS TO WATER SUPPLY ORDINANCES."

Further

Voted: That the following rates have been eliminated through State Legislation and will no longer appear as a separate line item on customer bills:

1. State of Connecticut Department of Public Health primacy fee of \$0.16 per month.

Further

Voted: That following the public hearing held on November 15, 2021, as required by Special Act 01-3 adopted by the General Assembly of the State of Connecticut, and Section 2-14 of the Compiled Charter of The Metropolitan District, the Water Bureau recommends to the District Board, through the Committee on MDC Government, approval of the following "REVISIONS TO WATER SUPPLY ORDINANCES" by the enactment of said proposed ordinances. (Additions are indicated in red and deletions by strikethrough).

**REVISIONS TO WATER SUPPLY ORDINANCES
W-1 WATER RATES**

SEC. W1a WATER USED CHARGE (TREATED WATER)

For customers which do not resell treated water, the WATER USED CHARGE is the quantity of water used as read at the meter, as follows:

<u>BILLS RENDERED</u>	<u>RATE</u>
<u>MONTHLY</u>	\$4.05 \$4.09 per 100 Cubic Feet

The WATER USED CHARGE for such customers subject to § S12x of The Metropolitan District Sewer Ordinances who purchase more than 802ccf of water per day, as averaged over a monthly billing period, as follows:

For each of the first 802ccf of water used per day:

<u>BILLS RENDERED</u>	<u>RATE</u>
<u>MONTHLY</u>	\$4.05 \$4.09 per 100 Cubic Feet

For each ccf of water used per day in excess of 802ccf:

<u>BILLS RENDERED</u>	<u>RATE</u>
<u>MONTHLY</u>	\$3.30 \$3.34 per 100 Cubic Feet

For customers which, by agreement with the District or otherwise, resell treated water, the WATER USED CHARGE is the quantity of water used as read at the meter, as follows:

<u>BILLS RENDERED</u>	<u>RATE</u>
<u>MONTHLY</u>	\$4.05 \$4.09 per 100 Cubic Feet

SEC. W1f SURCHARGE OUTSIDE THE METROPOLITAN DISTRICT FOR CAPITAL IMPROVEMENTS

In towns outside the limits of The Metropolitan District for which capital improvements or layout and assessment projects are constructed, in addition to the charges set forth in SEC. W1a, W1b and W1c, there shall be a surcharge on the water rates determined from the size of the meter installed on the premises, as follows:

1. On or before the end of each fiscal year, The Metropolitan District shall determine the actual cost of each capital improvement constructed for each non-member town and the net cost (cost less assessments) of layout and assessment projects constructed for each non-member town. The costs and/or net costs, as applicable, shall be allocated to the towns for

which the work was performed and shall be a surcharge on the water rates of the users located in such towns.

2. The annual surcharge to be added to each user's water rate shall equal the total amount of the costs and/or net costs, as applicable, allocated to the town in which such user is located [excluding costs which the town has paid as set forth in Section W1f(3)] amortized over a twenty year period using an interest rate computed by the District which approximates the District's long-term cost of funds for its General Obligation Bond portfolio—multiplied by the percentage of hydraulic capacity of each user's meter size (based on the American Water Works Association meter size capacity) of the aggregate hydraulic capacity of all meters in such town. The surcharge shall be billed in either quarterly or monthly installments, as applicable, commencing with the first bill sent out in the fiscal year succeeding the fiscal year in which the work was performed and continuing over the twenty year period.

3. The District shall, as soon as possible after the completion of each capital improvement project or separate phase thereof, provide to the non-member towns for which a capital improvement was constructed a compilation of the costs associated with the construction of such project(s). If, on or before the end of the District's fiscal year in which such construction was completed, a non-member town agrees to pay and does in fact pay all or a portion of the cost of a capital improvement constructed for such town, then the amount paid by such town shall be deducted from the total amount of costs and/or net costs allocated to such town as described in Section W1f(1) and used to calculate the individual surcharges as set forth in Section W1f(2).

Farmington

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>	<u>MONTHLY BILLING</u>
5/8"	\$2.23	\$2.26
1"	\$4.47	\$4.52
1 1/2"	\$8.94	\$9.04
2"	\$167.53	\$169.44
3"	\$390.91	\$395.36
4"	\$670.13	\$677.76
6"	\$893.50	\$903.68
8"	\$2,233.76	\$2,259.20

Glastonbury

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>	<u>MONTHLY BILLING</u>
5/8"	\$1.81	\$1.76
3/4"	\$2.71	\$2.64
1"	\$3.62	\$3.53
1 1/2"	\$7.23	\$7.05
2"	\$135.59	\$132.24
3"	\$316.37	\$308.55
4"	\$542.34	\$528.95

South Windsor

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>	<u>MONTHLY BILLING</u>
5/8"	\$0.34	\$1.33
3/4"	\$0.67	\$2.00
1"	\$1.01	\$2.67
1 1/2"	\$1.35	\$5.33
2"	\$25.29	\$99.95
3"	\$59.00	\$233.21
4"	\$101.15	\$399.79
6"	\$134.86	\$533.05

Manchester

<u>SIZE OF METER</u>	<u>MONTHLY BILLING</u>	<u>MONTHLY BILLING</u>
5/8"	\$2.89	\$2.84
1"	\$5.78	\$5.68
3"	\$506.04	\$496.79
6"	\$1,156.66	\$1,135.52

Respectfully Submitted,



John S. Mirtle, Esq.
District Clerk

On motion made by Commissioner Adil and duly seconded, the report was received and resolution adopted by unanimous vote of those present.

REVISIONS TO WATER ASSESSMENT RATES AND MISCELLANEOUS WATER CHARGES

To: Water Bureau for Consideration on November 22, 2021

In support of the annual water operating budget, staff is submitting these rates in conjunction with the revisions to the proposed Fiscal Year 2022 water rates and other peripheral charges associated with the delivery and sale of water as part of the annual budget adoption process.

Staff has reviewed these rates in light of the costs associated with them on a 'typical' model basis and makes the following recommendations:

It is **RECOMMENDED** that it be:

Voted: That the Water Bureau hereby adopts the following schedule of fees effective January 1, 2022:

Water Assessment Rates and Miscellaneous Water Charges

	<u>CURRENT</u>	<u>PROPOSED</u>
<u>Main Pipe Assessment</u>	\$95/ft	\$95/ft
<u>Service Pipe Taps</u>		
Domestic (includes spacer and meter costs):		
1" Service Tap with 5/8" Meter	\$910	\$910
1" Service Tap with 3/4" Meter	\$925	\$925
1-1/2" Service Tap with 1" Meter	\$995	\$995
2" Service Tap with 1-1/2" Meter	\$1,890	\$1,890
4" Service Tap with 2" Meter	\$2,000	\$2,000
4" Service Tap with 3" Meter	\$3,640	\$3,640
6" Service Tap with 4" Meter	\$4,190	\$4,190
8" Service Tap with 6" Meter	\$5,970	\$5,970
10" Service Tap with 8" Meter	\$15,850	\$15,850
12" Service Tap with 10" Meter	\$18,120	\$18,120
12" Service Tap with 12" Meter	\$18,810	\$18,810
Fire Service		
2" Fire Service Tap	\$750	\$750
4" and larger Fire Service Tap	\$1,100	\$1,100
Hydrants		
Installed after the main	\$11,600	\$11,600
Hydrant Maintenance	\$140	\$145
Hydrant Relocation	\$15,000	
	deposit +/- actual	
	cost + overhead	
Fire Flow Testing	\$400	\$400
<u>Special Meter Charges and Deposits:</u>		
Hydrant Meters		
Administrative and meter reading fee, including connection and inspection fees + actual water use to be billed	\$1,500	\$1,500
Hydrant Meter Deposit	\$2,000	\$2,000
Replacement of Damaged District Meters		
5/8" meter	\$360	\$360
3/4" meter	\$375	\$375
1" meter	\$445	\$445
1-1/2" meter	\$1,140	\$1,140
2" meter	\$1,250	\$1,250
3" meter	\$2,630	\$2,630
4" meter	\$3,180	\$3,180
6" meter	\$4,960	\$4,960
8" meter	\$14,840	\$14,840

	<u>CURRENT</u>	<u>PROPOSED</u>
10" meter	\$17,110	\$17,110
12" meter	\$17,800	\$17,800
Hydrant meter assembly	\$2,000	\$2,000
Meter box (5/8"- 1")	\$1,750	\$1,750
Meter pit (1 – 1/2" and Larger)	Actual Cost* + Overhead	Actual Cost* + Overhead
Radio transmitter unit	\$200	\$200
Spacer Charges		
5/8", 3/4"	\$160	\$160
1"	\$165	\$165
1-1/2"	\$225	\$225
2" & larger	\$250	\$250
3rd Party Damage to District Infrastructure Repair or Replacement (e.g. public hydrants)	actual cost ¹ + overhead	
Lien Release Fee per Lien <i>(includes delinquent account review)</i>	\$90	\$90
Customer Check Returned for Insufficient Funds	\$60	\$60
Water Turn-on after Shut-off for Non-Payment or Ordinance Violation	\$125	\$125
Water Turn-on after Shut-off for Non-Payment or Ordinance Violation (subsequent event in same year)	\$225	\$225
Customer Private Property Service Call* <i>e.g. lack of water pressure, leak investigation, customer requested water service off/on, etc.</i> <i>*First customer service call is free of charge. The \$125 fee will be charged for subsequent calls within a rolling 12-month time period.</i>	\$125	\$125

* The charge will be the District's cost of material, labor and equipment used, plus overhead at prevailing rates. In circumstances where this procedure for charging a customer would significantly delay the final billing, the District will use an appropriate estimate of its cost.

	<u>CURRENT</u>	<u>PROPOSED</u>
Inspection Service Calls – After Normal Work Hours and Scheduled Overtime/Emergency Inspections <i>After Normal Work Hours are Monday to Friday 4pm to 8am or holidays/weekends.</i>	\$325	\$325
Cross Connection Inspection Fee per building <i>Required by CT Dept. of Public Health. Per DPH regulation, this inspection is required either annually or every five years. The fee will be billed monthly in advance in the amount of either \$2.50 per month (5-year inspection required) or \$12.50 per month (annual inspection required).</i>	\$150	\$150
Backflow Device Testing per device <i>Required by CT Dept. of Public Health but customer may hire private contractor to perform test</i>	\$90	\$90
Failure to Properly Test/Maintain Backflow Device or Allow Access for Cross Connection Inspection Resulting in CT DPH Violation	\$225	\$225
Administrative Review for Water Services <i>Includes but not limited to the following individual services; availability and capacity analysis, assessment/connection charge calculations, encroachment permits, abandonment of infrastructure, Engineering/Environmental survey and documentation request, new hydrant installation fee by developer or other (per hydrant). The Administrative Review fee shall be paid for each individual service item.</i>	\$540	\$540
Bulk Water Truck Convenience Fee <i>Per load fixed fee including administrative, water, equipment maintenance, and inspection.</i>	\$50 per load	\$50 per load
Tampering with meter, hydrant or water supply		
First offense	\$500	\$500
Subsequent offenses	\$1,000	\$1,000

Water Service Installation Charge

\$150 per foot

\$150 per foot

MDC will install the customer's water service from the public water main to the property line.

Respectfully Submitted,



John S. Mirtle, Esq.
District Clerk

On motion made by Commissioner Mandyck and duly seconded, the report was received and resolution adopted by unanimous vote of those present.

APPROVAL TO EXECUTE ON DISTRICT WATER SUPPLY ORDINANCE

To: Water Bureau for consideration November 22, 2021

As part of the District's RF replacement program, the District has greatly reduced the number of customer accounts with extended periods of estimation through replacement of old water meters and/or RF devices. There are less than 1,000 customers with ongoing estimated readings that have been unresponsive to requests to replace the meter or RF. In 2017 the District modified Water Supply Ordinance § W2c to include a customer's denial of access to inspect or replace the water meter and equipment as grounds for shutting off the water service. The District has not yet acted to shutoff service of these unresponsive customers but is now seeking the Water Bureau's authorization to do so in order to obtain access and replace the water meter/RF device on the final group of long standing estimated accounts.

Therefore, it is **RECOMMENDED** that it be

VOTED: That the Water Bureau recommends to the District Board to passage of the following resolution:

RESOLVED: That District staff is hereby authorized and directed to commence shutoffs of customers with longstanding periods of estimated bills that refuse to provide the District access to the water meter and/or RF device in accordance with t Water Supply Ordinance §W2c;

FURTHER

RESOLVED: District staff shall provide 14 days written notice to customers of pending shutoff of service due to failure to grant access to the water meter, RF device, or other District equipment.

Respectfully submitted,



Scott W. Jellison
Chief Executive Officer

On motion made by District Chairman DiBella and duly seconded, the report was received and resolution adopted by unanimous vote of those present.

FEDERAL FUNDING FOR WATER CUSTOMERS VIA LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

Steve Bonafonte, Assistant District Counsel, provided a briefing on the Low Income Home Energy Assistance Program (LIHEAP)

OPPORTUNITY FOR GENERAL PUBLIC COMMENT

No one from the public appeared to be heard.

COMMISSIONER COMMENTS AND QUESTIONS

Commissioner Gardow inquired about the Non-Member Town CIP Surcharge and the Glastonbury uranium issues.

ADJOURNMENT

The meeting was adjourned at 6:10 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval