

**EAST HAVEN TOWN COUNCIL  
PUBLIC HEARING MINUTES  
TUESDAY, APRIL 7, 2015**

In accordance with Chapter III, Section 6 of the East Haven Town Charter, the East Haven Town Council Hearing Committee held a public hearing meeting Tuesday, April 7, 2015, at 7:00PM at the East Haven Senior Center, 91 Taylor Avenue, East Haven, CT 06512.

Chairman Richard Anania calls the meeting to order at 7:00PM.

**Item #1**

Roll Call for Hearing Committee - 10 present – 5 absent (Gravino, Santino, Thompson Jr., Badamo and Riolino).

A quorum is present.

Councilman Nicholas Palladino makes a motion to waive the reading of the full Ordinance for item #2.

Councilman Vincent Spaduzzi seconds the motion.

Roll call vote: all in favor-none oppose-none abstain. Motion carries.

**Item #2**

To conduct Public Hearing #1 regarding an " ORDINANCE ADDING THE TOWN OF STRATFORD AS A CONSTITUENT MUNICIPALITY OF THE GREATER NEW HAVEN WATER POLLUTION CONTROL AUTHORITY."

**AN ORDINANCE ADDING THE TOWN OF STRATFORD  
AS A CONSTITUENT MUNICIPALITY OF  
THE GREATER NEW HAVEN WATER POLLUTION CONTROL AUTHORITY**

**WHEREAS**, Chapter 20, Article III of the East Haven Code presently address the topic of the "Greater new Haven Water Pollution Control Authority;"

**AND WHEREAS**, the Town wishes to update and amend all of the regulations contained therein for the purpose of adding the Town of Stratford as a Constituent Municipality of the Greater New Haven Water Pollution Control Authority;

**NOW THEREFORE, BE IT ORDAINED** that Chapter 20, Article III and all sections contained therein, including the respective titles of said sections, are hereby repealed in their entirety and the following shall be deemed to replace the same:

### **"ARTICLE III. GREATER NEW HAVEN WATER POLLUTION CONTROL AUTHORITY**

#### **Sec. 20-46. Definitions.**

For purposes of this Ordinance, each of the following terms shall have the meaning set forth below:

“Asset Purchase Agreement” shall mean an agreement by and among Stratford, the Stratford Water Pollution Control Authority and the GNHWPCA which shall set forth the terms and conditions of the transfer of the Stratford Wastewater System Assets to the GNHWPCA.

“Bonds” shall have the meaning set forth in CGS 22a-500.

“Bylaws” shall mean the rules and regulations governing the administration of the property of GNHWPCA and the conduct of its affairs.

“CGS” shall mean the General Statutes of the State of Connecticut, as amended.

“Constituent Municipality” shall have the meaning set forth in CGS 22a-500.

“East Haven” shall mean the Town of East Haven, Connecticut.

“Effective Date” shall mean the later to occur of the date upon which this Ordinance becomes effective in (i) New Haven, (ii) East Haven, (iii) Hamden, (iv) Woodbridge and (v) Stratford.

“GNHWPCA” shall mean the Greater New Haven Water Pollution Control Authority established pursuant to the Concurrent Ordinance previously adopted by each of New Haven, East Haven, Hamden and Woodbridge, as revised by this Ordinance.

“Hamden” shall mean the Town of Hamden, Connecticut.

“New Haven” shall mean the City of New Haven, Connecticut.

“Plan of Operation” shall mean the preliminary plan of operation prepared and submitted by the Constituent Municipalities in accordance with CGS 22a-500 to 22a-519, inclusive, as may be amended from time to time, which shall include the procedure by which Bonds of the GNHWPCA shall be approved and be in furtherance of the environmental protection laws of the State.

“Sewer Ordinance” shall have the meaning set forth in Section VIII of this Ordinance.

“State” shall mean the State of Connecticut.

“Stratford” shall mean the Town of Stratford, Connecticut.

“Stratford Wastewater System Assets” shall mean the entire municipal wastewater system of Stratford and the Stratford Water Pollution Control Authority and all assets related to such wastewater system, including, but not limited to, any device, equipment, appurtenance, plant facility and method of collecting, transporting, receiving, reducing, treating, reclaiming, separating, disposing of or discharging sewage or the residue from the treatment of sewage, including any component of the foregoing, but specifically excluding all of Stratford’s stormwater assets.

“Woodbridge” shall mean the Town of Woodbridge, Connecticut.

**Sec. 20-47. Statement of Purpose of GNHWPCA.**

The GNHWPCA is a regional water pollution control authority previously created in accordance with CGS 22a-500 with each of New Haven, East Haven, Hamden, and Woodbridge as a Constituent Municipality. The purpose of the GNHWPCA is the furtherance of the environmental protection laws of the State and to gain efficiencies and economies of scale with respect to the planning, design, construction, management, operation and maintenance of the Wastewater System of New Haven, East Haven, Hamden, Stratford and Woodbridge and any other Constituent Municipality which may adopt this Ordinance and become a member of the GNHWPCA in the future. The GNHWPCA, the existing Constituent Municipalities of the GNHWPCA and Stratford each desire that Stratford become a member and Constituent Municipality of the GNHWPCA.

**Sec. 20-48. Incorporation of the GNHWPCA.**

The name of the regional water pollution control authority created pursuant to CGS 22a-500 to 22a-519, inclusive, shall continue to be the Greater New Haven Water Pollution Control Authority. The principal office of the GNHWPCA is 260 East Street, New Haven, Connecticut.

**Sec. 20-49. Plan of Operation.**

The GNHWPCA shall be operated in accordance with a Plan of Operation and in accordance with CGS 22a-500(c) and 22a-501(a). The Plan of Operation may be revised from time to time upon the approval of a majority of the Directors, subject to and in accordance with CGS 22a-501.

**Sec. 20-50. Board of Directors**

A. Number of Directors.

The GNHWPCA shall increase the size of its Board of Directors, created under CGS 22a-500(b), to consist of eleven (11) directors. Four (4) directors shall be appointed by New Haven, two (2) directors shall be

appointed by each of Hamden, East Haven and Stratford, and one (1) director shall be appointed by Woodbridge.

B. Directors.

The names, addresses and terms of office of each member of the revised eleven-member board of directors of the GNHWPCA are set forth on Exhibit A attached hereto, and shall be effective as of the Effective Date. Each director shall be entitled to one (1) vote on any matter that shall come before the Board of Directors for their approval.

C. Authority and Compensation.

The business of the GNHWPCA shall be managed by or under the direction of the Board of Directors which may exercise all such powers of the GNHWPCA and do all such lawful acts and things as are allowed by the Connecticut General Statutes, as amended, and the Bylaws.

The compensation, if any, and method for determining same for each director on the Board of Directors shall be as set forth in the Bylaws.

D. Term of Office.

The current term of each director of the GNHWPCA shall commence on the Effective Date and expire on the dates set forth on Exhibit A attached hereto. Directors shall be divided into two (2) groups of four (4) directors and one (1) group of three (3) directors, each as more fully set forth in the Bylaws. The current term of the first, second and third groups shall expire on December 31, 2014, December 31, 2015 and December 31, 2016, respectively, as more fully set forth in the Bylaws. Upon the expiration of each initial term of office for each of the current directors of the GNHWPCA, a new term of office of three years shall commence as more fully set forth in the Bylaws.

E. Appointment of Directors and Removal.

The directors to be appointed by New Haven shall be appointed by the Mayor of New Haven, subject to the approval of the Board of Aldermen of New Haven. The directors to be appointed by East Haven shall be appointed by the Mayor of East Haven, subject to the approval of the Town Council of East Haven. The directors to be appointed by Hamden shall be appointed by the Mayor of Hamden, subject to the approval of the Legislative Council of Hamden. The directors to be appointed by Stratford shall be appointed by the Mayor of Stratford, subject to the approval of the Town Council of Stratford. The directors to be appointed by Woodbridge shall be appointed by the Board of Selectmen of Woodbridge.

Any director may be removed from office as more fully set forth in the Bylaws. The appointment of subsequent directors to the directors set forth on Exhibit A shall be as more fully set forth in the Bylaws.

**Sec. 20-51. Powers.**

The GNHWPCA shall have all the powers set forth in CGS 22a-500 to 22a-519, inclusive.

**Sec. 20-52. Bylaws.**

Any and all amendments to the Bylaws of the GNHWPCA to include Stratford as a Constituent Municipality are hereby approved and adopted in all respects pursuant to the provisions of CGS 22a-501(a)(1) and Section 8.1 of the Bylaws.

A copy of the Bylaws of the GNHWPCA and all amendments thereto, duly certified, shall be filed in the office of each Constituent Municipality and the State of Connecticut Secretary of the State in accordance with CGS 22a-501(a)(1), as amended. The Bylaws may be revised in accordance with the express terms contained therein and CGS 22a-501(a)(1), as amended.

**Sec. 20-53. Sewer Ordinance.**

Each of the Constituent Municipalities, other than Stratford, previously adopted the sewer ordinance of the GNHWPCA (the "Sewer Ordinance"). With respect to Stratford, the Sewer Ordinance shall become effective in Stratford as of the adoption by Stratford and all of the Constituent Municipalities of the GNHWPCA of this Ordinance and shall, as provided therein, supersede, amend, restate and replace the existing sewer ordinance of Stratford or portions thereof. The Sewer Ordinance may be amended, modified, restated or replaced by the Board of Directors of the GNHWPCA from time to time after adoption without the need for separate approval from the Constituent Municipalities.

**Sec. 20-54. Transfer of Assets.**

The transfer and sale of the Stratford Wastewater System Assets to the GNHWPCA is hereby approved, and the Mayor of Stratford, be and hereby is empowered, authorized and directed to negotiate, execute and deliver, on behalf of Stratford, the Asset Purchase Agreement and any and all other agreements, documents and instruments related to the transfer of the Stratford Wastewater System Assets, and to perform any and all acts necessary or appropriate to effectuate the transfer of the Stratford Wastewater System Assets to the GNHWPCA. Prior to the execution of the Asset Purchase Agreement and the transfer of the Stratford Wastewater System Assets to the GNHWPCA, the proposed transfer and sale of the Stratford Wastewater System Assets shall, pursuant to the provisions of CGS 8-24, as amended, be referred to the Planning and Zoning Commission of Stratford for a report, and a public hearing shall be held by Stratford so that the users of the water pollution control system and residents of

Stratford may be heard concerning the proposed transfer of real property and the proposed provisions of the Asset Purchase Agreement in accordance with CGS 22a-509(d) and CGS 7-163e.

**Sec. 20-55. Severability.**

The invalidity of any one or more of the words, phrases, sentences, clauses, sections or subsections contained in this Ordinance shall not affect the enforceability of the remaining portions of this Ordinance or any part hereof, and, if any one or more of the words, phrases, sentences, clauses, sections or subsections contained in this Ordinance shall be declared invalid by a court of competent jurisdiction, this Ordinance shall be construed to most closely effectuate the intentions of the Constituent Municipalities and the remainder of the Ordinance shall be valid and effective."

This Ordinance shall be effective in accordance with the provisions of the East Haven Town Charter.

Submitted by: Danelle Feeley, Council Clerk Date: \_\_\_\_\_

Approved by: Joseph Maturo, Jr., Mayor Date: \_\_\_\_\_

Received by: Stacy Gravino, Town Clerk Date: \_\_\_\_\_

- Town Attorney Joseph Zullo says this Ordinance was contained in the March 3<sup>rd</sup> packet. It is an Ordinance adding Stratford as a constituent municipality of The Greater New Haven Water Pollution Control Authority. The Director of Administration & Management, Sal Brancati and Gabe Varca from the WPCA are here to explain and answer any questions.
- Sal Brancati, Director of Administration & Management addresses the Council and says they are asking for the Council's consideration in adding Stratford to the WPCA. His understanding is that there is no impact on East Haven financially or otherwise by adding Stratford to the organization.
- Gabe Varca, Chief Financial Officer, WPCA addresses the Council and explains that some of the concerns his Board has are likely some of the same this Board will have. He explains that Stratford would be operating under a totally separate budget; they would have their own revenue stream, their own expenses and a separate cost of service in the audit every year when completed. There will be no revenues or expenses that come from the four current municipalities and vice versa. One of the advantages is that by bringing in Stratford, they bring in another 51,000 constituents which means they get to identify themselves as a larger authority. Being that they are in Fairfield County with a better collection

rate than we have here, we will be able to get a bond rating increase which will lead us to cheaper bond rates. It also gives us a better position in regards to priority ratings with the State of Connecticut for clean water funds.

No public comment.

Council comment:

- Councilman Robert Sand says when we formed the GNHWPCA , there was a reason for consolidating the services. His first question is why we would take on Stratford, what benefit that has for this municipality. It was briefly mentioned that in the future it may benefit us in terms of borrowing. But directly, if it is operating independently, why would we want our regional authority to be stretched into another area that is not continuous to our current plan, to take that on and move away from guiding our regional area for something that is totally separate.
- Mr. Varca says there is really nothing being taken away; their entity will continue to exist as it exists right now. Adding Stratford into the ownership and assets umbrella of the GNHWPCA doesn't take anything away. What they do is share the overhead costs with their administration. There is about a 5 year phase in but then it ends up being that they will pay \$500,000-\$600,000 in administrative costs annually. That transitions into about \$.05 of CCF. Right now they are running a new program and a new pump station is going to be built in East Haven & Hamden which cost about \$500,000 each, so in regards to infrastructure we can say by those savings we can actually do a new pump station every year.
- Councilman Sand says so directly, it is not lowering out rates.
- Mr. Varca says that every year that they recover the \$500,000-\$600,000 in administrative costs from them, its \$.05 that the rate doesn't go up.
- Councilman Sand says so they are going to eliminate their entire administrative staff and the WPCA is going to take it?
- Mr. Varca says right now their administrative staff is actually City Hall.
- Councilman Sand asks if this will increase the salary of all of the people in GNHWPCA. Mr. Varca says no and Councilman Sand asks why it wouldn't.
- Mr. Varca says there were some changes in operation last year, there could still be some adjustments down the road but they won't be immediate. They don't know exactly what is going to change and how it is going to change until after it takes place. The Union could make an issue about the fact that there were 3 people working for someone and now there are 5, they will determine as they move along. There could be salary adjustments, but that would come out of Stratford's expenses.

- Councilman Sand says the compensation for the administration that the WPCA is going to be managing, where does that come from. What is the incentive for the Authority to take that duty on with no additional compensation?
- Mr. Varca says there is not really an incentive for him personally, it will be more work. But it is better for the entity as a whole. The discussion is that if we take on Stratford and move into that area, there could be other savings down the road for them. They are in a chase always with the clean water fund; they want to be back to the second largest ownership facility, 80% of the money they spend comes from the State of Connecticut. They have a current project which is 28% grant and the rest is 20 year 2% loan. They get millions and millions of dollars in grant money and they need to be able to maintain that.
- Mr. Brancati says the bigger you are, the more grant money that the State will give you access to.
- Mr. Varca says if we can change the rate of our bonding over the next 50 years, it will be millions and millions of dollars.
- Councilman Fred Parlato asks what percentage of Stratford has service with sanitary sewers.
- Mr. Varca says Stratford has 189 miles of sanitary sewers, they don't have any combined sewers they are totally separated; it isn't like East Haven/ Hamden.
- Councilman Parlato says so any development that goes into Stratford now has to be tied into a sanitary line?
- Mr. Varca says they actually have some outskirts that are still on septic but for the majority, they are 98% sewer. They have the capacity for expanding; the plant was 100% rebuilt 4 years ago. Consultants were brought in to see what kind of capital improvements had been done and their plant needs virtually nothing.
- Mr. Parlato says so Stratford treats their own waste material? Mr. Varca says yes. Mr. Parlato asks how many pumping stations they have. Mr. Varca says they have 13.
- Mr. Parlato asks when the last time was that the complete system was evaluated by EPA?
- Mr. Varca says they are reviewed by EPA but it is administrative as to how they do their record keeping.
- Mr. Parlato asks if they have an ongoing program of visual maintenance. Mr. Varca says yes they have staff 24/7. Mr. Parlato makes sure they do what we are doing now in East Haven with the cameras in the lines and evaluating them.
- Mr. Varca says they don't have the program that we have, this is something they will hopefully be able to bring. We are going to utilize their employees, give them different training and help them.

- Mr. Parlato asks if Stratford will have a representative on the WPCA. Mr. Varca says they will have two.
- Councilman Henry Butler III says if he is looking at this correctly, Stratford helps possibly secure West Haven or Milford down the road.
- Mr. Varca says it helps them secure the ones that they want to be involved with. They have had this discussion with several other Towns over the last 10 years, 2015 will be the 15<sup>th</sup> year since it has taken place. The ones they have met with along with EPA/DEEP/State of Connecticut have been a success, and they have been invited to other Towns and have actually said no thank you.
- Councilman Butler III says in West Haven they have done some improvements. Mr. Varca says they have done some; early on about 10 years ago West Haven was involved, there was some back and forth discussions that have sort of fallen off. The opportunity in West Haven years ago was that they could pump into New Haven's facility because they had the capacity which would have been a great savings but they didn't want to entertain that. They have a different collective system that may not be one that we want to be involved in.
- Councilman Ken McKay asks if Stratford had any dumping into the Sound last year. Mr. Varca says that was Stamford that released into the Sound.
- Mr. Brancati asks if Stratford redid their facility 4 years ago, Mr. Varca says they did, they got about \$20,000,000 in grant money.
- Councilman Sand asks if WPCA approached them or they approached WPCA.
- Mr. Varca says Stratford approached them, they sent a letter to their Board asking to discuss and do an evaluation. He says WPCA is not out selling, they have plenty of work to do. They entertain anyone who approaches them asking if there are any savings or benefits for them to join. If it wasn't beneficial for them, they won't do it.
- Councilman Sand says it would be like him taking on additional work, but not being paid more. He is struggling with the concept of that.
- Mr. Varca says people will be hired but they are going to be on their dime. There will be more bills to pay and more purchasing to be done but that all becomes part of their budget. There will be some changes with job duties which we won't know until we are actually doing it. But for significant changes, it will go on their budget. He is less concerned about the extra work that needs to be done; it is more a concern of where it will be paid from. There is a big budget, but the savings are a lot, it is literally a pump station per year. The \$500,000 is a great savings, and it changes, it goes up with the cost share.
- Councilman Sand asks if Stratford has had their public hearings and is okay with a new management team.
- Mr. Varca says there are significant benefits for Stratford; they have about \$37,000,000 in debt on the books that the WPCA is going to take. They get an

asset/purchase payment, so they would leave that off of their financial statement. They also have a significant amount of capital improvements in their collection system and pump stations. State requirements are becoming more stringent and they don't have the expertise in that.

- Councilman Sand says the books are separate, so the \$37,000,000 is going to be restructured?
- Mr. Varca says the majority of that is State of Connecticut clean water funds, so they take over exactly how it is, they don't re-amortize the schedule or re-write the debt. The debt comes over 2% over the remainder, there is approximately 18 years or so left.
- Councilman Sand asks what their asset payment will be per year.
- Mr. Varca says they are going to pay them \$11,000,000 for their assets plus their reserves.
- Councilman Sand asks if they are negotiating a yearly payment. Mr. Varca says their pilot payment is \$400,000.
- Councilman Sand says ours is \$63,000 per year. Mr. Varca says he doesn't know East Haven's off hand but New Haven's is \$600,000.
- Mr. Brancati says if you can decrease the borrowing rate for the WPCA and distribute the administrative costs over a larger pool, there will be a significant savings.
- Mr. Varca says we got an upgrade from one of the agencies; our collection rate is 88% as a whole which is pretty low. Stratford is upwards of 96% for their collection rate.
- Councilman Sand asks if there are other communities that the GNHWPCA is looking at.
- Mr. Varca says they would consider looking at anyone who comes to them, but they don't go out and sell. The other advantage with Stratford is that they have an outside contract for their sludge being taken. Once we take over we can bring in sludge from New Haven. This saves us some money and keeps our incinerator full which helps run the turbine and produces electricity. Regionalization as a whole seems to be working in other parts of the Country, they are a not for profit utility that operates with the rights of municipalities.
- Councilman Nicholas Palladino asks if our Town Engineer is on board with this or know about it/have anything to do with it.
- Mr. Brancati says he doesn't have much to do with it because it has no impact. We don't have a facility here in East Haven for him to monitor, and we don't do any of the processing here.
- Mr. Varca says they did just get a \$2.6 million FEMA grant to work on the East Haven pump stations.

- Councilman Mckay asks if the other municipalities who belong have voted on this yet.
- Mr. Varca says Hamden is voting Monday, his Board votes Tuesday and new Haven will be at the end of May because they need two meetings, Woodbridge is voting in the next week. His Board has reviewed it and has another meeting on Tuesday so that they can have a public hearing along with a special meeting. They are on board; they have worked it to death.
- Mr. Brancati says in reality, if we vote for it and the WPCA doesn't vote for it, then our vote is void.
- Mr. Varca says yes, but they need to prepare all areas as if the deal is going to close and if it doesn't, it doesn't. They need to be ready to operate the plant the day after if it does.
- Mr. Parlato says if he remembers correctly when the Clean Water Act was enacted for a municipality like East Haven, it wasn't done very professionally but as the rules become more stringent and we add more problems to Long Island Sound, it would make sense to have a highly professional organization all along the coast to treat everything the same. The technology keeps on changing and in order to have the staff to keep up with it and avoid fines, the organization has to keep up years ahead of this. Regionalization would make sense because you have a core staff that does this all day.
- Mr. Varca says that is all they do, they do waste water and that is it. There are a whole slew of environmental benefits.
- Councilman Butler III says it may cause other Towns to get their act together like Milford/West Haven.
- Mr. Varca says they have had discussions with West Haven, Branford, North Haven, etc. but they aren't out selling. As long as we can keep the budget separate, which we can, there will be benefits.
- Chairman Anania asks if them getting bigger and more savings in operation does anything for East Haven.
- Mr. Varca says it keeps the rate from going up as fast as it would. There are infrastructure changes that have to be done, some of the pipes are 100 years old, most of the infrastructure is underground and the requirements from the State are more stringent in regards to clean water acts.

### **Item #3**

Adjournment of Public Hearing #1.

Councilman Mckay makes a motion to adjourn.

Councilman Butler III seconds the motion.

Voice vote: all in favor-none oppose-none abstain. Motion carries.

**Item #4**

Hearing Committee report to the full Town Council and recommendation of action on Public Hearing #1.

Councilman Palladino makes a motion.

Councilman Butler III seconds the motion.

Roll call vote: all in favor-none oppose-none abstain. Motion carries.

**Item #5**

Councilman Mckay makes a motion to adjourn.

Councilman Palladino seconds the motion.

Voice vote: all in favor-none oppose-none abstain. Motion carries.

Meeting is adjourned at 7:26PM.

Respectfully Submitted,

Danelle Feeley, Clerk, East Haven Legislative Town Council