

Board of Selectmen Special Meeting

December 8, 2020

HAND-OUTS

List of Annual Appointments

Regular Meeting Schedule 2021

Holiday Schedule 2021

Motion – proposed sale of Water and Wastewater Assets

Motion prepared by Dave Rosengren “Whereas the Asset.....”

Minutes of November 10, 2020 Board of Selectmen Meeting

BOS 12.8.2020

ANNUAL APPOINTMENTS for BOS MEETING DECEMBER 8, 2020

Commission on Aging

Christine Ringuette 01/01/2021 – 12/31/2023

Conservation Commission

Alison Murdock 01/01/2021 – 12/31/2023

Economic Development Commission

John H. (Jack) Casey 01/01/2021 – 12/31/2025

John Burdick 01/01/2021 – 12/31/2025

Alternate:

William F. Baxter 01/01/2021 – 12/31/2025

Historic District Commission

Gary Colbert 01/01/2021 – 12/31/2025

Inland Wetlands Commission

Steven Unger 01/01/2021 – 12/31/2023

Nancy Shroeder-Perez 01/01/2021 – 12/31/2023

Open Space Preservation Commission

Madeline McClave 01/01/2021 – 12/31/2023

Alternate:

Terrence Moreschi Jr. 01/01/2021 – 12/31/2023

Town Hill Cemetery Committee

Anne Hall 01/01/2021 – 12/31/2026

Debra Lindell 01/01/2021 – 12/31/2026

Water Pollution Control Authority

Michael LeClaire 01/01/2021 – 12/31/2023

Joseph Toro 01/01/2021 – 12/31/2023

BOARD OF SELECTMEN REGULAR MEETING SCHEDULE FOR 2021

The Board of Selectmen will hold regular scheduled meetings on the 4th Tuesday of each month at 7:00 PM at Town Hall with the exception of November and December as noted below

Special Meetings will be called as necessary.

TUESDAY, JANUARY 26, 2021

TUESDAY, FEBRUARY 23, 2021

TUESDAY, MARCH 23, 2021

TUESDAY, APRIL 27, 2021

TUESDAY, MAY 25, 2021

TUESDAY, JUNE 22, 2021

TUESDAY, JULY 27, 2021

TUESDAY, AUGUST 24, 2021

TUESDAY, SEPTEMBER 28, 2021

TUESDAY, OCTOBER 26, 2021

TUESDAY, NOVEMBER 16, 2021**

** Note: this is changed due to Thanksgiving Holiday – this is 3rd Tuesday of the month

TUESDAY, DECEMBER 21, 2021 **

** Note: this is changed due to Christmas Holiday – this is the 3rd Tuesday of the month

Approved by BOS on

BOS 12.8.2020

HOLIDAY SCHEDULE 2021

Friday, January 1, 2021	New Year's Day
Monday, January 18, 2021	Martin Luther King, Jr. B-Day
Monday, February 15, 2021	Presidents' Day
Friday, April 2, 2021	Good Friday
Monday, May 31, 2021	Memorial Day
Monday, July 5, 2021	Independence Day (falls on a Sunday; therefore Monday Holiday)
Monday, September 6, 2021	Labor Day
Monday, October 11, 2021	Columbus Day
Thursday, November 11, 2021	Veteran's Day
Wednesday, November 24, 2021	Day Before Thanksgiving – Noon Closing
Thursday, November 25, 2021	Thanksgiving Day
Friday, November 26, 2021	Day after Thanksgiving
Friday, December 24, 2021	Christmas Day (falls on a Saturday, therefore Friday Holiday)

Bos 12.8.2020

To recommend to the Town Meeting, to be adjourned to referendum (i) the sale of all the assets, including without limitation those assets listed on Exhibit A hereto, of the Town of New Hartford public water supply system and sanitary sewer system (the "Assets") to Aquarion Water Company of Connecticut or any parent, subsidiary or affiliate of Aquarion Water Company of Connecticut (together, "Aquarion") for the contract price of not less than \$8,000,000, subject to usual and customary closing adjustments and costs of sale; (ii) the appropriation of so much of the sale proceeds as is necessary to repay in full the outstanding balance as of the date of sale of the Assets of all indebtedness pertaining to the Assets owed to the United States Department of Agriculture, Rural Development, and to the Town of New Hartford as shown on Exhibit B hereto; (iii) the appropriation of an amount not to exceed \$3,600,000.000 for the design and construction of extensions and improvements to the sanitary sewer system in the Pine Meadow area of the Town of New Hartford as shown on the schematic map attached hereto as Exhibit C entitled "New Hartford, CT Pine Meadow Residential Area Option P-2 Gravity Sewers with Pump Station, Portion of Easement 1 inch = 300 feet DRAFT May 2016" prepared by CDM Smith, a copy of which map is attached hereto as Exhibit C and available for inspection in the office of the New Hartford First Selectman, or so much of said sanitary system extensions and improvements as can be designed and constructed for the sum of \$3,600,000.00; (iv) the appropriation of an amount not less than \$435,000 and not to exceed \$500,000.00 of the balance of the sale proceeds available after the appropriations set forth in subsections (ii) and (iii) above as determined appropriate by the Board of Selectmen to fund the subsidization of public water and public sewer use fees; (v) the appropriation of the balance of the sale proceeds not to exceed \$355,000 available after the appropriations set forth in subsections (ii), (iii) and (iv) above to subsidize sewer lateral connection fees and costs for new sanitary sewer system users as allocated by the Board of Selectmen; and (vi) the appropriation of any balance of the proceeds of sale remaining after the expenditures set forth in subsections (ii)-(v) above as may be recommended by the Board of Selectmen for uses consistent with subsections (iii), (iv) and/ or (v) above upon the approval of the Board of Finance and Town Meeting.

Prepared by
David Rosenberg

BOS 12.8.2020

MOTION

Whereas the Asset Evaluation Team has publicly stated that its primary goal is to benefit the users of the sewer and water systems from the sale of those systems to a private company, the Aquarion Water Company; and

Whereas it is therefore necessary for any Referendum language to adequately ensure that the sewer users, both current and future, are so protected and benefited; and

Whereas the currently proposed Referendum language fails to accomplish the stated purpose of the sale to *guarantee* amounts to be allocated for the benefit of the sewer users; and

Whereas, as acknowledged by the AET that the sale price has never been the subject of any negotiations with the proposed Buyer; and

Whereas the AET has determined that the proposed Pine Meadow sewer line extension is in substantial part being proposed for the protection for the Town's Acquirer and is therefore a *Town-wide responsibility* and should not be borne solely by the sewer users;

NOW, THEREFORE, THE BOARD OF FINANCE HEREBY RECOMENDS THE FOLLOWING TO A TOWN MEETING:

1. The sale of all the assets (the "Sale") of the Town of New Hartford public water supply and sanitary sewer system (the

“Assets”) to Aquarion Water Company of Connecticut (“Aquarion”) for the contract price of \$8,250,000;

2. The appropriation of so much of the sale proceeds as is necessary to repay in full all indebtedness pertaining to the assets owed to the United States Department of Agriculture, Rural Development;

3. The appropriation of not more than \$3,000,000 for the design and construction of a gravity sewer in strict and full accordance with a plan dated May 2016 for a P-2 gravity sewer drafted by CDM Smith (“Pine Meadow Extension), a copy of which is attached hereto;

4. All the remainder of the proceeds of sale to be used upon closing and thereafter for the benefit of the current and future users of the system to subsidize sewer rates for a period of not less than 5 years and to subsidize connection fees of any future users ordered to hook up to the Pine Meadow Extension.

**Board of Selectmen
Special Meeting
Tuesday, November 10, 2020
Virtual Meeting – via ZOOM**

MINUTES

Present: First Selectman Dan Jerram, Selectman David Rosengren, Selectman Alesia Kennerson; Members of the Public: Shelly Lloyd, Joe Toro, Mary Beth Greenwood, Bruce Delaini, Bud Butler, Laura Bedford, Laura Garay, and others. Member of the Press Kathryn Boughton (Republican American), Administrative Assistant Christine Hayward.

First Selectman Jerram called the meeting to order at 6:07 PM and noted that it was a special meeting of the Board and therefore only agenda items would be addressed.

To consider recommendation to approve the sale of the Water and Sewer Assets and to recommend to the Board of Finance to approve the appropriation of the use of proceeds from such sale.

Mr. Jerram stated that the Board of Finance had posed some questions regarding the asset sale and those questions, as well as Frequently Asked Questions have been answered and forwarded to them. He presented the motion for consideration that has been drafted by Town Counsel for consideration this evening. (attached).

Mr. Jerram informed the Board that the Planning and Zoning Commission had met and had a positive 8-24 referral regarding the proposed asset sale. Additionally, a letter has been received that was written by the Chairman of the P&Z (which also acts as the Aquifer Protection Agency) in support of the proposed expansion of the sewers.

The First Selectman stated that approval of the motion by the Board of Selectmen would then be forwarded to the Board of Finance for their consideration. Mr. Jerram noted that there would also still need to be a public hearing, which will be another opportunity for members of the public to ask questions about the proposal, prior to a Town Meeting. The final step is a referendum.

MOTION: by Kennerson to recommend the proposed motion to the Board of Finance to further the process of the sale of the wastewater and water assets; seconded by Jerram.

Selectman Kennerson asked about the order of how the proceeds of sale are to be used. She noted that the motion appears to have a sequence of events. After the debt is paid and after the cost of expansion is known there is reference to subsidization and connection assistance. She asked if subsidization of rates occurs first before using funds to assist with connections. Mr. Jerram replied that there had been a discussion with Attorney Roraback regarding that specifics of the exact costs for these initiatives. The exact cost of the expansion is unknown at this time. There are estimates available as to what the balance of the proceeds for the subsidization and the connection assistance will be but the actual amount of funds allocated for each will be determined after the bids for the expansion costs are known. Mr. Jerram explained that the Board of Selectmen will be able to break out the balance of funds

remaining after the construction costs are known and can then determine the amounts allocated to each initiative. Selectman Rosengren commented that he believed that the motion does not make any sense at all. He termed it negligent on the part of the drafters. He stated that the proposed sale price is ambiguous and is not clear that the sale will occur for \$8,000,000. He asked who will have the authority to make the decision regarding the sales price. He stated that after three years no one has made any attempt, neither the AET nor the Board of Selectmen, to negotiate a contract to bring it back to the public for consideration. He stated that there are too many unknowns with respect to costs and funds available for the subsidization and the connection assistance. He stated that the AET should be ashamed of themselves for putting forth a “reckless proposition” for the town to consider at this point. Mr. Rosengren stated that he would suggest that anyone who is on the system now or who is to be connected in the Pine Meadow District, sell their homes because their home values are going to plummet. Mr. Rosengren added that the Pine Meadow District fit the economic model for people who are on the lower end of the economic scale and they will now be burdened with the high sewer and water rates. Mr. Rosengren added that the Town broke a promise that was made that stated that the users would not have to pay more than 19% of the debt service. Mr. Jerram interjected that the users currently are not paying any of the debt service; it is split equally among all taxpayers. Debate continued between Mr. Rosengren and Mr. Jerram, with Mr. Rosengren summarizing the motion as “junk on paper” and stating that he will oppose it.

Selectman Kennerson thanked the AET for all of their hard work; the time and effort put into the matter. She noted her displeasure that the motives of members of the Board of Selectmen and the AET are being seen as disingenuous by Mr. Rosengren. She sees the proposed sale as a viable solution to a complex solution and stated that the intentions of the proposed sale have been made clear.

First Selectman Jerram addressed commentary made by Mr. Rosengren that were not accurate. Mr. Jerram stated that Mr. Rosengren had stated that the town does not know the debt, to which Mr. Jerram replied is clearly shown on the public presentation materials on slide 5. A summary of the debt is posted. He stated that Mr. Rosengren said that the construction costs are not known. Mr. Jerram countered that there are three estimates of construction costs that do provide a reasonable estimate at this time. A third item was that Mr. Rosengren intimated that the town will not subsidize the rates. Mr. Jerram replied that it is clear in the public presentations that water will be subsidized with \$190,000 and sewer with \$245,000 and the remainder of \$355,000 will be used for sewer lateral connection assistance. Mr. Jerram noted that Mr. Rosengren had stated that he had been instrumental in obtaining the loan that was used for the construction of the Wastewater Plant. Mr. Jerram commented that he would ask “how were you going to connect the sewers back then? How were you going to subsidize the rates?” Jerram noted that the construction of the plant is what caused these problems as there was no plan for expansion. First Selectman Jerram commented that the plan that has been brought forth by the AET is a proposal that will help families. It is a path forward. Many surrounding communities have partnered with Aquarion because of the professionalism and the lower rates that they bring. It is the cost of the administration of the system that is killing the people. He stated that when Mr. Rosengren was asked what his plan was to help the users, Mr. Rosengren remained secretive and the only answer has been “to tax everybody.” First Selectman Jerram stated that the premise that “that will happen is

not plausible.” Jerram noted that experts (Atlantic States and the USDA) who were contacted during the process have stated that the system is not sustainable as it currently exists. Mr. Jerram stated that this should be taken to the next level and that many other communities have chosen to do this already. Mr. Jerram asked, “has our independence helped these families” and he answered himself, stating “no.”

MOTION by Rosengren to close the debate, seconded by Jerram.

Unanimous.

The First Selectman called for a vote on the motion that has been made to move the motion forward to the Board of Finance.

AYE: Jerram, Kennerson

NAY: Rosengren

MOTION carries.

Request for Tax Refunds:

May Stoffer	Motor Vehicle	\$185.43
May Stoffer	Motor Vehicle	\$231.84
Donna Babbin	Motor Vehicle	\$ 11.58

Mr. Jerram noted that there were 3 requests for car refunds that total \$428.85.

MOTION: by Kennerson to approve the 2 refunds for May Stoffer and one for Donna Babbin that total \$428.85.

Mr. Rosengren asked if these were recommended by the Tax Collector and the response was that they were.

Unanimous.

Corelogic	Real Estate	\$1260.97
Corelogic	Real Estate	\$2801.80

Mr. Jerram noted that there were 2 requests for Tax Refunds that have been recommended to be denied. These requests are from a mortgage agency that paid the taxes and the property sold, The Tax Collector has stated that the lender needs to contact the former property owner for reimbursement. She is recommending that the two tax refund requests totaling \$4062.77 to Corelogic be denied.

MOTION: by Kennerson to deny the two tax refunds requests as recommended by the Tax Collector, seconded by Jerram.

AYE: Jerram, Kennerson

Abstain: Rosengren *MOTION carries, request denied*

MOTION: by Kennerson to adjourn at 6:45 PM, seconded by Jerram

AYE: Kennerson, Jerram

Rosengren had left the meeting prior to the motion

Respectfully Submitted by Christine Hayward, Administrative Assistant