

WATERTOWN, CONNECTICUT
AND SEWER AUTHORITY
REGULAR MEETING
WEDNESDAY, MAY 20, 2026

1. Call Meeting to Order

Chairman James Sugden called the Regular Meeting to order at 7:00 PM.

2. Roll Call

Members present: Keith Franson, Joseph Masi, Thomas Claire, Raymond Primini, Adam Simonsen, James Sugden

Members excused: Marisa Mancini-Cavallo

Others present: Mark A. Raimo

3. Minutes – March 18, 2026

A motion was made by Joseph Masi to approve the minutes from the Regular Meeting March 18, 2026 as written. The motion was seconded by Keith Franson. Those in favor include James Sugden, Keith Franson, Joseph Masi, Raymond Primini. Those who abstain include Thomas Claire and Adam Simonsen. Motion passes.

Mr. Masi addresses the Chairman and requests to make a corrections and additions to the Agenda.

A motion was made by Joseph Masi to add to the Agenda under New Business, discussion and possible action regarding the emergency replacement of the Bunker Hill pump station secondary pump. The motion was seconded by Thomas Claire. All in favor. Motion passes.

A motion was made by Joseph Masi to move Item E under New Business to a position before Public Participation on the Agenda. The motion was seconded by Keith Franson. All in favor. Motion passes.

A motion was made by Joseph Masi to move Item A under New Business to immediately follow Item E and prior to Public Participation. The motion was seconded by Keith Franson. All in favor. Motion passes.

Chairman Sugden states that the Agenda has been reorganized and the next item will be the discussion and possible action regarding the emergency replacement of the Bunker Hill pump station secondary pump.

Mr. Raimo states that the secondary pump at the Bunker Hill pump station sprung a leak and needs to be fixed. The repair will only last 1-5 years, as the current pump was installed in 1954. The recommendation by WSA staff is to replace the pump

completely with a new vertical pump. The installation of this new pump would also allow a large reduction in electricity consumption.

A motion was made by Joseph Masi to approve the purchase of the new secondary pump at the Bunker Hill pump station. The motion was seconded by Keith Franson. All in favor. Motion passes.

Under the revised Agenda, New Business Agenda Item E has been moved to a position before Public Participation, followed by New Business Agenda Item A.

New Business

E. Discussion and Possible Action regarding Berkshire Drive Water and Sewer Service Billing Structure, Including Waterbury Bulk Meter Billing to the Watertown Water & Sewer Authority and Subsequent Billing Arrangement Between the Authority and Lovley Development.

Town Attorney Paul Jessell explained that Mr. Lovley, the developer of the Berkshire Drive 55+ community, is proposing a project that the Town of Watertown cannot directly serve with water and sewer infrastructure. To address this, the agreed solution is for the City of Waterbury to install and operate a bulk water meter and then bill Watertown based on the development's actual water usage. Watertown will then bill the condominium association based on the same usage.

A motion was made by Joseph Masi to accept the proposed metering arrangement. The motion was seconded by Keith Franson. All in favor. Motion passes.

A. Discussion and Possible Action regarding an Updated Town of Watertown Water and Sewer Rate Study Draft Report, prepared by NewGen Strategies & Solutions, including review of proposed water and sewer rate structures, financial projections, operational impacts, debt service considerations, and related recommendations for the Watertown Water & Sewer Authority.

Members of NewGen Strategies & Solutions presented their Water and Sewer Rate Study Draft report. The presentation was informational only.

4. Superintendent's Report – February 2026

- a. Software Update
- b. Additional Updates

Mr. Raimo presented there is no significant operational issues reported during the month of February. The only notable event was an emergency pump repair

that required attention. Staff is still working on installing Edmunds Software for billing.

5. Public Participation (Read Statement)

Chairman Sugden reads the Public Participation Statement.

Richard Rozanski, 33 Reynolds St., questioned whether the rate study considered the approximately \$3.1 million in bond proceeds that exceeded the amount needed to satisfy the Waterbury judgement. He also asked whether the WSA would maintain adequate reserves after making an anticipated BAN payment in October. He commented on the proposed rate increase.

Katherine Camara, 31 Cottage Pl., expressed concerns about audio quality and proper microphone usage for residents watching remotely. She voiced frustration that the town did not raise sewer I&I concerns during the Waterbury litigation. She questioned ongoing expenditures related to legal services and studies.

Amy Quinnan, 159 Fern Hill Rd., questioned whether Watertown's current water and sewer rate structure is comparable to those of other municipalities in the NextGen study's analysis. She suggested the WSA explore whether alternative rate structures could distribute costs differently amongst customer classes. She also stated that she would like to see additional analysis in the rate study regarding alternative billing structures and how Watertown compares to other municipalities.

Members of NewGen Strategies responded to Ms. Quinnan and answered her questions.

Mr. Raimo and members of the Authority discuss the BAN/BOND. He states that unused bond proceeds and accrued interest will be used to reduce the bond amount. He moted potential funding from the Watertown Fire District remains uncertain, so they are planning based on worst case scenario pending further review and discussion by the WSA and Town Council in a joint meeting.

6. Correspondence/ Information

a. Memo dated April 8, 2026, from Town Manager Re: Project Prioritization

Mr. Raimo reviewed the project prioritization document developed from prior WSA feedback and reported that a \$750,000 state grant application had been submitted to help fund infrastructure improvements, including lead service line replacement. Additional infrastructure needs related to the booster station were identified for inclusion in the project list.

b. Memo dated April 8, 2026, from Town Manager Re: Budget Adjustments

Mr. Raimo reviewed budget adjustments made due to scheduling and quorum issues, including a temporary stipend for administrative duties, increased audit costs, and revised water rent revenue projections to reflect anticipated rate adjustments. He noted that budget revenues remain dependent on future rate increases.

c. Memo dated May 1, 2026, from Town Manager Re: Transfer of Funds

Mr. Raimo reported that \$30,000 was transferred from a special fund to sewer operations to address operational cash flow needs and noted a request for an additional \$970,000 to support operations. The transfer was described as consistent with financial planning previously discussed by the WSA.

d. Memo dated May 9, 2026, from the Town Manager Re: Overview and Explanation of Municipal Enterprise Funds and Pooled Cash Management

The Town Manager presented an overview of enterprise fund accounting and pooled cash management practices to clarify the handling of WSA funds and address misconceptions regarding fund balances. He emphasized that all funds are accounted for through the Town's audited financial records and that the memo was intended to provide a common understanding of the financial structure.

A motion was made by Joseph Masi to approve the action taken by the Town Manager for the \$30, 000 as mentioned in the enclosed memorandum. The motion was seconded by Keith Franson. All in favor. Motion passes.

7. Old Business

a. **BAN/Bond Conversion 2026 – Risk Register (Standing Item)**

Discussion and possible action regarding the 2026 BAN-to-bond conversion, including review and maintenance of the associated risk register as a standing agenda item to support ongoing monitoring, mitigation, and decision-making.

Mr. Raimo states that they have covered the Risk Register effectively through other Agenda items.

b. **Monthly Review of Operational Budgets (Standing Item) – Fund 015 (Sewer) and Fund 017 (Water)**

Review of monthly operating budget performance for the Sewer (Fund 015)

and Water (Fund 017) enterprise funds to monitor compliance with the operational budget freeze implemented in January 2026, identify variances, and confirm adherence to spending controls.

Mr. Raimo reviewed the monthly water and sewer financial report and noted that staff developed additional cash tracking tools to provide a clearer picture of enterprise fund cash balances and reserves. An updated report is expected to be presented at a future meeting.

c. Update on Ratepayer Communication and Messaging

Discussion and update on messaging strategies to keep ratepayers informed regarding potential future rate adjustments, including timing, scope, and coordination of internal and external communications.

The Town Manager reported that a letter to ratepayers is being distributed and that the WSA website has been updated with technical information, FAQs, and plain-language materials. He also noted that future newsletters will be issued as significant new information becomes available.

d. Rate-Setting Discussion for 2026 (Standing Item)

Ongoing discussion regarding the establishment of 2026 rates. This item will remain on the agenda as standing old business while the Authority continues to develop, review, and refine the information necessary to evaluate and, if appropriate, implement a rate increase.

Mr. Raimo reported that the rate-setting process remains under review and will continue as a standing agenda item. Upcoming steps include receiving recommendations from the bond advisor, obtaining Town Council feedback, conducting additional public outreach, and scheduling public hearings and special meetings, with a target timeframe of July–August for advancing the rate proposal.

e. Discussion on possible action for ranking Connecticut Department of Public Health Drinking Water State Revolving Fund (CT DPH DWSRF) Projects and their eligibility ranking.

Mr. Raimo advised that the project prioritization document had previously been approved and stated that requested revisions would be incorporated without further action by the Authority.

f. Discussion and possible action on the review of the Water & Sewer Authority Policy Manual and the establishment of a process for its periodic review and update. (Standing Item)

Mr. Raimo suggested developing a formal reserve policy to establish target reserve levels and provide guidance for future financial planning. He noted that reserve requirements would have a direct impact on future rate-setting decisions.

8. New Business

- a. **Discussion and Possible Action** regarding an Updated Town of Watertown Water and Sewer Rate Study Draft Report, prepared by NewGen Strategies & Solutions, including review of proposed water and sewer rate structures, financial projections, operational impacts, debt service considerations, and related recommendations for the Watertown Water & Sewer Authority.
- b. **Discussion and possible action on FY 2026/2027 Budget Adjustments – Administrative Reimbursement, Audit Services, and Water Costs**

A motion was made by Adam Simonsen to approve the FY2026/2027 Budget Adjustments. The motion was seconded by Keith Franson. All in favor. Motion passes.

- c. **Discussion and possible action** consider appropriating up to \$970,000 from the Special Fund to cover Water & Sewer costs exceeding the originally budgeted amount to ensure all obligations can be paid. The appropriation will be split as needed to support operational line items for Sewage Disposal - 015.50344.074.0000.9015 and Utilities Water - 017.50324.075.0000.9017.

A motion was made by Joseph Masi to approve appropriating up to \$970,000 from the Special Fund to cover Water & Sewer costs exceeding the originally budgeted amount to ensure all obligations can be paid. The motion was seconded by Raymond Primini. All in favor. Motion passes.

- d. **Discussion and Possible Action** regarding the results of Assistant Superintendent candidate interviews and consideration of the organizational and operational model for the Superintendent position within the Watertown Water & Sewer Authority, including review of leadership structure, operational oversight responsibilities, administrative functions, and potential organizational adjustments.

Mr. Raimo reported that none of the applicants interviewed for the Superintendent position were recommended for selection. Discussion included continuing the recruitment process and considering whether modifications to the position structure, including a potential business manager model, could help attract a broader pool of qualified candidates.

The Authority discusses amongst each other the different options for the Assistant Superintendent position.

- e. **Discussion and Possible Action** regarding Berkshire Drive Water and Sewer Service Billing Structure, Including Waterbury Bulk Meter Billing to the Watertown Water & Sewer Authority and Subsequent Billing Arrangement Between the Authority and Lovley Development.

9. Adjournment

A motion was made by Joseph Masi to adjourn the meeting at 8:37 PM. The motion was seconded by Keith Franson. All in favor. Motion passes.

Respectfully Submitted,
Keith Franson, Secretary
Water and Sewer Authority

Approve by: _____