

SEWER COMMISSION MINUTES

June 14, 2006

Mrs. Briggs - The regular meeting of the Town of North Smithfield Sewer Commission meeting was called to order on Wednesday, June 14, 2006 at 7:02 pm.

Roll Call - Mrs. Paul - In attendance was: Linda-Jean Briggs, Michael Connolly, Thomas McGee, Mr. Nordstrom and Patricia Paul, Secretary. Mr. Tikoian was not in attendance due to a new arrival. Mr. Alvarez arrived later.

1. APPROVAL OF MINUTES

Mrs. Briggs -Approval of Sewer Commission for May 10, 2006 minutes. Are there any corrections, additions, and deletions?

MOTION made by Mr. Connolly and seconded by Mr. McGee and voted unanimously on an aye vote to accept and approve the May 10, 2006 minutes.

Mrs. Briggs – The ayes have it. Motion carried 4-0 on an aye vote.

Mrs. Briggs requests to move up item #4 North Smithfield Industrial Park prior to #3 Facility Plan Update/Review since one will support the other and also since Mr. Alvarez has not arrived as of yet with

unanimous consent.

All members consented.

2. NORTH SMITHFIELD INDUSTRIAL PARK

3. FACILITY PLAN UPDATE REVIEW-DISCUSSED TOGETHER

Mrs. Briggs has had meetings and there are developers who are moving into the industrial park and are looking to get sewers. She stated if they could work out some type of deal with the town instead of using a private connection would consider bringing the pipe down the road to benefit North Smithfield in the end. They are looking at their costs are doing it that way verses what they can do on a private level basically going through the back. She is referring to the Homestead Gardens property as well as the property above that. There are five (5) parcels looking to be developed in the next year or two. Do we want to try and sewer the industrial park or do we want them do their own thing Mrs. Briggs had stated. Mrs. Briggs referring to Table 8-4 in the correspondence. There will be a pumping station needed. If the developers do it privately, they would still need a pumping station. The road would not have to be dug up because of the shoulder. She wanted to make the commission members aware that there is activity out there and when considering the priorities in the facility plan. If this a high enough priority to put it on top of the list or among those already at the top of the list. She wanted to tell the developer that they are willing to work with them if they are willing to bring it down or have them do their own thing. They are looking to

move tomorrow and we are not in a situation to have that happen. Or let them know that it is a high enough priority and are willing to discuss stuff in the future and looking at the public good. She would like to merge the facility plan update with the industrial park together and would like to walk away with some recommendation and discussion and have a sense of where the commission wants to go and inform the developers of the industrial park of where the commission wants to go. The next step is to bring it to the council from the commission's recommendations for moving ahead with portion or portions of the facility plan. She wanted to make the commission aware that there is significant interest in the industrial park.

Mr. Nordstrom stated that if they pumped it up to the pumping station and that it has to be the town standards and asked what was the issue?

June 14, 2006

Mrs. Briggs stated that it might involve some type of reimbursement and or some type of consideration against their assessment. She stated that they have a couple of ways to go. Either through the back or bring it down and serve the entire industrial park and build it out eventually and be better off as a community. She feels that it is not the top priority but to think about the economic development piece of it and the commission's facility decisions.

Mr. Connolly stated to let them make a proposal weighing out exactly what the advantage is going to be and what resources they are going to commit.

Mr. Nordstrom compared the situation to Silver Pines and that they built a pumping station and built it to the town specs and turned it over to the town and he didn't have to pay any O&M.

Mr. Connolly stated that he loses the liability.

Mrs. Briggs stated that Geremia estimated that piece of it be \$1.8 m to install a sewer main on industrial park from Pound Hill to Homestead.

Mr. Nordstrom stated that they would have to come to the commission and that the commission would not have to make an offer.

Mr. Connolly stated that the program is set up where if they wanted to come into the system at a certain cost, if they are looking for an alleviation of those costs, they have to persuade the commission. They would have to make a proposal and show the commission a significant benefit to doing so.

Mr. Nordstrom asked that they still have to put in a pump station no matter what.

Mrs. Briggs response was yes, right.

Mr. Nordstrom stated that they maybe looking into giving them some type of credit. They would have to build a pump station and get a total cost and get their flow figure and figure out what their contribution is and go to John to see how many houses and he would have to calculate the flow from the houses and his credit would be six (6) houses divided by his flow.

Mrs. Briggs wanted to make sure she understands and go back to those folks with proper information to request a proposal from the developers and something that will demonstrate the public benefit. Specifically, what they want in that proposal for the public benefit and what their action would take.

Mr. Nordstrom stated that they would have to come to the commission to connect to the sewer system. So they can propose a pump station so they can tie into the towns system.

Mrs. Briggs stated that if they stay on private property he could still get approval.

Mr. Nordstrom stated that it is no different than Laurelwood. They would still need to come to the commission with a plan of what they are going to do. That is because the commission has to tell them if they can tie into the sewer system. If it is their pump station and they

are tying in all the commission is approving is the connection and approving the flows coming into the system.

Mrs. Briggs feels that is what their preliminary idea is that they can go private but if they can help the town in some way they may.

June 14, 2006

Mr. Nordstrom stated that whether they go public or private they have to pay the same assessment based on the flows. If they were to build a pump station for the town and turn it over would the town give them a credit for their assessment?

Mrs. Briggs response was to consider it as the same as everyone else. Black Plain Road wouldn't be a part of that then.

Mr. McGee agreed and isn't even a part of it.

Mr. Nordstrom noted that priority wise he doesn't know where Pound Hill Road and Taber Hill Road fit in the big picture as far as where the worse septic tank problems are in town.

Mrs. Briggs feels that they are looking at only those two areas they are not. She will go back to them and ask them to send forth a proposal.

Mr. Nordstrom stated what concerned him and isn't so sure why

Geremia did that (As they reviewed the maps).

Mrs. Briggs stated that in an effort to get it put together for the commission so they could get it out. Referring to the facility plan update and review, there are two possibilities to look at. At this point, she doesn't see any hope of any general obligation bond to be put through since it is already at the end of June. So it wouldn't go on November's ballot. The other option that Geremia has discussed and talked about was the potential of revenue bonds. She has asked the ass't solicitor to look into what is required in order to go out and get some revenue bonds. As she understands it is that the only thing that the town needs to commit upfront to float a revenue bond is the last 1/20th last years payment against the bond. With that in mind what she would like to try and do is to go through the facility plan and know where the residents have said where the problem areas are and asking the commission to look at it and somehow maybe have a joint meeting with the town council or just send a recommendation whatever the commission wants to do as a group and how the commission wants to handle it. And in hopes to go to the town council in the next month or so with a recommendation and try and help out some of the residents.

Mr. Nordstrom would want to sit and meet with them and invite Geremia and Associates to be at the July 12th sewer commission meeting.

Mrs. Briggs stated to go over with Geremia and Associates their ISDS failures and the DEM intention.

Mr. Nordstrom agreed and stated that they would verify that and what they receive from Geremia is consistent for what they hear for the pumping.

Mrs. Briggs stated that they did have that information and the areas that have brought attention to the commission were all included.

Mr. Nordstrom stated that they take the contract price divide by the number of houses and that is the way the ordinance is set up.

Mrs. Briggs asked that three districts cannot be taken and divide the total cost of the project by the number of houses within those districts?

Mr. Nordstrom's response was that without looking at the drainage areas he didn't know.

June 14, 2006

Mrs. Briggs stated that some of the residents that have come to the meeting are the only way it is ever to get sewers is if they were all combined.

Mr. Nordstrom stated that maybe something they need to talk to

Geremia about. How do you achieve to make a sewer district? It is difficult to spread out a sewer district because of the hills.

Mrs. Briggs will invite Geremia to the July 12th's meeting and ask him to run through everything and look at the priority list.

4. SEWER ASSESSMENT/USAGE PROPOSED CHANGE TO INTEREST RATE

Mrs. Briggs received a letter from the town asking the sewer commission consider to raising the interest charge for late payments on the sewer use and assessment fees to equal the same percentage that other late payments are. Today if a resident is late on their taxes or water, a 12% per annum. If late on sewer it is 8%. What they are asking the commission to do is to change it from the 8% to 12%. And that is in the ordinance and that would require an ordinance change. In order for the ordinance to change a recommendation would need to be made to the Town Council.

Mr. Nordstrom stated that keeping in mind that we are an enterprise fund. Sewer use fee is part of the enterprise fund. Going from 8% to 12% goes to the enterprise fund not to the town.

Mrs. Briggs agreed with Mr. Nordstrom and feels that they don't recognize.

Mr. Nordstrom stated that he didn't know if that was the case with the

sewer assessment. The sewer use is part of the enterprise fund.

Mr. Connolly feels that the town is trying to influence the people to pay their bills and don't want to be known as the cheaper source of credit in town and feels that the minimum would be to bring it up to the rest of what the towns funds are. Actually he feels that 12% maybe a little low.

Mr. Nordstrom stated that before he acts on this he would like to entertain a motion to send a letter and get clarification and understand that any late fees on sewer use charges go to the enterprise fund and not back to the town. The 12% on the sewer assessments that would go to pay off the bond.

Mrs. Briggs stated that that maybe the direction that they need to go because it isn't clear in their letter.

MOTION by Mr. Nordstrom and seconded by Mr. McGee and voted on an aye vote 4-0 with discussion that the Sewer Commission doesn't have a problem bringing the late fee for sewer use and sewer assessments in line with the towns late fee charges as long as they understand that any interest that is collected on the sewer use fee and sewer assessments don't go to the town but go back to pay off the bonds and toward the enterprise fund for the sewer use charges.

Mrs. Briggs asked if there were any discussions?

DISCUSSIONS

Mr. Nordstrom stated that this will be in the form of a letter?

Mrs. Briggs stated yes.

June 14, 2006

Mr. Connolly wanted to make sure that the commission is recommending that they do go up to the 12% but clarify the point that it comes back to us.

Mr. Nordstrom & Mrs. Briggs response was yes.

Mrs. Briggs stated that with that clarity we wouldn't need to come back again and address this.

Mr. Nordstrom just wanted to reiterate that the point that it is an enterprise fund and is separate from the town budget and it has a specific purpose and it has to pay off user fees and to pay off loans and funds.

5 REPORT FROM SUPERINTENDENT

Mr. Alvarez reviewed May's report. They installed the first VFD on number two pump at Pound Hill Road station. All the large stations

will have VFD drives.

Mrs. Briggs asked what a VFD was?

Mr. Alvarez stated its stands for variable frequency drive units. It is a very useful tool for the pump. It helps the pump and the motor with the start-up.

Mr. Nordstrom asked if that was replacing the drive that was already there?

Mr. Alvarez's response was that it was replacing the contactors that were there. They were 1978. They were old contactors. Now the speed will ramp up and down. It is easier on the electric meter. We should see a difference in an electric bill next year and hoping it would make a big difference.

Also Rise Engineering completed installation of energy efficient lighting at the pump stations at Branch River.

On June 9th Mr. Alvarez attended the Rock Cliff sewer lift station training session with Geremia. They are still experiencing problems with some of the alarms at the station. Boydco is still dealing with intrusion alarms. That station is functioning but has not been turned over nor has Silver Pines or Pound Hill sewer.

He also brought a copy of the grinder pump agreement so the commission can take look at (copy attached). The owner gets a copy and he gets a copy. He stated that the original would stay with him in his files. This was something that was already on file. It is clearly written that they have to get the maintenance contract and they have to get it inspected and do everything they are suppose to do.

Mr. McGee stated that he has never seen this document before when they originally started.

Mrs. Briggs wishes that the form was electronic. She asked Mr. Alvarez if the radio pathway study is all set? Are they going with the next phase?

Mr. Alvarez's response was that he spoke with him that same day June 14th and he is waiting for the town to give him the approval. He spoke with Mr. Hencler yesterday about the problems they are having with the bid process and came and met with Jill and straightened out the bidding for the wastewater project first phase of the sewer pump stations and has that straightened out and that is on course for the 29th of the opening of the bids.

Mrs. Briggs stated that this is not what she is referring to. She is referring to the radio pathway study for remove of pump stations. They are looking for her to give the go ahead.

June 14, 2006

Mr. Alvarez stated that he is looking for her (Mrs. Briggs) recommendation. They were looking for the sewer commission's recommendation. They should have not worded it that way.

Mrs. Briggs stated that she has the information but it is not on the agenda. She requested to have copies made by the secretary and put it on July's agenda.

Mr. Alvarez stated that he told them that they have to get phase one on target before they can address the other part.

Mrs. Briggs asked if they were in a rush?

Mr. Alvarez's response was that yes and no. He wants to finish his plans. Part of that is that he has to do a study and finish his plans and then submit them to the town.

Mr. Nordstrom stated that he wants to change the telephone lines to radio.

Mr. Alvarez stated that was right. He wants to do the study to see if his signal is ok.

Mrs. Briggs stated that there are three different quotes and guess

what they are looking for the sewer commission to recommend.

6. CORRESPONDENCE & COMMUNICATIONS

Mrs. Briggs stated that the developer for Elizabeth Avenue is proposing on the Phase II to incorporate both the development bond and the sewer performance bonds for both the construction as well as the sewer piece of it and they want to combine them together. The Planner is looking for whether or not the commission will go along with that or will the commission going to require a separate sewer performance bond as the commission had in phase I?

Mr. Alvarez stated that is right and because phase 1 is not done as of yet. He asked Mrs. Briggs if that was recent?

Mrs. Briggs stated that the letter is dated June 12, 2006 (copy attached). The planning department called her and asked her if they (the commission) would consider it. But she had informed them that the agenda had been posted but she would certainly raise the topic and see if any would come out.

Mr. Connolly asked that if they combined the bonds will we have the veto of signing off of the bond?

Mrs. Briggs stated that she didn't think so and because the commission is a recommending body only. She suspects that the planning board would take over. In phase I there were two separate

bonds and she thought that was appropriate. And she doesn't see that phase II would be any different.

Mr. Alvarez stated that they highly recommending a bond and he hasn't heard from them in awhile and just sent a certified letter asking for a response. He was suppose to start the 22nd of May.

Mrs. Briggs asked Mr. Alvarez if he was aware?

Mr. Alvarez's response was no.

June 14, 2006

Mrs. Briggs asked Mr. Alvarez what his recommendation would be and that the commission requires a separate performance bond for sewer work separate from the development?

Mr. Alvarez's response was that he would recommend that. It is only because of what they've seen and gone through.

Mrs. Briggs stated that she will deliver the consensus from the commission to the Planner and then he can go to the developer and go from there. She will talk to the Planner and make it clear that the commissions consensus that it should be the same way as Phase 1.

Mr. Nordstrom has recused himself from all conversation and discussion or any vote on the Elizabeth Avenue project.

Mr. McGee asked when was Main Street going to be paved?

Mr. Alvarez stated he just spoke with the contractor on Tuesday and will meet on Friday and in the next two weeks they are going to be doing the services and by September Main Street is suppose to be repaved. The sewer stuff is there.

Mr. McGee is there anyone tied into them?

Mr. Alvarez stated that he had one resident look for their ties a couple of weeks ago.

Mr. Nordstrom asked if the sewer had been accepted?

Mr. Alvarez stated that it is in service. They haven't turned over the pump station. The sewer has been tested and the sewer is ok to use.

Mrs. Briggs stated that Mr. Nordstrom is referring to the compliance to the sewer ordinance, which requires those existing residents to connect.

Mr. Alvarez has brought that up to the Finance Director's attention and the secretary.

Mrs. Briggs asked Mr. Alvarez that it is a compliance issue and that he is not required sending out the letters but would those come out of the Finance Director's office?

Mr. Alvarez's response was that it was given to the Finance Director and the Sewer Clerk and it is something they have to work on. He would give them the news that it is done.

Mr. Nordstrom asked do they know that they are supposed to send out a bill for the \$5,200?

Mr. Alvarez's response was that was his conversation with them. They have shifted the entire department to the tax department now.

Mrs. Briggs stated that it would probably be a good idea to put it in writing to the Finance Director.

7. OLD BUSINESS

None

June 14, 2006

8. NEW BUSINESS

None

9. ADJOURN

MOTION by Mr. Connolly and seconded by Mr. Nordstrom and voted unanimously on an aye 4-0 vote to adjourn the meeting at 8:23 P.M.

Respectfully Submitted By,

Patricia A. Paul

Sewer Commission Secretary