Town of New Hartford Board of Finance - REgular Meeting November 10, 2020 HAND OUTS – Page 2

Email from Selectmen Rosengren dated November 9, 2020 to "Regina and Christine" (2 pages)

"Our River –We All Need to Protect It – 2 pages"

1986-1 An Ordinance Creating A Water and Sewer Commission

Correspondence from Roraback & Roraback to Earl MacInnes dated August 28, 2008 re: Wastewater Treatment Bonding (2 pages)

Revenue and Expenditures Budget FY 2014/ New Hartford Water Pollution Control Authority Sept 2013

Correspondence from Laura Bedford – "As a resident of our town who, by sheer luck......" (2 pages)

Correspondence from Donna Berman - "I hope this finds you and your families well...."

Correspondence from Chris Brooks - "I hope this email finds you and your family faring well during"

Correspondence from Frances Herman - "Greetings Christine, Could you please distribute....."

Correspondence from Alison Murdock - "Dear New Hartford Officials, As a long-time resident and....."

Correspondence from Caren - "Hello Dan, I was glad to have the opportunity the other night..."

Correspondence from Frances Stoffer - "Dear Dan, Thank you for your service to the town....."

Correspondence from David Rosengren "An Open Letter To New Hartford's Elected officials and Appointed Committee Members; Dear Honorable elected officials and appointed....." (4 pages)

Correspondence from Daria Hart "To the Board of Finance.... As a past chairman of the WPCA..."

Correspondence from TJ Stoutenberg, Chairman Town of New Hartford Planning and Zoning Commission and Aquifer Protection Agency

State of Connecticut Office of Policy and Management Award of STEAP funding dated 11/9/20

Christine Hayward

BOF 11.10.20 1/2

From: David Rosengren <davidrgren@gmail.com>
Sent: Monday, November 9, 2020 12:19 PM
To: Christine Hayward; Regina Wexler

Subject: Documents and letters to post for the BOF 11/10/2020 Meeting

Attachments: Flyer for new WWTP.pdf; Town Atty Opinion re WPCA break even 2008.pdf; new doc

2020-11-09 11.01..pdf; Bedford letter.pdf; Berman Letter.pdf; Brooks Letter.pdf; Herman

Letter.pdf; Murdock letter.pdf; Ross letter.pdf; Stoffer letter.pdf; Open Letter.pdf

Dear Regina and Christine,

I am writing to request that this email, along with the eleven eleven(11) attachments below, be posted for immediate distribution to the Board of Finance members and also posted on the Town website to accompany the BOF Agenda. Similarly, please do the same for my fellow BOS members as well as on the Town website to accompany the BOS Agenda for the upcoming BOF and BOS meetings scheduled for Tuesday, 11/10/2020.

I am writing to register my opposition to the document drafted by our Town Attorney and proposed by our First Selectman regarding the proposed motion for the sale of our water and sewer systems.. As many in the Town know I have been opposed to the one sided process the First Selectman and the AET have chosen to follow in presenting the issue of the proposed sale to Aquarion. I have registered specific and detailed objections to that process and sale and will not catalogue all of those here. I have, however, listed below some of the issues I and many of our citizens have raised in opposition.

- 1. The analysis prepared by the AET, is wholly one sided. Mr. Butler, the principal architect of the AET's presentation, is on the record at several meetings of the AET stating that he understood his role as simply presenting information supporting a sale. He said that any analysis of keeping our systems "in house" should be done by others if they were so inclined because that "wasn't his charge."
- 2. Mr. Butler's mind has been made up for over a decade -- he wants to sell. He is simply not capable of presenting an objective and balanced view on the subject.
- 3. Many critical documents were not posted on the AET website, despite the fact that I have requested that they be posted. Most notably:
- ++ The flyer that was sent to all Townspeople prior to the referendum approving construction of the new sewer plant promised that the users would only have to pay 19% of the costs. Shortly after the Referendum passed, the Republican Administration that made that promise reneged on it. See attached flyer (The Town Clerk, Ms. Donna Leplante, confirmed for me that the flyer was mailed a few weeks before the successful Referendum.)
- ++ Our Ordinance 86-1 and the opinion of our Town Attorney confirming that the users' community is **not responsible** for debt service and capital costs associated with the systems. See attached.
 - ++ The WPCA budgets for the last 12 years. See Point 5, below.
- 4. My proposal has been to spread the long term debt and capital costs of the systems to all through the tax base. That is exactly what the Town has been doing for 3 years now with no objection from the Townspeople! Why would we change that when it has been working? Moreover, interest rates on long term borrowing for

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municipalities is near an all time low. The Town can easily afford to borrow for repairs and upgrades to our system. Before the Covid pandemic our Town Treasurer provided me with borrowing rates available to the Town for long term debt. Thirty year muni borrowing rates were 2.3%. Borrowing \$1 million would cost \$46,176 a year and represent only 0.2% of our current budget.

- 5. If you take away the capital expenses and debt service from the WPCA's budgets, the WPCA operates in the black. The AET claims otherwise but anyone can do the arithmetic. One example is the WPCA budget for 2014. If you take away debt service and capital costs from the expense side of the budget, the WPCA would have been nearly \$200,000 in the black. See attached 2014 budget.
- 6. Many of our citizens have asked for a balanced presentation and support the idea of keeping our systems in house. They have been completely ignored. See attached correspondence.
- 7. The estimate for the Pine Meadow extension (performed by CDM) is outdated and unreliable. It is going on 2 years old. In addition, engineers' construction estimates are notoriously unreliable. The proposed extension will likely far exceed the proposed \$3.5 million.
- 8. There is still no guarantee that the users will get the benefit of \$750,000 to subsidize their rates. We are told by the AET that this amount will be available only after funds are used to build the Pine Meadow extension. This assumes that the costs for the extension come in at no more than the \$3.5 million estimate. The proposed motion before the BOF clearly omits any guarantee of such relief because the AET will not unequivocally commit to setting aside that money for rate relief.
- 9. The actual construction of a Pine Meadow extension will not likely take place for at least 3 or 4 years after a sale to Aquarion -- if it takes place at all. Thus, it should be obvious that the representation by the AET that the users will get the benefit of the \$750,000 left over immediately after the sale to Aquarion to offset the expected increase in Aquarion's rates is simply not correct.
- 10. Aquarion has a history of raising rates and is not shy about doing so. After all, it is in the business of making a profit for its shareholders. Since 2004 Aquarion has regularly sought numerous rate hikes as high as 25% throughout Connecticut. Google "Aquarion rate hikes."
- 11. Finally, I have included a letter I wrote several months ago that captures, to my mind, the most important issue of all regarding the proposed sale. It goes to the central question of what kind of community we are and what kind of community we aspire to be. It is a choice between doing the expedient thing and doing the right thing. Of recognizing that if we sell, we cut loose our fellow citizens in the user community to fend for themselves against the whims of an impersonal corporate monolith. Prices of homes hooked to the systems will plummet, which will further accelerate the decline of our downtown and this will eventually come back to hurt us all in the form of a decreased tax base. See Rosengren Open Letter attached.

Sincerely, David Rosengren Selectman

office to ask any questions regarding this upgrade. We encourage you to call the First Selectman's

379-3389

How Much Will

the Sewer Plant Upgrade Cost?

financing from the state of Connecticut. Using ford is expected to receive a 25% grant and 2% If the plant expansion is approved, New Hartthis year's budget and mill rate, taxes would have increased 2%.

Increase	\$20	\$100	\$200
If you now pay	\$1,000	\$5,000	\$10,000

These tax increases will not go into effect until pated increases are a reflection of the costs associated with the WWTP upgrade only and the plant is completed in 2011. These anticido not include increases associated with the operation of town government.

financial assistance and the cost to the town If the plant expansion is not approved, New Flartford will lose the favorable state will increase significantly. Total estimated payments to complete the project: Without State Aid* \$15,183,600 With State Aid \$8,155,780 same project with 4.5% financing and no 25%

Blake Hall, Treasurer

REFERENDUM DATE TO BE ANNOUNCED

BOF 11/10/20

Town of New Hartford

New Hartford CT 06057

Important information for New Hartford taxpayers relating to your 2011 tax bill

530 Main Street P.O. Box 316

We All Need to Protect it.

obligated, by Federal and State law, to natural resource which the Town is benefits the entire population of The Farmington River is a vital protect and maintain. The river New Hartford by: producing substantial tax revenues fishing shops, canoeing and kayak rentals, restaurants, antique shops, from the many businesses (sport

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deriving their revenues in whole or in part from the river's existence

- enhancing the natural beauty of our town
- · providing recreational opportunities for all to enjoy

stewards and, in return, the river will The river needs all of us to be its continue to reward us all with its substantial bounty.

PRESRT STD U.S. Postage PAID New Hartford CT Perinit No. 41

But 11/10/20 2/2

Why Do We Need a New Treatment Plant?

By any measure, our existing treatment plant is antiquated and in need of replacement. Built in 1968, it long ago exceeded its design capacity. In 2003, the Town entered into a consent order with the State's Department of Environmental Protection ("DEP") to upgrade the plant. If we do not upgrade the plant, the State will order us to do so with the imminent threat of fines, penalties, and increased construction costs, all of which the town can ill afford. If the referendum does not pass, the town will seriously jeopardize its ability to take advantage of the \$8,950,000 in favorable State funding and grant money which is expected to fund construction of the plant (see funding details below).

How Much Will it Cost?

In September 2008, the town received a low bid of \$6,731,269 for construction of the plant from C.H. Nickerson & Co., Inc. In addition to the bid price, the town anticipates additional costs for engineering fees, contingency fees and other related fees bringing the total cost to \$8,950,000. If the town voluntarily chooses to comply with the consent order and passes the upcoming referendum, the town is expected to receive favorable financing under the Clean Water Fund. Assuming a total project cost of \$8,950,000, the town anticipates receiving a 25% grant of \$2,237,500 from the state, with the remaining \$6,712,500 financed by the town over 20 years at 2%.

How Will the Plant Upgrade
Affect Your Taxes and/or Sewer Rates?
At a combined meeting of the BOS, BOF and WPCA held on November 18, 2008, the three Boards unanimously approved a plan to finance the new treatment plant. That plan was based upon DEP's required 20-year projection of new residential, commercial, and industrial sewer hookups. Based on these revenue projections, the costs associated with the construction of the new plant will be paid for as follows:

- Existing users of the system will bear approximately 19% of the upgrade costs as well as their current user fees.
- New users will bear approximately 42% of the upgrade costs, via hookup fees.
- All taxpayers (both users and non-users) will bear approximately 39% of the upgrade costs.

Beginning in January 2009, existing users and all new users will be required to pay a base user rate of \$47.50 per quarter (\$190/year) in addition to their normal quarterly sewer charges based upon estimated water use. In addition, beginning in 2011, when the new treatment plant is completed, new connections to the sewer system will cost \$8,000 for residential users and a minimum of \$8,000 for commercial and industrial users. New connections within the sewer use district will be required with certain limited exceptions.

If the project is approved, it will take two years to complete and therefore will not influence or affect the mill rate until 2011. As we do not know what the grand list or mill rate will be at that time, the following examples show what the increase would have been if the project had been included in

this year's budget. As new users connect to the plant after completion, their fees will reduce the burden on the town's budget. That means that the costs will not increase but will decline over the term of the borrowing. These figures represent an effective increase of 2%.

Increase	\$ 20	\$100	\$200
Taxes paid 2008/2009	\$1,000/year	\$5,000/year	\$10,000/year

Who Will Oversee the Construction? The Town has appointed residents Roy Litchfield, Ken Krohner, Denton Butler and Mike Dezzani as

the Building Oversight Committee to monitor the

construction budget and schedule. The Maguire

Group will serve as the Design Engineer. The

committee is presently interviewing firms to serve

as Construction Engineer.

Each member of the Board of Selectmen fully endorses the need for this upgrade and requests that the taxpayers of New Hartford support this project. The Board recognizes these are difficult economic times, but believes that investing in the upgrade today is the most fiscally responsible course of action to take.

Board of Selectmen: Earl MacInnes William Marchand Phyllis Webb

REFERENDUM DATE TO BE ANNOUNCED

BOF 11. 10-20

1986-1

AN ORDINANCE CREATING A WATER AND SEWER COMMISSION

BE IT ORDAINED that the ordinance creating the New Hartford Sewer Commission duly enacted at a Town Meeting on August 26, 1963 and amended at a Town Meeting on January 14, 1965, and the resolution duly enacted at a Town Meeting on October 7, 1968 creating a Water Commission and combining it with the Sewer Commission, and the ordinance duly enacted on March 6, 1980 again separating the New Hartford Water Commission from the Sewer Authority of the Town of New Hartford are all hereby rescinded.

BE IT FURTHER ORDAINED that there is hereby created a Commission to be known as the New Hartford Water and Sewer Commission. Said Commission shall consist of seven members, five of whom must be users of Town supplied water and/or users of the Town sewer system as well as electors of the Town of New Hartford, and two of whom must be non-users of Town supplied water and/or non-users of the Town sewer system as well as electors of the Town of New Hartford.

The members of said New Hartford Water and Sewer Commission shall serve without compensation for the following initial terms: 3 members for 3 years, 2 members for 2 years, and 2 members for 1 year. Thereafter, all members shall serve a term of 3 years from the date of their appointment. All appointments shall be made and vacancies filled by the Board of Selectmen.

Said New Hartford Water and Sewer Commission shall be responsible for administration and financial management of the Town water and sewer plants. Said Commission may exercise all powers granted to such authorities by the General Statutes of Connecticut including the power to establish policies and regulations and to create a budget. Said Commission shall have the responsibility of establishing water and sewer rates sufficient to ensure at least a break-even operation that may provide for amortization of indebtedness and carry the operations of the water and sewer plants without cost to the general taxpayers of the Town.

This ordinance shall become effective fifteen (15) days after publication in a newspaper having a circulation in the Town of New Hartford.

Effective Date: February 27, 1986

Patricia J. Halloran, CMC Town Clerk Town of New Hartford RORABACK & RORABACK

BUF 11.10,00

ATTORNEYS AT LAW

CHARLES W. RORABACK CHARLES E. RORABACK MARGARET P. RORABACK ANDREW W. RORABACK

24 MASON STREET P.O. BOX 925 TORRINGTON, CT 06790 (860) 489-6880 Fax (860) 489-5301 WILLARD A RORABACK (1883-1928) CHARLES P. RORABACK (1923-1964) JAMES W. RORABACK (1927-1964)

August 28, 2008

Earl MacInnes
First Selectman
Town of New Hartford
P.O. Box 316
New Hartford, CT 06057

Re: Wastewater Treatment Plant - Bonding

Dear Earl:

At your request I have researched the question of who is responsible for repayment of the bonds to be issued to fund the renovation and upgrade to the wastewater treatment plant.

The relevant sewer commission ordinance, adopted in 1986, provides that the Water Pollution Control Authority "shall have the responsibility of establishing water and sewer rates sufficient to ensure at least a break-even operation that <u>may</u> provide for amortization of indebtedness and carry the operation of the water and sewer plants without cost to the general taxpayers of the Town." (emphasis added).

We interpret the above-cited language as it pertains to "amortization of indebtedness" as precatory, not mandatory. The use of the word "may" to specifically qualify the provision for "amortization of indebtedness" evinces an intent that such cost not be a required component of a "break-even operation." Had the ordinance intended that amortization of indebtedness be paid solely by sewer system users, it could easily have so stated; this ordinance does not so provide.

We find that the use of the term "break-even operation" supports our conclusion in that such terminology connotes operating costs, as distinguished from capital costs. The ordinance falls short of requiring a "break-even budget" or even more clearly a "break-even capital and operating budget."

In addition, we note that the Town of New Hartford, not the Water Pollution Control Authority, is subject to an Order issued by the State of Connecticut Department of Environmental Protection to make improvements to the wastewater treatment plant as more particularly set forth in said order.

In sum, we conclude that the 1986 ordinance does not obligate the sewer system users to fund capital expenditures to the exclusion of any responsibility on the part of the other taxpayers of the town. We qualify this opinion with the observation that only a judge sitting in a court of

BOF 11.10.20

Letter to Earl Maclinnes 8/28/2008 Page 2 of 2

competent jurisdiction has the legal authority to ascribe a definitive interpretation to a legislative enactment such as a municipal ordinance.

Sincerely,

Roraback & Roraback

By: Charles E. Roraback

CER/as

Cc: Douglas W. Gillette, Esq.

Revenue Budget	_	Expense Budget			
WATER		Cyberise gooder	GL No. FY	14 Buidnet	
	The second second	WATER	GL NO.	le buoget	
Water Usage Charges	\$211,675	Rouling Services	8501	\$89,743	
Fire Protection Fees	\$49,373	Electricity	6514	. \$28,090	
Water Surcharge (debt service		Phone/Communications	8515	/ \$2,271	
Total Projected Water Revenu	10 in 1. 2 m 1 \$330,555	Water Treatment Supplies	8521	× \$14,703	
SEWER		Lab Services/Sampling	8522	\$0	
Sewer Usage Charges	\$213,596	Licenses & Permits	8523	\$3,914	
Septage Receiving Fees	\$105,000	Supplies	8525	\$77	ti was
Sewer Surcharge (debt service		Non-routine Charges	8519	\$26,980	- Capital &
Total Projected Sewer Revenu		Capital projects	8530	\$20,000	- YOU JOY 4
TOTAL ACCOUNTS	\$761,620	Debt Service	8535	\$67,349	- Loke
#	En?	Phone/Communications Lab Services/sempling Studge Hauling & Cleaning Oil	8615 8622 8617 8620	\$5,979 \$0 \$56,900 \$2,016	
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To the New Hartford Board of Selectmen:

As a resident of our town who, by sheer luck, happens not to depend on our town's WCPA, I am, nevertheless, concerned about its future. I care deeply about *all* our residents, wherever they live. We are one town, and we need it to meet the needs of all our people. I fear there is an assumption among various town officials that our residents either aren't smart enough to understand the process and details of decisions that are made regarding their water company, or that they just don't care. Neither is true.

According to information on our town's website, the goal of the WCPA is: "to provide quality constructed, reliable and cost effective drinking and wastewater infrastructure, that promotes environmental protection and insures public health & safety at competitive rates that stimulates residential, commercial and industrial development, providing economic growth and rate stabilization for residential, commercial and industrial accounts alike."

In a 2008 letter from Town Attorney Rorabach, he expressed the opinion that nowhere is it written that only users of the water plant are responsible for expenses incurred for repairs or maintenance. Ultimately, it is the Town that bears the responsibility, and it is up to the Town to decide how that bill is to be paid. If, as I believe should be the case, ALL residents should bear the cost of these expenses, then all residents need to be fully informed as to the details of any change in the status of their water company.

I worry that there will be a rush to judgment regarding the sale of our water company, without sufficient time, input, or discussion, to a private, for-profit firm. Several presentations have been made regarding this impending sale, but no counterarguments by qualified sources have been invited, or even allowed, to present opposing data. It is important to remember we are a representative democracy, and as such, residents have an obligation to understand a proposal *in full* before voting on it. I have read that under the current proposal, the cost of all expenses, whether repair, maintenance or incurred debt, will be borne by users, resulting, of course, in rate hikes. To say that is unfair is a wild understatement, especially when those users (and all the rest of us) have not been fully informed or allowed to hear what alternatives there might be.

According to an article in "The Washington Post, "Towns Sell Their Water Systems and Come to Regret It," (emphasis mine) "Customers usually pay more

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for water after private companies take over....... The prospect of offloading these headaches to for-profit water companies — and fattening city budgets in the process — is enticing to elected officials who worry that rate hikes could cost them their jobs. Once a system has been sold, private operators, not public officials, take the blame for higher rates.

But privatization will not magically relieve Americans of the financial burden of upgrading their water infrastructure. *Water customers still foot the bill*. And although there is no reliable data to compare the service or safety records of public and private utilities, studies show that in most cases, the tab rises when for-profit companies are involved.

That is in part because state regulatory agencies allow private operators to earn a profit on their investments"

I ask, what agency is going to enforce the water company's promise to make repairs and maintain the infrastructure? Who inspects those repairs and who is accountable?

Based on evidence from past sales to private water companies, rate hikes are inevitable, and if the town changes its mind, regaining public ownership of the water company would be an expensive, difficult, and time-consuming process.

As for Mr. Butler, what makes him qualified? What is his experience in the sale of water systems and/or their operation, aside from the one in New Hartford? How can he be considered to be a neutral party? Has the Town commissioned independent studies of the sale? This needs to be a transparent process. I urge, rather, *demand* that qualified voices other than those of the Selectmen, as well as that of "Bud" Butler, be allowed to present pertinent and essential information to the people of this Town, in writing and at a Town Meeting.

Thank you.
Sincerely,
Laura Bedford
Shafer Road, New Hartford

Dear Dan and Alesia,

I hope this finds you and your families well during these very trying times. I want to thank you for your service to our town. I know you spend lots of time and energy on our behalf. You have my gratitude.

I'm writing with a couple of concerns/requests.

First, although I was unable to make it to the most recent BOS meeting, I know that there is a suggestion by some in our community that Brodie Park be mowed less to provide a habitat for the wildlife that has, in the past, found a home there. I understand that people like to walk their dogs in the park. I have walked my dog there, too. But, it seems that a compromise could be made and that this does not have to be an either/or proposition. Please consider a new policy that would cut down on the mowing, allowing part of the park to be devoted to dog walking with part remaining unmowed, to serve as a home for the variety of wildlife that we are blessed to have in our town.

Frankly, in general, I'm concerned about what seems to be a lack of a willingness to be flexible and compromise on a part of the BOS. At the meeting I recently attended and others I attended in the past, I was upset by the fact that there seems to be little room or respect for opinions other than the positions being promoted by the BOS. I don't mean to sound harsh or condescending, but your job is to represent US. We need you to represent us. Your leadership abilities lie in finding a middle ground so that all feel respected and included, unless something unethical is being promoted, which is not the case here. Second, and in the same vein of a seeming lack of willingness to listen to or provide all sides of an issue, I'm concerned about the fact that no other alternative plans for the sale of our water/sewer system have been presented. I know question and answer sessions are being planned about the sale, but we can't ask questions if we don't know all the alternatives. What are we choosing between? I run a non-profit and I know that I must always make clear what the board is choosing between, when I make a proposal. The same is true for the BOS. Plans A, B and C will bring into relief the issues at the heart of the decision and help clarify the strengths and weaknesses of each. Sometimes an amalgam of the plans, that we never could have imagined before, rises to the top as the best solution.

The water/sewer decision is a vital decision for our town. It cannot be taken lightly. It may be that selling it is the best path to take. But the town needs and deserves to know what other paths there are to take in order to judge which is best.

I know you are good people and want what's best for New Hartford. We need your wise leadership now more than ever. Please inform us, include us and respect our need to know the whole story so that we can vote wisely, with care and thoughtfulness.

Again, my heartfelt thanks for your service, Donna Berman

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On Tue, Aug 4, 2020 at 11:53 AM CC Brooks < ccbrvdm@gmail.com> wrote: Dear Dan:

I hope this email finds you and your family faring well during this difficult period of the Covid-19 pandemic.

I'm writing to you about the as-yet-to-be-scheduled vote on whether to privatize the town's water and sewage treatment plant. I attended the informational session held at town hall back on Feb. 13 and found Mr. Butler's presentation to be rather persuasive, and had the vote been held then, I might very well have acceded to the motion to sell. The only questions left unanswered I felt were, are the details as presented accurate? What are the alternatives to an outright sale? Are there any possibilities open to the town other than the stark future presented by Mr. Butler?

As every high school-level debater knows, the relative strength of a position is best tested against that of a good counter-argument. If there are dissenting views to Mr. Butler's proposition, I should think you would welcome them, if for no other reason than to prove the strength of Mr. Butler's assertion of the need to sell. So if there are indeed alternatives to an outright sale, by all means please bring them forward and allow them to be heard. In a democratically-run community it's unthinkable that we would hold a town-wide referendum of such importance without including as wide a representation of responsible views as possible. Without that, it would be difficult for me to vote in favor of a sale.

Yours sincerely,

Chris Brooks

P.S. As he is a minority member of the BoS, I have copied Dave Rosengren to this email.

From: Frances Herman [mailto:franceshermanrd@hotmail.com]

Sent: Tuesday, August 4, 2020 12:41 PM

To: Christine Hayward < CHayward@newhartfordct.gov>

Subject: more information on sale of water and sewer assets

Greetings Christine,

Could you please distribute this email to the Board of Selectmen and the AET? Thank you!

I'm writing to request more information about the sale of our water/sewer assets. I attended one of the information sessions. but was left with some unanswered questions. I would very much appreciate hearing alternate opinions on the matter so that I and other New Hartford residents can make a more informed decision, as this is a huge step for the town to take. It seemed that the presentation outlined only the benefits of selling these assets. With water sure to be an ever more valuable resource in the decades ahead, I'm concerned about placing these assets, which are to be used for the benefit of New Hartford citizens, in a forprofit business. Are there other communities (in CT or elsewhere) which have retained control of similar assets at a reasonable cost? Can the costs be spread more equitably so as not to overburden those who live in the affected area? I fear that privatizing these assets could lead to the public accepting a risk that could be disastrous in the future. I don't feel that I or any other citizen can make an informed decision based on only one viewpoint.

Thank you for your consideration.

Fran Herman

BOF 11.10.20

August 20, 2020

New Hartford Board of Selectmen New Hartford WPCA New Hartford AET

Dear New Hartford Officials.

As a long-time resident and volunteer for the Town I am very concerned about the potential for a bad outcome that I see in the push to sell our water and sewer assets to a private company.

I have done a little research on this over the last few years since the Requests For Proposals were issued and the AET has made their recommendation, and I am not persuaded that it is a good idea. What I have discovered thus far indicates that these sales frequently provide only short-term benefits to the towns and that many towns end up losing in the long run.

I think we need to consider more perspectives and that those who have been studying the issue should be able to share their knowledge. Any public information meetings should provide an opportunity for all interested parties to present information that they feel is pertinent and that will help us make an informed decision and minimize the potential for a bad outcome.

To deny this opportunity creates an appearance of bias, disrespects those who may not agree with your agenda, and stifles the democratic process that we purport to be following.

Please do your best to make this an inclusive discussion: allow alternative ideas to be heard at these public information meetings.

Respectfully,

Alison Murdock 14 Willow Lane New Hartford, CT 06057 Hello Dan,

I was glad to have the opportunity the other night to listen in on the BOS meeting about the proposed sale of our municipal water/sewage system. I was planning to attend a public information session about the subject just before Covid shut those down. It's good news to me that there will be more opportunities, on August 5 and August 17, as you mentioned in the meeting. I hope there will be further opportunities in the fall as people become more aware of the importance of this issue. Thank you!

While I am still in the information-gathering stage of forming my own opinion on the sale in preparation of a vote, I very much look forward to hearing Denton Butler's presentation. I appreciate that he has done a great deal of work on this issue. I also like that my town leaders, such as you, take a stand on issues and speak openly about their position, such as your support of the sale.

But I think it's very important to give the public a very complete picture of the situation, even if the pros outweigh the cons. I hope that Dave Rosengren is not frustrated or stymied in his attempts to broaden the perspective on this issue. I hope that he can also present on the topic at these public forums. His viewpoint is critical to a balanced, thorough discussion of a critical decision -- to sell or not to sell.

I think two presentations is better than a debate, which devolves into an insiders' sniping contest, which isn't helpful. As a member of the public who loves this town and wants to know what each option will cost us taxpayers, water-utility users and non-users alike, as well as what are the philosophical and economic implications of selling a public utility to a private utility, I want to be able to weigh the pros and cons of selling the water/sewage system and vote dispassionately.

Since I haven't yet seen Denton Butler's presentation, I'm reluctant to ask my questions, because they may be answered in his presentation, and I don't want to waste your time. But I wonder: Why would a private utility want to buy a struggling public utility? Does it have a guaranteed client base beyond the 400 or so current users? In other words, how does it expect to make a profit? Tipping fees? Selling bottled water? It can't just be raising rates on the New Hartford users, can it? Will the company pay local taxes on profits they make in New Hartford? Are their rates subject to state approval?

Below are a couple of articles that have broadened my understanding of the issue. I hope that as a town we can come to a reasoned, equitable decision without a lot of fighting and hostility. Full transparency and letting go of mutual recriminations in public forums will go a long way toward resolving this difficult issue and moving forward.

To Sell or Not to Sell: That is the Question https://krwa.net/portals/krwa/lifeline/1007/103.pdf

Towns Sell Their Public Water Systems and Come to Regret It https://www.washingtonpost.com/national/health-science/towns-sell-their-public-water-systems-and-come-to-regret-it/2017/07/07/6ec5b8d6-4bc6-11e7-bc1b-fddbd8359dee_story.html

Best, Caren From: David Rosengren davidrgren@icloud.com

Subject: Re: AET proposal

Date: August 4, 2020 at 11:33 AM

To: David Rosengren davidrgren@gmail.com

BOF 11.10:20

DR

On Mon, Jul 27, 2020 at 12:20 PM frances stoffer restoffer@gmail.com wrote:

Dear Dan,

Thank you for your service to the town in these difficult times, I hope this email finds you and your family well.

I am writing in support of David Rosengren's position in his recent Open Letter concerning the AET proposal to sell our water and sewer facilities. I understand your tendency to stand behind volunteers who have given so many years of attention to the problem, but I agree with David that the sale of the facilities is not the answer. A more balanced view of the pros and cons of the situation is required. Please reconsider this important issue and find a way for all citizens of New Hartford to bear the burden of correcting the errors of the past.

Sincerely,

Frances Stoffer Town Hill Road

BOF 11.10 20 /4

Open Letter to New Hartford's Elected officials and Appointed Committee Members

Dear Honorable elected officials and appointed committee members of the Town of New Hartford,

I have attended every meeting the AET has conducted to present its case for selling our water and sewer treatment facilities and have listened attentively to the arguments made by the current Chair of the WPCA. I have also done extensive investigation and research into this matter on my own.

Aside from the many inaccuracies and misleading statements contained in the presentations made at those meetings, one thing that has stood out for me, and perhaps to those of you who have listened to the Chair's presentation, is that he has been, by his own admission, intensely focused on the goal of selling our facilities for over a decade and has been the chief architect in establishing and heading the AET towards that goal. The problem with that kind of approach is twofold: (1) we do not get an objective evaluation of the pros and cons of a sale; and (2) the pre-determined result of a sale does not fix the underlying problem.

The problem confronting us is that our sewer and water rates have been near the highest in the State for over a decade, because we, as a Town, have insisted that the lion's share of the costs of the systems be borne by the users. Many of you have heard me speak (or at least attempt to speak) at the AET meetings and express my belief that the current "sell" proposal does not fix that problem and will in all likelihood exacerbate it.

We keep hearing at these presentations that the AET has worked for over 3 years on the water and sewer issue, so its plan to sell the systems must presumptively be correct and in the best interest of the users and the Town. But time invested is hardly a measure of whether a plan is correct or not. Nobody says, "well, I've worked on this thing for x years, so it must be right," and, in this case, the efforts of the AET have not produced the right result.

At the last AET information session, a resident from the Pine Meadow area described the circumstances he and his spouse will be faced with if that portion of the plan involving the construction of a sewer extension in Pine Meadow, goes through. I believe his situation perfectly illustrates my argument that the sale of our water and sewer facilities will **not** solve the core problem of the intolerable rates imposed on their users.

That resident now has a septic system that costs him, on average, approximately \$100 dollars a year to maintain (one \$400 clean-up every 4 years). After researching the current sewer rates, he calculated that, when he is obligated to hook up to the proposed Pine Meadow extension, his average yearly bill will be approximately \$1,600! To add insult to injury, he estimates that his "hook-up" fee will be about \$16,000. (Imagine your reaction if you received your July tax bill with a \$1,600 increase and, just for good measure, a \$16,000 surcharge.)

The proposed Pine Meadow sewer extension will service 106 existing households, all of which are now on septic systems and all of whose residents will suffer similar devastating financial consequences. Most, if not all of the residents in Pine Meadow live on modest incomes, and in many cases, fixed retirement incomes. For those of you who are thinking rates will go down as more people are forced to "hook-up," please think again.

BOF 11.10 3/4

Rates never, ever go down! They always go up. That is as inevitable a reality as death and taxes. At the *very best, rates may be stable for 5 years*, but even that is not certain because only the State regulatory authority, PURA, controls that decision, and, as the WPCA Chair has admitted, any help the Town *may give the users, is contingent on how much the planned Pine Meadow Sewer extension will cost.*

So, my question to all of you, as elected officials and appointed committee members is -- why are we thinking of doing this to our neighbors and friends? Why are we constantly avoiding what a responsible community should do, which is to spread the burden of community obligations among all members of the community? Would any of us for a moment propose that the 400 hundred or so families, who have kids in the public schools, take on the burden of paying the entire bill for our school system? Where is the justice in that? How could such thinking be anything but a gross distortion of the idea of community, and, indeed, of the Golden Rule? We pride ourselves on believing that we are a "small, close knit community." If those words are to have any meaning and not simply stand as a hollow and cruelly misleading reminder of our indifference to our neighbors' welfare, then we must not let this plan go forward as proposed.

We have time to devise a plan that works for our entire community. The sky is not falling. Even if the plan as proposed were to be approved by the Town tomorrow, it will be years before that plan wends its way through the labyrinth of the State Administrative approval process and construction of new sewer lines begin. Let's take the time necessary to put a sensible and prudent plan together for consideration by our Town's people. It can, and must be done. The Town is currently subsidizing the WPCA debt service (as it rightly should based upon our Ordinance 86-1) and the WPCA has pledged not to raise rates for the foreseeable future. The basis of any workable plan would contemplate that the Town acknowledges that, like our schools

BOF 11.16.20 4/4

and roads infrastructure, each taxpayer pays in a nominal sum to the capital upkeep of our systems through our capital expenditure and debt service portions of our budget.

While I was listening to the AET presentation this past week at New Hartford Elementary, I thought that anyone in the audience would be easily seduced into thinking that the proposed plan would solve all our problems associated with our water/ sewer systems. It was slickly produced to achieve its intended result. But many of us will recall that we went through a similar experience a dozen years ago when our elected officials assured us, time and again, that our Town would benefit from a new sewer plant that would soon be serving an unprecedented boom in economic development and that such growth would not only stabilize rates but reduce rates in the long run. We made a horrendous mistake then, let's not be seduced into making another one now. Things that sound too good to be true nearly always turn out to be too good to be true. Let's not forget history, lest we repeat it.

Yours Sincerely,

David Rosengren, Selectman

495 Town Hill Road New Hartford, CT 06057 davidrgren@gmail.com 860 306 6863

Bof 11.10 20 1/2

To the Board of Finance

As a past chairman of the WPCA I have opposed the sale of the Waste Water Treatment Plant and the water system. I have always felt, especially on the water side, that it is just too great of a natural resource to give up control.

Having said that, I have come to the realization that this may be a done deal – I would hope that those lobbying for the sale of these assets would put the users, the Town and the WPCA in the best position possible.

The plan put forth **DOES NOT**.

We know the history – the Town and its voters have held that the cost for the entire system is the responsibility of the WPCA and its users. Ironically, they now assert that most of the money generated from the sale would be at the disposal of and for the benefit of the Town. Somehow, this is supposed to be fair compensation for the current users who have borne a disproportionate share of the costs.

WHO WILL BENEFIT?

The Town - pays off all of the debt associated with the system.

<u>Aquarion</u> - new infrastructure to the tune of 3.5 million dollars which will help them to increase their revenues.

<u>Aquarion</u> - the WPCA/the Town retaining ownership for at least 20 years of the new infrastructure thus freeing Aquarion from a tax obligation – increasing profits.

<u>Aquarion</u> - the proposed break even fire tax for hydrants proposal – again increasing profits by reducing expenses. This proposal as presented seems to also include zero property taxes owed to the Town which will be a substantial windfall for Aquarion.

<u>Aquarion</u> - purchasing a plant that can take in much higher amounts of effluent. As stated during the informational meeting at the New Hartford Elementary School, they see this as a possible money generator for their company. Additional lines and disposal of effluent – will again increase profits.

<u>Aquarion</u> – purchasing a water system that currently use a faction of the daily allotment from the aquifer. There is no contractual obligation to keep the water local only a promise. Who knows what the future will bring.

<u>The Town</u> aquifer. Currently our town is obligated to protect the aquifer - indicated by the State addressing the letters with instructions about this issue to the Town as a whole and not the WPCA specifically. Using funds from the sale to remediate the problem the user bear the cost rather than requiring all taxpayers to bear it-.

<u>Town residents whose property abuts the aquifer</u> - Their houses and school system are not currently connected to the waste water treatment plant – as such their owners have not been absorbing through rates their share of the cost of the plant construction and the operation of the system – but the town will use funds from the sale to correct this ongoing problem.

<u>New Users</u> — although they have not paid high sewer rates to pay for the plant, they will be compensated at the same rate with the proposed subsidy as those users who have borne the highest rates and taxes associated with the debt for years.

<u>New Users</u> - whose property value will increase when the new lines are adjacent to their property - will they will able to by-pass hookup? If they do hook up, who will bear the cost of the main line?

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WHO WOULD LOSE?

<u>Current Users</u> – self-determination and a meaningful voice concerning the operation, rates, expansion of the system and local control of a natural resource. (These aquifers have a capacity that far exceeds the current obligation for daily water.)

<u>Current Users</u> - paying for the new line(s) that do they not need. Setting the precedent for them to pay for future lines. None of these lines do the current users need. They do not get a direct benefit from these lines. The argument has been why should a non-sewer user pay because no one paid for their septic system – why should sewered users, who have already had to pay to connect, pay for someone else?

Current Users - now under PURA in Hartford not New Hartford - local control would be gone.

<u>Current Users</u> – The Contract, all discussion about what the future will bring is done on a handshake and understanding. Absolutely nothing is concrete.

<u>Current Users</u> – the Town deciding how additional revenues from the sale are used rather than the actual users and the WPCA. Some of the excess funds are earmarked in theory to offset rates – no written contract or guarantee.

<u>Current Users</u> – as presented, this agreement relies on an understanding for rate reduction, taxes, use of the aquifer, installation of new lines and dealing with Aquarion and not the parent company, Eversource. All details should have been made contractual thus providing meaningful guarantees that they will actually be implemented.

<u>The Town</u> – solving a problem for today without looking at the long term implications for the future.

Our Children - once the systems have been sold we will never be able to get them back or get local control.

Our Town - we give up self-determination in the heart of our town.

Daria K Hart Past Chair WPCA 598 Main Street New Hartford, CT



TOWN OF NEW HARTFORD PLANNING & ZONING COMMISSION 530 MAIN STREET - TOWN HALL NEW HARTFORD, CT 06057

Land Use Office 530 Main Street New Hartford, CT 06057 Phone: (860) 379-7677 Fax: (860) 379-0940 www.newhartfordet.gov

Board of Selectman Town of New Hartford

Dear Selectman,

I have been authorized by the New Hartford Planning and Zoning Commission who also acts as the Aquifer Protection Agency to write you in support of new sewer lines in the Pine Meadow section of New Hartford to protect the aquifer and protect the town's drinking water supply. As you know, the aquifer is the sole source of the Villages of New Hartford Center and Pine Meadow's drinking water and is located almost entirely under the Pine Meadow section of town. That section of town, presently, is entirely serviced by individual septic systems. The commission voted unanimously to endorse this proposal.

Sincerely,

T.J. Stoutenberg

Chairman

Town of New Hartford Planning and Zoning Commission And Aquifer Protection Agency

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STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

11/9/2020

Town of New Hartford The Honorable Daniel V. Jerram P O Box 316 New Hartford, CT 06057-0316

Dear First Selectman Jerram:

Governor Ned Lamont and I would like to congratulate you and the Town of New Hartford on your \$89,700.00 grant through the 2020 Small Town Economic Assistance Program (STEAP) for the following project:

PROJECT NAME: Brodie Park Restrooms

PROJECT DESCRIPTION: New restroom facilities Qualifies for COVID-Related Project Provision: NO

Other Comments (if applicable): N/A

Please confirm your award no later than 12/9/2020, by contacting Acting Undersecretary Martin Heft at the Office of Policy and Management at Martin. Heft@ct.gov.

The Department of Energy and Environmental Protection will administer your award. We are providing a copy of this letter to Alison Chase of Department of Energy and Environmental Protection. After confirming your award with Martin Heft, please contact Alison Chase, at Alison. Chase@ct.gov as soon as possible to begin the grant contract process.

You should not proceed with any anticipated STEAP-funded project work until you are fully aware of any contractual terms required by the administering agency. This letter does not constitute a contract.

Please keep in mind that your receipt of these STEAP funds will be contingent upon your compliance with the rules and regulations of the agency that administers your award, and reimbursement(s) of funds will not occur without a fully executed agreement between the municipality and the state administering agency.

Thank you and best of luck with your project.

Sincerely,

Melissa McCaw. Secretary

C: Martin Heft, Acting Undersecretary, OPM Alison Chase- Department of Energy and Environmental Protection