

**Board of Selectmen
Regular Meeting
September 26, 2017**

MINUTES

Present: First Selectman Dan Jerram, Selectman Alesia Kennerson, Selectman Laura Garay; Members of the Public Mary Beth Greenwood, Michelle Tardiff, Colleen Wippermann, Bud Butler; Administrative Assistant Christine Hayward.

First Selectman Jerram called the meeting to order at 7:10 PM.

Continuation of WPCA request for suspension of debt service payments:

First Selectman Jerram presented a brief recap of the discussion that had occurred at the September 11, 2017 Special Board of Selectmen meeting. The Water Pollution Control Authority acknowledges that there is a revenue problem, but so far, they have been able to keep up with expenses. However, the length of time it takes to pay some of the bills is starting to increase. Jerram noted that the WPCA had not missed a debt service payment yet, but the August payment is overdue.

WPCA Chairman Butler informed the Selectmen that there has been an incident that occurred since the last Board of Selectmen meeting that could impact the need for a request for funding. There is currently an issue with the Blackbridge Well that could be a major expense to the WPCA. Last week, it was noticed that there was a lot of air bubbles in the water supply – this does not affect potability, but does affect appearance. Investigation has shown that there is an issue with manganese buildup which is creating an environment that allows for the growth of an organism that restricts waterflow, causing a reduction in pressure. This affects the ability to provide enough water at a rate to supply the customers. Remediation of the problem has been estimated to cost \$38,000.

It has been suggested by Torrington Water to perform a load test on the Pine Meadow Well to see if that well would be able to become the primary well for an extended period of time. Mr. Butler noted that performance tests should be conducted on both wells. Both wells also need routine maintenance that has been delayed for several years.

The Selectmen discussed the best course of action, recognizing that Mr. Butler had presented information at the last meeting outlining the rehabilitation of the wells that should be done in order to keep them functioning.

MOTION: by Kennerson to temporarily suspend two (2) quarterly debt service payments for both debt service items until further notice;

Discussion occurred regarding the wording of the motion with Selectman Garay commenting, for the record, that there are many items that need to be addressed with respect to maintenance. She asked for clarification of the intent of the other Selectmen; questioning whether they were leaning toward a temporary suspension of the payments or abating the payments.

Mr. Jerram replied that he did not feel that the \$130,000 loan could be forgiven/abated due to the fact that the townspeople voted on it at a Town Meeting and the intent was that it would be paid back. He

was agreeable to modifying the payment schedule and allowing more time to pay it back, but felt that any permanent abatement would need Town Meeting approval. Selectman Garay expressed her concern that the debt is being carried farther out and felt that there needs to be more permanent relief.

The original motion did not receive a second, therefore no action taken. The motion was modified as follows:

MOTION: by Kennerson to temporarily suspend the August and November debt service payments for both debt service items; seconded by Garay.

Unanimous

Mr. Jerram noted that it may be necessary to go to the Board of Finance to seek funding to pay for the well to be fixed. However, he felt that the pump performance tests were necessary and he stated that he would recommend that the general government budget pick up the expense for that so that there would not be a delay in proceeding with the necessary testing.

MOTION: by Kennerson to pay for a pump performance curve test for both wells (Blackbridge and Pine Meadow) in the amount of \$2,400.00.

Unanimous

First Selectman Jerram stated that providing funding for the testing is necessary to protect the health, safety and welfare of the people in the water service area. He added that the well rehabilitation costs should be added to the capital expenditures for 2017-2018. Selectman Kennerson agreed, commenting that if the Board of Finance was not agreeable to this addition to the budget, the expense should be taken to a town meeting for consideration of an additional appropriation.

First Selectman Jerram said he would alert the Board of Finance to this issue prior to their next meeting.

Review/Discussion of RFP for potential sale of water and wastewater assets:

First Selectman Jerram informed the Board of Selectmen that the Asset Evaluation Team (subcommittee formed to review the potential sale of water and wastewater assets) had issued a positive recommendation to release an RFP. They felt that the release of such a document would allow an opportunity to see what interest there might be in these assets.

Copies of the RFP were reviewed by the Board (note: this document is available by request from the First Selectmen's office). Jerram noted that the timeline referenced in the current document is subject to change.

The release of the document will serve as a tool to see if there "is a benefit that some other provider could bring to the users due to the result of the benefit of economy of scale," said Jerram. Mr. Jerram stated that he did not see a risk with putting this out there to see if it would be in the best interest of the users of the systems. He recognizes that some have indicated that they are concerned that the

water resources could be diverted/sold elsewhere, but it is his belief that due to regulations imposed by the Department of Public Health regarding providing water service, there would not be an opportunity to take such action. Any potential buyer would be required to provide water to the residents.

Resident Mary Beth Greenwood (also a member on the WPCA, but clarified for the record that she was speaking on her own and not as a representative of the WPCA) addressed the Selectmen. She urged them to encourage suspension of the WPCA debt service on a permanent basis. She stated emphatically that it was her belief that all boards and commissions should be involved in the discussion. She noted that she was a regular attendee at the Asset Evaluation Team meetings and there had been acknowledgement by the committee that questions have been posed by some members of the public wanting to know what the debt service payment would be for each taxpayer if everyone shared equally in the repayment of that debt. She asked for the Selectman to provide that information to the public. She would like to know what that number is prior to consideration of the sale.

Selectman Kennerson commented that the possible sale of the assets is a complex issue. She added that there has been discussion of a joint meeting of the Selectmen, Board of Finance and the Water Pollution Control Authority.

Selectman Garay commented that there has been concern expressed regarding the release of the RFP. She noted that a lack of specificity in the regulations has been viewed as problematic by some. Additionally, the fact that the sewer service map has not been formally approved by the CT DEEP is a cause of concern for some.

First Selectman Jerram interjected that the RFP should be released to determine if there is a value to the assets. If no one comes forward to purchase, then it can at least be said, “we tried.” He added that it is necessary to research every option including the disposal of the asset.

Ms. Garay reiterated her concern with the regulations; stating that there needs to be some clearer definitions, such as distance from the line required to hook up.

Mr. Jerram replied that when a response is received and an interested buyer has been identified, there would be consultation with counsel to determine the parameters that need to be in effect for a new owner to protect the residents. Questions would be asked of the buyer that would include, “how will this purchase affect the users, what effect will it have on the rates?”

Mr. Butler commented that any potential buyer would be both PURA and DEEP regulated.

Selectman Garay noted that the question of whether or not the USDA would require repayment of the grant if the treatment plant is sold is still not answered.

Jerram added that the subcommittee will review responses and they will look closely to see whether or not the deal would be in the best interest of the residents. He stated that the goal of the issuance of this RFP is to see if relief can be provided to the users. He reminded all that there is no obligation to sell

the assets. He also noted that neither the subcommittee nor the Board of Selectmen can sell the assets. Any potential sale must be approved by the people, whether it be at Town Meeting or a referendum.

Resident Donna Berman expressed her concern regarding the WPCA moving forward with requiring abutters of the system to hook up. She termed this to be unfair and unjust.

Resident Michelle Tardiff replied to this, stating that there is already a group of citizens now who are currently on the system and who have been paying for years; bearing the burden of the expenses when there are those who should have hooked up years ago. Ms. Tardiff raised her own concern regarding the integrity of the infrastructure; wondering what will happen if some major repair needs to be done and there's no money to pay for it?

Mr. Butler replied that should the assets be sold to a PURA regulated company, they have capital assets and they don't pay prevailing wage; two stumbling blocks that the WPCA has against them as they are required to pay wages that are in excess of what many private companies can hire contractors at and the WPCA has no rainy day fund.

Ms. Tardiff agreed that the RFP should be released to see what interest there is but asked what happens if it doesn't pan out?

Selectmen Kennerson replied that the Boards would have to continue to work on solutions to the problem; but at least they can state that every option has been explored.

Ms. Berman asked about the status of the impending orders to connect.

Mr. Butler replied that this will be addressed at the next WPCA meeting, there may be some adjustments to the schedule. He noted, however, that orders to connect should have been issued when the lines were installed.

Resident Donna LaPlante commented that she has a septic system and she lived for years with the knowledge that eventually she would need to have some sort of repair done to her system. She knew that it was part of being a homeowner. She stated that there are probably close to 2000 septic systems in New Hartford and that there are probably 20 – 30 property owners each year that have to undergo some sort of repair or replacement. She commented that those property owners who have a septic system and live in a sewer service area should know that they have managed to avoid hooking up for many years. They should look at as "I've managed to avoid this for xxx number of years" and it should not be a surprise that this is coming. She added that CT State law supports the mandatory connection. She noted that the WPCA has been discussing increasing connection fees, but they are also looking at extending the current connection fees in order to give folks an incentive to hook up voluntarily now rather than later under a notice to connect. Mrs. LaPlante commented that she applauds the WPCA for taking action regarding the connections; noting that an increase in users will benefit all of the users. Resident Berman replied that it is difficult to be forced to hook up to something when there is no problem with a working septic system.

Discussion returned to the Request for Proposals.

MOTION: by Kennerson to release the Request for Proposals for the purchase, operation and maintenance of the drinking water and/or wastewater assets; seconded by Garay.

First Selectman Jerram stated that he felt that there was no harm in releasing the RFP. It is the right time of year; interested bidders will be able to see the plant in fair weather conditions. The Asset Evaluation Team recommended that the RFP be released, the WPCA is on board with releasing the document as well. It acts in the best interest of the community to see if there is any interest in the assets.

Ms. Garay commented that she remains concerned with what she feels is a lack of clarity with some of the language and some of the existing regulations. She would like to see the questions that some residents had expressed at the public informational meeting regarding the regulations answered and tightened up so that taxpayers could be more comfortable with the potential sale.

Mr. Jerram replied that the mapping (sewer service area) and the regulations would be tightened up once there is an offer. There is time to do that, he said. Garay expressed that she does not feel that residents left the meeting with a sense of security about the potential sale. Garay stated that she agrees with Ms. Greenwood and thinks that the question of how much would it cost the taxpayers if all taxpayers had to share equally in the cost of the debt service needs to be clarified.

Jerram stated that releasing the RFP allows for gaining knowledge of a potential solution. Jerram and Kennerson voted YES on the motion; Garay commented before voting that she was voting in the spirit of wanting a potential solution to the current problem and voted YES.

Unanimous.

Approval of Line Item Transfers for the 2016-2017 fiscal year:

First Selectman Jerram presented the line item transfers to the Selectmen for consideration of approval. He noted that the Board of Finance had approved them with the exception of the Police Car.

MOTION: by Garay to approve the line item transfers as presented, with the exception of the \$44,063.50 of transfer to other funds (capital) for vehicle replacement; seconded by Kennerson.

Unanimous.

Discussion of Public Act No. 17-155; An Act Concerning Temporary Health Care Structures:

First Selectman Jerram informed the Selectmen that the Planning and Zoning Commission would be debating whether or not they should adopt Public Act No. 17-155, new legislation that gives property owners an opportunity to have accessory structures for the purpose of care for a family member without having to hold a public hearing as part of the process. It is a way of streamlining an application for such a structure. Jerram noted that the P&Z is required to hold a public hearing by October 1 if there is any chance that the town might want to “opt out” of this legislative act. The Board of Selectmen are the only Board that can take the action to opt out, but the P&Z must hold a public hearing on the matter first.

Mr. Butler noted his concerns with the legislation that he feels was pushed through too quickly. He felt that there are questions with respect to sewer and water service areas. He asked, “how does one provide water and sewer to a non-foundation POD?”

Donna LaPlante commented that this appears to be Legislation that the State wants Municipalities to adopt. She noted that this could be attractive to some and could be a valuable tool for those who need this type of arrangement. Ms. LaPlante recounted that Planning and Zoning had initially adopted regulations for accessory apartments for dependent relatives years ago and this eventually turned into

accessory apartments/dwellings. She stated that this legislation appears to offer some safeguards and affords some security for Planning and Zoning as to what is and what is not allowed. It also appears to offer a requirement for annual inspections and a fee structure. She would suggest that P&Z and the Board of Selectmen not opt out on the matter.

Operations Updates:

First Selectman Jerram presented the following updates:

Special Town Meeting held on September 14, 2017, was successful in adopting several ordinances. The fiscal year 2016-2017 closed out with a surplus (excess revenues over expenditures) of close to \$320,000.

Oil Separator Tanks at the Town Garage are moving along and working toward completion of this project.

The West Hill Dam fundraising was very successful; \$100,000 was raised by the West Hill Pond Association and the property owners association.

Steele Road paving project is slated to begin this week.

A meeting was held with the Attorney regarding Carpenter Road Bridge; the attorney is handling this matter and he remains the point of contact regarding this issue; if there are questions regarding this matter, they should be discussed in Executive Session due to the possibility of litigation. Selectmen did not ask for Executive Session to be held.

2017-2018 Budget:

Mr. Jerram stated that according to calculations he did using the non-partisan State of Connecticut budget that was agreed to by legislators, there would be less than a 3% tax increase to New Hartford residents if the current New Hartford budgets (government and local Board of Education) remain as proposed right now. Jerram noted, however, that there is still uncertainty with respect to what the Governor will do with the budget.

The Selectmen discussed a possible timeline for the budget process, acknowledging that in order for the Tax Collector to issue supplemental bills in December, she needs time to prepare the bills. Considering legal timeframes for posting and spacing between meetings, the Selectmen agreed on a tentative budget referendum date of November 21, 2017 or somewhere near that date.

Mr. Jerram stated that the lift issue at the Town Garage is something that needs consideration. He would like to see this added to the Capital Budget and would like to have a formal recommendation for such by the Board. Jerram stated that leasing such a piece of equipment does not make sense financially.

MOTION: by Garay to approve the inclusion of an amount not to exceed \$35,000 in the 2017-2018 Capital Budget; seconded by Kennerson.

Kennerson remarked that it makes sense to purchase one outright.

Unanimous.

Request for Refund of Taxes:

None presented

Any Other Business:

Selectman Garay questioned the status of declaring an Essential Service Area for water. Jerram replied that the Board had endorsed a service area, but no formal action has taken place on that endorsement. There is an agreement that was sent to towns to sign off on, but it has not been formally executed. This was due to the fact that questions had been raised and concerns expressed that signing such a formal document would force the Town into providing public water to future developments that might be constructed in non-service areas. A verbal discussion with Land Use Attorney Mark Branse indicated that the fears were not valid due to the fact that developers would be forced to pay for the cost of bringing water to a non-service area. Once the developer provided that access, only then would the town be required to supply the water.

Selectman Kennerson informed the Board that there are two residents who have expressed an interest in becoming members of the Economic Development Commission. Robyn Buzzi and Damon Bean have indicated they would like to be considered for membership.

Dan Jerram noted that Linda Aquauvia has expressed an interest in being a member on the Recreation Commission.

MOTION: by Garay to adjourn at 10:08 PM; seconded by Kennerson.

Unanimous.

Respectfully Submitted,

Christine Hayward, Administrative Assistant