



WATER POLLUTION CONTROL AUTHORITY

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Public Hearing
Sewer Use Capital Fee

April 6, 2016

Present: Nunzio Parente, Chairman
Carmine Durante
Andrew Geruntho
Ken Plavnicky
Charles Stowe, 1st Ward Alderman
Robert Turschmann

Absent: Williams Nimons

Others in Attendance: Rita St. Jacques
Richard Bshara
Brian Capozzi
John Tomasella, Shift Operator
Joan Radin, 5th Ward Alderwoman

The Public Hearing of the Ansonia Water Pollution Control Authority was called to order at 7:00 p.m. by Chairman Parente.

All present rose and pledged Allegiance to the Flag.

The secretary called the roll. There was a quorum present.

DISCLAIMER: The minutes of the WPCA provided by the Secretary are not verbatim and are the best effort of the Secretary to capture all of the conversations taking place during the meeting.



Chairman Parente opened the public hearing.

Mr. Richard Bshara was recognized.

Mr. Bshara stated we are here for a public hearing to discuss the rate setting for the 554 Project. We are in billing year 7 for a 20 year note. We pay out \$179,000 approximately every month. With that we have 2.2 million dollars a year going out and we're billing at \$270 at the recommendation per unit at 8300 units total including multifamily and business units.

Ms. St. Jacques said it is a little less than that now.

Mr. Bshara said so it is in the general vicinity of that 8000 number that we bill out. The total number ends up being approximately 2.4 million dollars. The money is coming in and the money is going out on an annual basis. You have a little bit in reserve because we started billing a couple of years in advance but in the end there will be a couple of years that we don't. The collections are OK.

Chairman Parente said it's pretty scientific.

Mr. Bshara said it's not 100% but it's doing well. We don't lose any of them but sometimes they are a little bit "laggy". We do catch them and we do get some interest from them. All in all I think this is where we need to be to cover the mortgage payment.

Mr. Durante asked what was the past bill - \$270?

Mr. Bshara said yes, it started at \$285 and after a year or two we modified it down to \$270. I don't believe we could go lower than that without putting ourselves in jeopardy. This cost covers everything. If we need a little bit extra our reserve will cover it.

Chairman Parente said so its \$285 a year, right.

Mr. Bshara said were not at \$285, we are at \$270, that's what we are currently at.

Chairman Parente asked what is the amount that we have to pay back?

Mr. Bshara said 32 million dollars, about 32, 33, 34 million plus the interest. He asked if they wanted to wait a second and he will get the figure.

Chairman Parente said if you don't mind.

Ms. St. Jacques said we started out the first year at \$285 and then they dropped it.

Mr. Durante said times how many units.

Chairman Parente said times 20 years.

Discussion on the number of bills that are sent out. Ms. St. Jacques said about 5400 to 5500 bills are mailed out just a little over 10,000 units. Mr. Durante asked if it was 10,000 units.

Mr. Bshara said it is almost \$36 million not \$32 million.

Chairman Parente said OK times 20, well \$270 a year for 20 years yields \$5.4 million or \$54 million. Whatever way you want to look at it.

Mr. Bshara said OK well that's probably. Mr. Bshara was figuring the calculations at this time.

Mr. Bshara said \$270 times 8200 people is \$2.2 million per year times 20 years is \$44.2 million. We borrowed \$36 million and the rest, the other \$6 million is the interest on loan. It's 2%. If you take \$36 million, you take \$18 million at 2% that's \$360,000 per year times 20 years, that's 6, 7, 8 million – well \$7 million round numbers. The first payment was in 2012. We are only in 4 years of payment and we're in 7 years of billing. We've accumulated, we had money up front with this. That is what some of the money in your accounts are, it's the original up front money.

Mr. Durante said up-front money.

Mr. Bshara said the up-front money. He said we were supposed to put a Million dollars, have a Million dollars in reserve in case something happened.

Ms. St. Jacques said \$2 Million dollars.

Mr. Bshara said \$2 Million, in case of default. The State wanted money in the bank just in case.

Chairman Parente said unencumbered money.

Mr. Bshara said in essence it's dedicated...

Chairman Parente said reserved.

Mr. Bshara said yes, OK.

Chairman Parente said so are we still looking to a shortfall at the end of 20 years?

Mr. Bshara said no we are good on this one.

Ms. St. Jacques said the 311 project.

Chairman Parente said the 311.

Mr. Bshara said the 311 will be part of the payment that will occur on the normal Sewer Use Bill where we add the \$50.

Chairman Parente said OK, so we'll just address that issue at the next meeting.

Mr. Bshara said OK.

Chairman Parente asked if there are any other questions. He said this hearing is not where we adopt the dollar amount. If there isn't any objections no further questions, I'll entertain a motion to close this hearing.

Mr. Durante made a motion to close the public hearing at 7:10 p.m. Mr. Geruntho seconded. All in favor, so carried.

Chairman Parente thanked everyone for their input.

The Public Hearing closed at 7:10 p.m.

Respectfully submitted,


Jo-Lynn Flaherty
Secretary