

STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD

REGULAR MEETING MINUTES
West Haven Subcommittee of the MARB

Meeting Date and Time: Tuesday, September 19, 2023, 10:00 AM –12:00 PM

Meeting Location: West Haven City Hall, Harriet North, 2nd Floor, 355 Main Street, West Haven, CT 06516

Members in Attendance: Kimberly Kennison (Secretary of OPM Designee), Susan Weisselberg, Robert White (TEAMS), Thomas Hamilton (TEAMS), and Steven Falcigno (TEAMS)

Municipal Officials in Attendance: Mayor Nancy Rossi, Colleen O’Connor, Abdul Qadir, David Taylor, and Rick Spreyer

Staff in Attendance: Simon Jiang and John Mehr

Protiviti Staff in Attendance: Zachary Unger and Sharon Chun

I. Call to Order

The meeting was called to order at 10:19 A.M.

II. Approval of Minutes

a. July 25, 2023, Regular Meeting

Ms. Weisselberg made a motion to approve the minutes with a second by Mr. Hamilton. The motion passed with four votes in favor and with Mr. White abstaining.

III. Review and Discussion:

a. West Haven Sewer Projects

Mr. Abdul Qadir, the City Engineer, presented three project proposals relating to the Water Pollution Control Plant (WPCP).

The first one relates to the biosolids generated by the WPCP during the treatment of wastewater that needs to be disposed of by the City. The existing incinerator that was being used to dispose of the biosolids has been shut down since August 2017 and needs to be upgraded. The incinerator does not comply with the new EPA air pollution emission requirements. The City has been sending biosolid to another town. The current permit from the State will expire in January 2024. Since 2019, the disposal cost has increased from \$667,000 to an expected \$1,200,000 in 2023. This project is to start in FY 2024 and end in FY 2027. The total cost will be approximately \$30M for Biosolids Disposal equipment, \$70 million for Outfall Pipe, and \$16 million for Hardening of the pumping station flood walls. The State of CT Department of Energy and Environmental Protection (DEEP) has accepted the Outfall Pipe piece and will provide Clean Water Fund proceeds of which 20% of the cost is a grant and 80% is a loan. The City is seeking FEMA and other grant opportunities to fund the rest of this project.

The Second project is Sewer Rehabilitation which will start in FY 2024 and end in FY 2030. The total cost will be approximately \$20.1 million. The funding source of this project is also the Clean Water Fund.

The last project is improvements to various Sewer Pump Stations running from FY 2024 to FY 2031. The total cost will be approximately \$53 million. The City is seeking FEMA and other Federal grants to fund the project. Mr. Hamilton suggested the City should look into the bipartisan infrastructure bill that is providing federal funding in major infrastructure projects throughout the country.

b. 5-Year Plan

The Subcommittee members and the City discussed 5-year plan revisions. Mr. Taylor mentioned that the \$8 million Allingtown Fire House project that was included in the 5-year plan, is now not feasible, so the \$8 million will be coming off the debt schedule. The MARB approved ARPA funds for an RFP to hire a firm to complete a master plan for West Haven fire service be performed. Ms. Kennison suggested members of the Subcommittee be on the RFP feasible study committee.

i. Debt Service Fund

The items that the City needs to address while preparing a revised 5-Year plan will be the Debt Service Fund including the bond issuance and the West Haven sewer projects.

ii. Internal Service Fund

Mr. Taylor stated that the 5-Year plan submitted did foresee funding the internal service funds within the period. One of the mitigation items was to fund these with ARPA funds. At the Monday, September 25th, City Council meeting, a request is on the agenda to appropriate \$2 million of 2023 funds from excess investment income into the workers compensation internal service fund. The City is requesting another \$2 million of ARPA funds in 2024 to fund the worker compensation internal service fund. This would reduce the \$7 million deficit reported in 2021 by \$4 million. Mr. White commented that good strides have been made this year in providing guidance to the City for things we are looking for in the 5-Year Plan. He asked if there are benchmarks for the number years it should take to get a one-to-one match of assets to liabilities. Mr. Taylor said that the intent is to hit this match in 5 years. Tom Hamilton agrees that fifteen years is too long, and a reasonable time is 5 to 7 years. Also, the City has an experienced risk manager on staff now to work on bringing the worker compensation liabilities down.

iii. OPEB Funding

Mr. White asked about the OPEB balance and what are the goals to address this liability. Mr. Taylor said the balance is \$34 million and there is a need to discuss this further with the Subcommittee. Mr. White agreed that the OPEB issue should be an agenda item for a future Subcommittee meeting.

iv. Other Five-Year Plan Items

Mr. White asked about the budget coordinator position, the higher public works payroll costs, and the increase in electricity costs. Mr. Taylor responded that the budget coordinator has been hired and the public works increase was discussed during budget review related to blight issues. Mr. Spreyer said the cost of electricity went from 0.07 a kWh to 0.13 a kWh.

c. Tier IV Corrective Action Plan

The City has not made significant progress on correcting the findings in high-risk areas since June 2023. The City will work with Protiviti, Financial Manager to concentrate on this matter after the City's FY2022 audit report has been issued.

d. Open Items List

The Subcommittee and the City reviewed the OPM-prepared Open Items List. The City has provided updates to the list and some items are considered closed. Ms. Kennison pointed out that the firefighters' contract has been on the list for quite a while. She asked if the intent of the firefighters was to bring back the contract to the Subcommittee with changes or not. Mr. Taylor did not know.

IV. Other Business

The Subcommittee had a discussion on the transition plan relating to the election of the mayor.

V. Adjourn

A motion to adjourn was made by Ms. Weisselberg with a second by Mr. White. The motion carried unanimously. The meeting adjourned at 11:43 A.M.