

Board of Finance

BUREAU OF WATER PROTECTION AND LAND REUSE
OFFICE OF THE BUREAU CHIEF

JAN 15 2009

January 8, 2010

Paul E. Stacey
Department of Environmental Protection
Bureau of Water Protection and Land Reuse, Planning & Standards Division
79 Elm Street, Hartford, Connecticut, 06106-5127

Re: Proposed Stream Flow Regulations

Dear Mr. Stacey:

I am writing in reference to the proposed Stream Flow Standards and Regulations (Public Act 05-142) that are currently before your agency. The members of the Colchester Board of Finance have carefully reviewed the proposed regulations and urge rejection based on the following concerns:

1. We are very concerned that the draft regulations could make it impossible to provide water service to our existing residents and businesses as well as for future growth. Colchester has dealt with water supply issues in the past when we were under a water moratorium during a period of economic expansion in the later 1980's, when we could not take advantage of this positive economic climate to grow our business tax base. This period in our history continues to hurt us today.

When our permits come up for renewal, we may not even have sufficient water supplies to meet the needs of our existing residents and businesses.

2. The Town of Colchester is also very concerned that the regulations will impose additional cost burdens on our town at a time when we are faced with potential reductions in state aid, a declining revenue base and unfunded mandates. Our current diversion permits, which come up for renewal in 2017, bore enormous cost and difficulty in obtaining. The costs for the initial applications, performing the pumping tests, lab tests, modeling and the eventual full application and subsequent revisions exceeded \$300,000. This was solely to obtain an approval to withdraw water from three existing production wells. An additional approximately \$10,000 per year has been spent on stream flow monitoring as a condition of the approval.

3. The ground work in determining the classification that we and others will fall under, as well as the impact from these proposed regulations should be

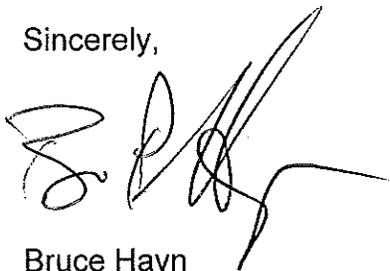
performed before any passage of these regulations. The wide-ranging power these regulations give a state agency means the ability to develop a balanced solution is limited. Without knowing the standards that will be created after the bill is effective, it is impossible to determine the impact.

4. Economic Impact - The regulations give DEP broad authority to impose limitations on groundwater withdrawals without any consideration as to whether such limitations will impose a financial hardship on our community and on our farmers, manufacturers and other businesses that rely on water for their operations. Attracting new businesses and encouraging business expansion is already extremely challenging given the high costs of doing business in Connecticut. Adopting regulations that bring into question whether the town will have sufficient water supplies to support business growth will exacerbate these challenges.

We are investing, and plan to continue to invest significant money in planning and development of new projects to promote economic growth for our Town and the State. To have regulations passed that will not determine the final standards and their impact for some time to come puts us, as well as others, in a very precarious place. To continue to invest money in moving forward on economic development plans that may be thwarted by these regulations, would not be prudent and would unfortunately derail any efforts to continue economic development in this critical period of time.

We know that other departments in our Town have expressed concern over these proposed regulations. We believe the proposed regulations as they are currently drafted should be rejected. We recommend that DEP take the time to meet with other state agencies, the business community and municipalities to fully assess the impact of the regulations on our public water supplies and on the state's economic recovery. To forge ahead and pass regulations without taking this time to determine and weigh individual town and collective impact is not a good thing.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bruce Hayn', with a long horizontal flourish extending to the right.

Bruce Hayn
Chairman – Board of Finance