

**Connecticut Department of Public Health (DPH)
Drinking Water Section (DWS)
Drinking Water State Revolving Fund (DWSRF)**

**Hearing Report
Federal Fiscal Years 2013 & 2014
December 24, 2013**

Hearing Officer:

**Kathryn Keenan
Department of Public Health**

**Hearing Date:
September 18, 2013**

For more information, visit the following website:

- **CT DPH Drinking Water Section: www.ct.gov/dph/publicdrinkingwater**

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FFY 2013 & 2014 Hearing Report

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I. Introduction

The award of financial assistance from the Drinking Water State Revolving Fund (DWSRF) to eligible public water systems (PWS) for eligible drinking water projects is governed by Section 1452 of the Safe Drinking Water Act (SDWA) (42 United States Code (U.S.C.) 300j-12), 40 Code of Federal Regulations (CFR) Part 35, Sections 22a-475 through 22a-483, inclusive, of the Connecticut General Statutes (CGS) and Sections 22a-482-1 through 4, inclusive, of the Regulations of Connecticut State Agencies (RCSA). In accordance with these statutes and regulations, the Department of Public Health (DPH) is required to prepare a priority listing of projects for which financial assistance is available from the DWSRF for the fiscal year.

The DPH DWSRF Program receives an annual allotment of funds from the United States Environmental Protection Agency (EPA) in the form of a Capitalization Grant to administer the program and provide subsidized or low-interest loans, or both, to eligible PWSs. Approximately \$133 million is available for drinking water infrastructure projects for State Fiscal Years (SFY) 2014 and 2015, which includes the allotment from Federal Fiscal Year (FFY) 2013 capitalization grant and expected allotment from the FFY 2014 capitalization grant.

On November 21, 2012, the DPH issued a call for projects to eligible public water systems to determine the statewide DWSRF funding needs. The call for projects also announced the continuation of the DPH's Emergency Power Generator Program. Public water systems were asked to submit project eligibility applications to the DPH no later than January 31, 2013. On January 30, 2013, the DPH extended the deadline for applications to February 28, 2013. The DPH received a total of 129 eligibility applications for approximately \$164,000,000 in public drinking water infrastructure needs. This included 60 eligibility applications for the Emergency Power Generator Program at an estimated cost of \$3,500,000.

The DPH completed a systematic review of all DWSRF eligibility applications consistent with the DPH's Intended Use Plan (IUP). Projects eligible to receive financial assistance through the DWSRF were ranked and prioritized using the priority ranking criteria established for the DPH's DWSRF Program. Using these criteria outlined in the IUP, two Draft Project Priority Lists (PPL) were developed prior to the public hearing, one for SFY 2014 and one for SFY 2015, based on information provided in the applicants' DWSRF eligibility applications and associated records on file with the DPH.

II. Statutory Requirements

In conformance with 40 CFR 35.3555(b), the DPH sought meaningful public review and comment during development of the IUP. The DPH will include a description of the public review process and an explanation of how it responded to major comments and concerns in this Hearing report.

In conformance with RCSA Section 22a-482-1(c)(4), the DPH is required to hold an annual public hearing and distribute the Draft PPL to appropriate local officials at least 30 days in advance of the hearing. The DPH is required to consider all written and oral testimony presented at the hearing and may elect to modify the Draft PPL on the basis of such testimony. The DPH is

required to indicate reasons for accepting or rejecting any suggested revisions as part of the hearing record. Following notice of any changes to the Draft PPL which may result from the hearing, the PPL shall be deemed final except for minor revisions allowable under RCSA Section 22a-482-1(c)(5).

The DPH provided legal notice (Attachment A.7) of a September 18, 2013 public hearing in the Hartford Courant, New Haven Register, and Waterbury Republican American on August 16, 2013, La Voz Hispana on August 15, 2013, and Northeast News on August 22, 2013. The legal notice also provided an opportunity for the submission of written comments. Starting on August 16, 2013, the DPH made the Draft IUP and PPLs available for public review and comment, including posting on its website.

On August 16, 2013, the DPH sent an email to all PWSs that submitted an eligibility application and included an email address, informing them of the public notice and date of the public hearing. The email included an electronic copy of the Draft IUP (Attachment A. 6) and contained a link to the DWS website where the public notice, Draft IUP, and Draft PPLs could be found.

A public hearing was held on September 18, 2013, at 470 Capitol Avenue, adjacent to the DPH's offices at 410 Capitol Avenue, Hartford, CT. Commissioner Dr. Jewel Mullen had appointed Kathryn Keenan as the hearing officer (Attachment A.3). The public hearing was intended to allow for public comment on the Draft IUP, including the PPLs. The public hearing was convened at 10:15 am and was concluded at 10:30 am. Nineteen (19) people attended the hearing. Two individuals testified at the hearing and their oral testimony, in its entirety, can be found in the public hearing transcript (Attachment A.9). The public comment period closed at 4 pm on September 20, 2013. Written testimony, in its entirety, submitted during the comment period is provided in Attachment A.8.

Following the conclusion of the public hearing and comment period, all oral and written testimony was reviewed, incorporated into the public hearing record, and taken into consideration in preparing a Final IUP, Final PPLs, and this hearing report. DPH's responses to the testimony that was submitted during the public comment period and during the public hearing are provided in Section III.

III. Project Testimony and Responses

A review of all testimony was completed and any warranted adjustments were made to projects, and re-ranking of the PPLs was completed accordingly. All projects appearing on the Final PPLs were ranked according to the priority ranking points awarded to each project using the Priority Ranking System criteria, including the small system funding goal established by EPA. Based on the amount of funding available, the top 80 projects on the Final SFY 2014 PPL and the top 21 projects on the Final SFY 2015 PPL are proposed to receive DWSRF funds. The remaining projects on the Final SFY 2014 and SFY 2015 PPLs are not proposed to receive DWSRF funds at this time but may be considered for funding if a project for which funding is proposed is bypassed or if additional funding becomes available. Bypass procedures are explained in Section VII.C of the DPHs IUP (Attachment B).

Based on the oral testimony provided at the public hearing and the written comments received during the public comment period, adjustments were made to 8 projects. The following subsections summarize the oral testimony heard, the written testimony received and the DPH responses thereto. Copies of the actual written testimony are provided in Attachment A.8. Oral testimony provided during the public hearing was recorded in the hearing transcript, which is provided in Attachment A.9.

A. The Metropolitan District

Carl Bard, Director of Engineering for The Metropolitan District (MDC), provided oral testimony during the September 18, 2013 public hearing. Mr. Bard's testimony provided background information regarding the MDC and its asset management and capital improvement programs, including information about recent water main break trends. Mr. Bard also noted that the MDC submitted 20 DWSRF applications totaling \$75.5 million for various infrastructure projects, plus 6 rollover projects totaling an additional \$10.9 million. Mr. Bard thanked the DPH for support of the MDC and recognizing asset management in the priority ranking criteria. Following his testimony, Mr. Bard submitted a letter dated September 20, 2013 for the hearing record, which was essentially verbatim to his oral testimony.

DPH response to all testimony:

Thank you for your testimony. The DPH believes that comprehensive asset management plans are a critical component of water utility sustainability programs, along with capital improvement plans. The DPH is looking forward to working with the MDC on these projects to improve the reliability of the water system to provide a continuous supply of potable water to its customers.

B. Groton Utilities

Richard Stevens, manager of the Water Division & PAF for Groton Utilities (GU), provided oral testimony during the September 18, 2013, public hearing. The testimony read at the hearing was essentially verbatim to the written testimony that had been provided prior to the hearing. Mr. Stevens' testimony provided information about the water treatment plant project for which GU is seeking DWSRF funding. Mr. Stevens' noted that the project timeline has been established to ensure that the project is ready for construction in 2015. Mr. Stevens' also stated that GU is pleased to work with the DPH on this project and feels the priority ranking and point assessment was fair and accurate.

DPH response to all testimony:

Thank you for your testimony. The DPH is looking forward to working with Groton Utilities on this project. This is an important project for GU and will ensure the reliability of the water treatment plant for many years into the future to provide potable water to its customers.

C. Town of Manchester

Written comments were received from Edward Soper, Administrator for the Manchester Water & Sewer Department, on Thursday, September 19, 2013, and consisted of a letter noting that the Town of Manchester has determined it would be most advantageous and cost effective to combine the six separate infrastructure improvement projects at the Globe Hollow Water Treatment Plant into one. Each project was originally submitted under a separate Project Eligibility Application in response to the Call for Projects. Attached to the letter was a revised Project Eligibility Application consisting of one project at the Globe Hollow plant.

DPH response to testimony:

Thank you for your testimony. The DPH has reviewed your letter and the revised Project Eligibility Application and determined that the project is eligible for DWSRF funding, as submitted as one project. The Globe Hollow Water Treatment Plant project received points in “Category IV – Proactive Infrastructure, A. Upgrades” for treatment facilities (15), pumping facilities (5), system automation (5), security measures (10), and emergency power provisions (5). This category has a maximum of 25 points; therefore this project will receive 25 points for proactive infrastructure upgrades. The application also requested points for “Sustainability Planning – Asset Management”, however there was not sufficient information included to justify awarding points for this category. This project has received 25 total points. The PPLs have been revised accordingly. This project is ranked #27 on the SFY 2014 PPL and considered “fundable”. The original individual projects, which were all below the funding line, were deleted from the PPLs.

IV. Technical Corrections

Technical corrections have been made to the Draft PPLs to reflect the readiness to proceed of two projects, the determination that a project is ineligible, and to correct errors. The funding associated with the withdrawn and ineligible projects will be made available to other projects on the PPLs.

Corrections have been made to the Draft PPLs to ensure that the final lists fairly and accurately reflect the projects that qualified for and received “Affordability” and “Sustainability Planning” points. These corrections were initiated by DPH staff, and are explained as follows: The “Received Affordability Points” column on the PPLs in some cases incorrectly labeled a project as receiving the points, when in fact the project did not qualify for nor receive the points. In one case, a project did not receive the “affordability” points, but should have, and in two cases, a project received the points, but as each is not located in a town that qualifies, they should not have received those points. Finally, in 19 cases, a project should have received “Sustainability Planning” points for the project’s inclusion is an ongoing asset management plan or Water Supply Plan.

In addition, one project was inadvertently not included on either Draft PPL. The project has been added to the appropriate PPL.

As a result of these corrections, an additional 14 projects are now above the funding line and proposed to receive funding.

V. Summary of Adjustments to Project Priority Lists

In summary, based on the oral testimony the DPH received at the hearing, written comments received during the comment period, and the technical corrections, the DPH made adjustments to the Draft PPLs. Six individual projects were combined into one, resulting in an increase in priority points for the combined project, compared to the individual projects. These adjustments did result in a change to the ranking of projects proposed to receive DWSRF funding. The specific changes are outlined below:

- The adjustment for the Town of Manchester gives the combined project 25 total points and it has been re-ranked accordingly. This project is now ranked #27 and is above the funding line on the Final SFY 2014 PPL.
- The South Central Regional Water Authority (RWA) Lake Whitney Filter to Waste project was added to the PPL and is fundable on the SFY 21015 PPL.
- Due to insufficient information on the readiness to proceed for two MDC water main replacement projects (Franklin #4 and Upper Albany #2), they have been ranked at the bottom of the SFY 2015 PPL.
- “Sustainability Planning” points were awarded to the following projects:
 - Norwich Reservoir Road #1 Generator
 - Norwich reservoir Road # 2 Generator
 - Norwich West Town Street Generator
 - Norwich Cherry Lane Generator
 - Norwich Frances Street Generator
 - RWA Cobblestone Drive PS Generator
 - RWA Linsley Lake PS Generator
 - Winsted Oakdale Ave PS Generator
 - Hazardville Town Farm Well Generator (now fundable on SFY 2014 PPL)
 - Hazardville Avery Wells Generator(now fundable on SFY 2014 PPL)
 - MDC Barkhamsted HQ Generator
 - MDC Nepaug Dam Collinsville WTP Generator
 - Meriden Generator
 - Cromwell Generator (now fundable on SFY 2014 PPL)
 - SCWA Tower-Ferry View Generator (now fundable on SFY 2014 PPL)
 - SCWA Montville Generator (now fundable on SFY 2014 PPL)
 - CT Water Co Coventry Hills Generator (now fundable on SFY 2015 PPL)
 - SCWA Chesterfield Generator (now fundable on SFY 2015 PPL)
 - MDC Raw Water Pipeline Phase I - Reservoir 6 to Reservoir 5 (now fundable on SFY 2014 PPL)
- The Sunny Waters Mobile Home Park generator project received an additional 10 points for “affordability” to correct the omission from the Draft PPL
- Several projects were incorrectly labeled as receiving “affordability” points; points were deducted from the following projects to correct the error. The correction does not affect the availability of funding.
 - RWA Cobblestone Drive PS
 - RWA Linsley Lake PS
 - MDC Nepaug Dam Collinsville WTP

- The MDC – Bloomfield Bear Ridge project did not receive “affordability” points, but was incorrectly labeled as such on the Draft PPL, and shown to qualify for subsidization. However, the project does not qualify for subsidization; therefore none appears on the Final SFY 2014 PPL.
- The Lake Waubeeka project has been determined to be ineligible by DPH and the project withdrawn from funding consideration because it was bid and began construction without prior DPH DWSRF authorization.
- Ranking for some projects was adjusted to show the proper order for the “population served” point tie-breaker. This did not affect the funding for any project.
- The amount available on the SFY 2014 PPL for MDCs Water Main Replacement – Park #1 & 3 project has been adjusted due to the above changes.
- The amount to be funded on the SFY 2015 PPL for MDCs Water Main Replacement – Park #1 & 3 project has increased due to the above changes.
- There is now partial funding available on the SFY 2015 PPL for MDCs Water Main Replacement – West Hartford project.

As a result of these changes, funds are now available for an additional 6 projects on the SFY 2014 PPL and 8 projects on the SFY 2015 PPL.

VI. Decision

Based on the oral testimony provided at the public hearing and the written comments received during the public comment period, the DPH will adopt the changes made to the DWSRF PPL as presented in Attachment B.

1/2/2014
Date



Jewel Mullen, M.D., M.P.H, M.P.A.
Commissioner

Attachments

A. Hearing Record of Documents

1. [Connecticut General Statutes Sections 22a-475 through 22a-483](#)
2. [Regulations of Connecticut State Agencies Sections 22a-482-1 through 22a-482-4](#)
3. [DPH Commissioner Mullen's designation of Kathryn Keenan as Hearing Officer](#)
4. [November 21, 2012 DWSRF Call for DWSRF projects announcement](#)
5. [January 31, 2013 DWSRF Call for Projects application deadline extension announcement](#)
6. [DPH Draft Intended Use Plan for FFY2013 & FFY2014 \(includes Draft PPLs\)](#)
7. [DWSRF Public Hearing Legal Notice](#)
8. Written testimony
 - i. [September 16, 2013 letter from Groton Utilities](#)
 - ii. [September 16, 2013 letter from the Town of Manchester](#)
 - iii. [September 20, 2013 letter from The Metropolitan District](#)
9. [Written transcript of September 18, 2013 Public Hearing](#)

B. [Final DWSRF Intended Use Plan \(includes Final PPLs\)](#)