

SEWER COMMISSION MINUTES

January 20, 2010 Regular Meeting 7:00 PM

Mr. Kane - The regular meeting of the Town of North Smithfield Sewer Commission was called to order on Wednesday, January 20, 2010 at 7:00 P.M at Kendall Dean at 83 Greene Street.

Roll Call - Mrs. Paul - In attendance was: Mr. DeCelles, Mr. Nordstrom, Mr. Kane, Mr. McGee, Mr. Connolly and Mr. Alvarez, Superintendent were all in attendance. Also in attendance was Mr. Wilcox the Sewer Administrator.

Mr. Kane stated that Mr. James Geremia from Geremia and Associates has been excused and will not be attending this evenings meeting.

APPROVAL OF MINUTES

MOTION by Mr. Connolly, seconded by Mr. DeCelles, and voted unanimously on an 5-0 aye vote to approve the December 16, 2009 sewer commission minutes.

ELECT OFFICERS/CHAIRPERSON-2010

MOTION by Mr. Connolly, seconded by Mr. Nordstrom, and voted unanimously on an aye vote to nominate and elect Mr. Shawn Kane for Chairperson of the Sewer Commission for 2010.

MOTION by Mr. Nordstrom, seconded by Mr. DeCelles, and voted unanimously on an aye vote to nominate and elect Mr. Connolly for Vice-Chairperson of the Sewer Commission for 2010.

MOTION by Mr. Connolly, seconded by Mr. DeCelles, and voted unanimously on an aye vote to nominate and elect Mr. Nordstrom for Recording Secretary of the Sewer Commission for 2010.

REPORT FROM SUPERINTENDANT-Mr. Alvarez

Mr. Alvarez had one gravity connection on Elizabeth Avenue and replaced a defective check valve at the Mechanic Street pump station.

Replace some bolts at Branch River, off of the suction valves. Installed some shelves and began painting the piping in the pumping station. He responded to an alarm at the Pound Hill Road station which was a false alarm. Mr. Alvarez referred to a second page of his report and provided a list that as of November the contractors had inspected them and are closed out. These are not totaling complete pumps that have been installed, they are pumps that have been closed out and the permits have been filed. There are still a few that the contractor has not yet inspected and as he gets them inspected, the list will be updated.

Mr. DeCelles asked Mr. Alvarez if this was an operations report.

Mr. Alvarez's reply was yes.

Mr. DeCelles asked if there was anyway that they could get monthly flows that go to Woonsocket?

Mr. Alvarez's indicated that yes if and he will get the monthly flows to the commission.

SCADA PROJECT

Mr. Alvarez stated that they are still continuing to do the work and they are suppose to come out tomorrow.

GEREMIA & ASSOCIATES-PAYMENT REQUESTS

MOTION by Mr. Nordstrom, seconded by Mr. Connolly, and voted unanimously on an 5-0 aye vote to recommend and approve payment to the town council for invoice #16 to James J. Geremia & Associates, Inc. for design services for \$6,046.36.

MOTION by Mr. Nordstrom, seconded by Mr. Connolly and voted unanimously on a 5-0 aye vote to recommend and approve payment to the town council for invoice #16 to James J. Geremia & Associates, Inc. for Construction Administration and Resident Inspection Services for Phase 1B for \$3,571.06.

PROJECT STATUS REPORT UPDATE

Mr. Kane was requested by Mr. Geremia to read the memorandum that he submitted to the commission since he could not attend this

meeting and was excused.

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Status Report-Phases 1A and 1B

Mr. Kane read the following:

“The projects are complete and at this time the residents have been notified that the system has been accepted and they may begin the connection process. For further information concerning the status of the number of connections, please refer to Mr. Alvarez’s report which summarizes the number of tie-ins that have occurred during the past month and the inventory of E-One’s that are available for installation.”

Status Report-Phase 2 (Design)

“Phase 2 (design) has been completed and includes the revisions that modify portions of Great Road. The Phase 2 project has received an Order of Approval from the Rhode Island Department of Environmental Management and has received a Freshwater Wetlands Permit for the cross-country route between Lincoln Avenue and St. Paul Street. At this time, the plans are at the Providence-Worcester Railroad for their review and comments.”

Status Report-Phase 3 (Design)

“Phase 3 (design) has been completed and the Rhode Island Department of Environmental Management has issued an Order of Approval for the project. At this time, the remaining approval rests with the Rhode Island Department of Environmental Management-Freshwater Wetlands. Under separate cover, I have forwarded to the Town Administrator the Freshwater Wetlands application for her signature. Upon receipt of this application, we will forward the plans to Freshwater Wetlands for their review and approval.” This was signed by Mr. James J. Geremia.

SILVER PINES PUMP STATION REVIEW

Mr. Kane stated that at the town council meeting he attended that he attended on January 4th, 2010 this came before the council for approval. He attempted to clarify any concerns that the council had and they (council) requested that after many questions regarding the issue that the sewer commission re-review this item tens years later and bring it before the council with an official recommendation on February 1, 2010. Mr. Kane stated that he had contacted Mr. Geremia’s office and he guaranteed that his office did sign off on the work already and the only condition of the current takeover of the town was set forth by Mr. Alvarez which is to refill the generator with fuel one last time to top it off. For which he has provided in the commission’s packet the minutes from the 2000 and 2001 time period regarding this project with one that notes a motion by the council to take over all sewer and water and related infrastructure on

completion of construction. His only concern is that phase 2 and that their project hasn't even begun to be constructed and to interpret the motion as he reads it as to say upon completion in the final construction. Mr. Alvarez's feels that this is a good time to take over the pump station. This is a punch list that Mr. Geremia and Mr. Alvarez put together after inspecting the pump station. There were five items and all was completed except number four which the fuel has to be refueled.

Mr. DeCelles asked if the SCADA system in the station is compatible with the new system that is being put in?

Mr. Alvarez stated yes.

Mr. Nordstrom's recollected back then that the stipulation was if they were going to turn over the pump station to the town and which was that the town council wanted that the pump station had to meet the Town of North Smithfield's standards and it was Geremia and Associate's job to make sure that it took place and they would sign off.

Mr. Kane stated that one of the legalities is to have Mr. Nadeau review the paperwork and there is a deed transfer included in the commission's packets and everything meets the town's standards.

Mr. DeCelles asked if there were any odors in that area.

Mr. Alvarez's response was no.

MOTION by Mr. Nordstrom, second by Mr. DeCelles and voted unanimously on a 5-0 aye vote to make a recommendation to the town council authorizing the Town Administrator to sign the transfer of ownership paperwork from Silver Pines Development LLC. to the Town of North Smithfield after such time that the generator has been filled with fuel as Mr. Alvarez's stipulation.

SEWER DEPARTMENT POLICY REVIEW

Mr. Kane wasn't able to get all of the information and requests to have it put on next months meeting. He is hoping to have several typed policies that he would like to review, adjust and modify to provide framework for a Standard Operating Manual (SOP) for the sewer department and the commission and how we fit into the overall department's operation. Mr. Jim Wilcox has provided two documents that he put together some standard operating procedures on his own in regards to the processes he follows regarding a sewer permit application and procedure he takes and approval for tie-in funding. These forms along with others from us, Mr. Alvarez

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and Mr. Wilcox will start to form a very stable and strong framework of the department's actions and policies and procedures and how the commission monitors these.

SEWER DEBT-Debt Service/Accounting Status/Update

Mr. Kane stated that he has been trying to work closely with the town administrator and the finance director Mrs. Ficarra and looking at the budget for next year. He included some reports he received from the finance director for the commission to review. He stated that they are going to look at the \$2.1m balance sitting in an investment account and also looking at some bonds to be paid down and looking at that possibility along with including allowing the money to sit there and build up. He also included a bond schedule as to how much is left and when they will be paid off etc. One was paid off in 2009 and the next one that is coming due is the Ironstone and Birch Hill project. In 2011, one will be paid off. There was a \$4m bond in twenty years and there has only been \$3m paid on it and there is a \$1.5m balance sitting there. So they are anticipating some sort of deficit towards the end of these payments that they will need to come up with a surplus of money for. He also included actual bond schedules for each one. At the top of the report are notes of what they are and he included the rate schedule for investment account which is active as of 1/2012. He will provide continuous updates to the commission.

Mrs. Carol Nasuti, of 5 Lincoln Drive clarified that there are two bonds that are under paid and are not on schedule. She asked if those were the only bonds that are not on schedule.

Mr. Kane stated yes.

Mr. Nordstrom replied that the SCADA project which is even on the list which is about \$500k.

Mr. Kane stated that the other two and trying to find out that those others were for. He wasn't sure if they were for the Ironstone project and are much smaller. They are for \$303k and \$60k and they are not being paid until 2020 and 2021. Those are 40 year USDA role development loans. They are not bonds. They are not through a bond agency. They are through the government.

Mr. Pendergast arrived at 7:29 pm.

Mr. Kane stated that there is a some money in the enterprise fund.

Mr. Nordstrom stated that it has to be verified first and there should be money that came in for the sewer lot development fees. The original intent was to help offset the deficits that were created on those two sewer districts. There was at least one payout when Woonsocket went with a long-term lease of the waste water treatment facility in whatever the percentage of the flow that North Smithfield bought into Woonsocket, they pushed it back. There maybe another payment that came from Woonsocket. Because at one point in time, they were running out of capacity and would have to expand the plant so they approached the Town of North Smithfield and asked if they could buy capacity from us but neither himself or Shawn could find

what that mechanism was. If there was a check, they are unable to find it at this time. Those are the three sources of money.

Mr. Kane stated that they are well over what they need for flow in this town, so they bought a considerable amount back but we are well below to what we need. We didn't have any concern at the time and still don't and that was the reasoning behind it.

Mr. DeCelles referred back to Mr. Kane's comments earlier in the discussion about being behind on payments and wanted clarification that they are making their annual debt payments.

Mr. Kane's response was not that they are behind on payments the town is making its annual debt payments with the money that the town has but in the end they will not have collected enough in assessments from the users to cover the full end amount.

Mr. DeCelles wanted to clarify that the town/sewer department is making the proper debt and interest payments that clean water finance required bi-annually.

Mr. Kane's response was yes.

ASSESSMENT CLARIFICATION DISCUSSION

Mr. Kane stated he has had several conversations with residents. Some were with Mrs. Iskierski, Mr. Thurber who was present. He has

had a request from the administrator to try and clarify some items that have been brought to his attention. He explained that the sewer commission has a very limited role in the assessment which has been set by the town council and they are the final authority and wanted to inform them that this will be the last time that the commission will address it since it is no longer the commission's battle anymore.

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Mr. Kane addressed Mrs. Iskierski's questions and concerns regarding the roads and final costs. He believes that after conversations with department members and the administration a spreadsheet was provided to them from Mr. Wilcox. They reviewed the spreadsheets together and had never seen one of the spreadsheets that Mrs. Iskierski had received. He addressed the original concern as the final project costs. He had said in front of the council that the total costs and he wanted to clarify what he originally stated when he had said total project costs, he was referring to construction costs. The council at the time was approving a balancing change order to finalize the construction process. Those costs came to: \$1,905,783.84 for Phase 1A which is exactly what is written on the spreadsheet. For Phase 1B was \$1,613,051.29. The total construction costs were \$3,518,835.13. Now adding that with the design costs for Phases 1A and 1B only was \$184,714.00 each, then traffic control needed to be added in which was \$165,555.00, then the interests costs had to be added in and the closing costs for the \$4.7m

bond which came to \$208,341.72. The stimulus provided a credit to all of that for \$306,423.46. In summary the total project costs was \$4,824,940.85. This total project cost amount included the design costs for also phases 2 and 3. The council decided to remove those costs and spread across the town/taxpayers. That removed respectfully from Phase 2 was \$186,434.33 and for Phase 3 it removed \$225,424.33 which with the stimulus removal, the total costs for the scenario that was chosen by the council which was to remove the cost of the design only not the roads and not anything else was \$4,106,658.73. The total costs after removing the design for Phase 2, Phase 3 and the stimulus was \$4,106,658.73. The edu's in the end were 224 ½ and divide the edu costs was \$18,292.47 and add the annual payment over twenty years was \$1,109.42. This is what the council chose.

Mr. Thurber referred to a warrant item listed in the town council minutes and it specifically says for making annually for cost runs over the sewer interceptor treatment plant and road asphalt overlays from the years 1980 through 2010, it is \$53,000.00 per year.

Mr. Kane's response was that it was the original interceptor project and that the interceptor project was funded differently.

Mr. Nordstrom explained that the clean water grant (interceptor bond) fund was a program that funded that project. It was a 75% federal grant and 15% State grant and 10% local share that the town paid for

not the sewer users of the eligible costs. Back then that is what DOT was famous for all DEM would only pay for was the width of the trench for repaving during construction and DOT was requiring that roads be done curb to curb and DEM wasn't participating in that. So that was costs that DEM wasn't going to give a grant for and the town had to add to their local share to fund the project. So that is what that particular thing is talking about. He stated that only 10% of the whole project which was the town's share of putting in interceptors to take the flow to Woonsocket was paid for out of the general taxpayers.

Mr. Thurber wanted to clarify and stated that the interceptor went down the main street and no one tied into it?

Mr. Nordstrom's reply was that he was correct. That was paid for by the Town of North Smithfield.

Mr. Thurber asked that the overlay for that interceptor line is what they are referring to?

Mr. Nordstrom's reply was yes. It wasn't a sewer district. It was paid for by town.

Mr. DeCelles stated that it is all over town.

Mr. Thurber asked if any sewer systems were tied into it.

Mr. DeCelles replied that all of the sewer systems are tied into it

Mr. Thurber stated right but no individual resident is tied into it?

Mr. Kane's and Mr. Nordstrom's reply was no and there were no sewer users at that time.

Mr. Nordstrom also stated that they couldn't get funding under that program if they tied in at that time. That was prohibited. So the only thing that DEM was funding at the time was interceptors and didn't fund sewers like they do now. That was an ineligible expense.

Mr. Thurber stated that when reading the warrant item that it is referring to strictly interceptor overlay.

Mr. Kane and Mr. Nordstrom's reply was both yes.

Mr. Kane stated that the lateral projects going forward that there isn't any documentation that the council did anything like that because at that time there were no sewer users as there are now. There was no body in the town on a sewer system and there was no sewer system.

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Mr. Nordstrom stated that the sewer district was done after that.

Mr. Thurber asked that no one was tied into that project?

Mr. Kane's response was no.

Mr. DeCelles stated that all the projects after that project tied into it. There are three or four of them that run through out the town and eventually lead into one.

Mr. Thurber asked if School Street and Birch Hill be in that group and is that also that interceptor project?

Mr. Kane's reply was no.

Mr. Thurber had another question when he showed that document to the town council President Mr. Alex Bilorisis who said they were able to further reduce the assessments by removing the asphalt charges and since he said that he tends to believe what he has said.

Mr. Nordstrom stated that there are no records that it has ever taken place yet from the October 13, 1999 minutes when Richard Erickson who was on the sewer commission and was a finance director making a presentation to the sewer commission and which he stated the following? "That Maple Street, Birch Hill and School Street district rate set by the town council will always understood to be less than the outstanding liability and the anticipated future growth that was factored in would alleviate the short fall". So they are led to believe that they went down one path and changed direction and lower the

assessment and hope and in the future they are going to get additional growth in this area that is going to offset it. And that appears to have never happened.

Mr. Thurber asked how were they reduced?

Mr. Nordstrom explained that they were strictly reduced the assessment with the hope again that in the future that there was going to be growth within those districts and make up the money. As hearing about the reports that was shared at this meeting this evening that they are no where to making up that money. None the less they lowered the assessment.

Mr. Thurber asked is that what the town council would do at that time just arbitrarily reduce the assessments because there was an uproar from the people?

Mr. Nordstrom's reply was yes.

Mr. Thurber expressed his frustration.

Mr. Nordstrom expressed that they thought that they had corrected all of this by the steps that had put in place and thought that they tried to make the town council understand when you make these short sided decisions and didn't think of what the ramifications are twenty to thirty years down the line because you can't find a person down the

line to take any ownership. And the fact is that these projects are way unfunded because they arbitrarily lowered the assessment and that isn't the right way of doing things. They unfunded it on purpose and nothing to do with paving and they actually gave a discount on the assessments which the town is faced to pay for it. And now the town has to figure out how to come up with the money to make up for that difference.

Mr. Thurber asked them how they are going to do that.

Mr. Nordstrom's reply is that that is what they are trying to figure out.

Mr. Kane's stated that is the point of why this \$2m is sitting in this investment account and don't know where it came from or maybe have an idea of where it came from whether it is surplus or not and can be used to pay down this debt that is going to be there in a few years is still to be determined. Unfortunately, there is no one from that period of time around anymore to ask. There are questions that the commission is trying to answer not just for the residents but for the commission's sake also and we are unable to answer them at this time.

Mr. Thurber expressed that he has taken the information for removing the pavement, they are taking it from documentation, town council minutes and meetings and articles taken from speaking with town council President etc. and this is what their statement were and are

not making it up. That is what was stated in public and on record and assumed that it was truthful.

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Mr. Nordstrom stated that referring back to 1999 that as a net result of their decision, that the town and that the sewer commission knew that they were going to be in deficit as some point in time and to fund those two projects and so they went ahead and made changes to the sewer use ordinance to try and recapture that money. One in which was to institute the sewer lot development fee which was designed to charge those residents who are outside of the sewer districts to buy into the system which was one source of revenue and the other thing that was done and when the sewer use ordinance was changed so that in future projects the sewer assessment was going to be charged only to the users that would be benefit and it was going to be the total project divided by the number of users. That is why those types of things were done. And the four-part formula wasn't generating the revenue. And up until 2008 that is the ordinance that was in affect. So we suspect that from the years of 2000 to 2008 that should have been some money coming in from the sewer lot development fee and perhaps that maybe the surplus that they are talking about.

Mr. Kane expressed that the council makes these decisions but they don't put the policy in place to actually carry them out.

Mr. Thurber clarified that a lot of their issues are still with the town council in pursuing the reduction in assessments and how and why it was accomplished and everything else is dealing with the town council rather than the sewer commission.

Mr. Kane again stated he was correct and that the sewer commission is only a recommending body.

Mrs. Diane Wojcik from 7 Lincoln Drive has indicated that she spoke to Mr. Erickson on several occasions who now reside in Florida. She stated that he said that the town always paid for the roads and she asked him how and asked that they need some kind of proof. Mr. Erickson indicated that there were two checks that the sewer bills are paid, one comes from the sewer department and a much smaller one comes from the town. The smaller check that comes from the town is what covers the roads. She hasn't been able to locate those two checks and she is still in search of them and unfortunately the finance director wasn't available due to the auditors being in the office.

Mr. Kane indicated that there were a lot of records that were lost in the basement at town hall because of mold and probably 90% of it was financial.

JOINT WORKSHOP WITH TOWN COUNCIL DATE AVAILABILITY-Mr.

Kane

Mr. Kane is requesting from the commission dates of availability to have an open joint worksheet meeting with the town council.

Mr. Nordstrom suggested waiting until they have an understanding of the surplus before meeting with the town council.

CORRESPONDENCE AND COMMUNICATIONS

Mr. Kane had spoken with the clerk and secretary regarding the (a) rules and regulations changing the meeting day that shall be set (7) days prior to the scheduled meeting date and that the agenda must be posted 48 hours prior to the scheduled meeting. Mr. DeCelles had brought this up in last months meeting and asked if it could be the Friday before the meeting and when things do get added last minute. This allows time to add if someone needs to add something but they asked that it remain the same since it can be very complex and things do get added on the last minute and it can be adjusted and it can be done over the weekend but it does have to be posted by Monday morning to meet the 48 hour deadline for Wednesday.

MOTION by Mr. Nordstrom, seconded by Mr. Connolly and voted unanimously on an 5-0 aye vote to adopt the 2010 Rules and Regulations.

MOTION by Mr. Nordstrom, seconded by Mr. McGee and voted unanimously on an 5-0 aye vote to receive and place on file the

following: B) Updated Sewer Commission 2009 Index; C) Phase II Sewer Improvement Project; D) Order of Approval; E) 278 Mendon Road.

Mr. Kane referred to item f) Mrs. Felicio who resides at 261 Greene Street plat 2 Lot 48 that has been brought to his attention by Mr. Wilcox. There is an edu change. It is 7 family units which is 2 edu's and is now current to the town ordinance and it has been updated.

Mr. Nordstrom how is that checked?

Mr. Wilcox stated the Chris Belair, the tax assessor went out and did a survey on the property and came back and brought it to 2 edu's.

MOTION by Mr. Nordstrom, seconded by Mr. Connolly and Mr. DeCelles and voted unanimously on an 5-0 aye vote to receive and place on file the following: F) Mrs. Felicio-261 Greene Street; G) Phase 1A Sanitary Sewer System E-1 Letter to Cheryl Ficarra Payment Req. #16 11/30/09 J. Geremia; H) Phase 1B SSS-E-1 Letter To Cheryl Ficarra Payment Req. #13 11/23/09 J. Geremia;
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I) Phase 1A SSS-E-1 Letter to Cheryl Ficarra Payment Req. #14 10/31/09 J. Geremia; J) Phase 1B SSS-E-1 Letter to Cheryl Ficarra Payment Req. #12 10/31/09 J Geremia; K) Phase 1B SSS-E-1 Letter to Cheryl Ficarra Payment Req. #10 9/21/09 J. Geremia; L) Phase II

Collections System Improvements-St. Paul area and Great Road East area to Arthur G. Zeman Mr. Geremia; M) Phase 2 Sewer Improvement Project St. Paul and Great Road East to Mr. Alvarez and Mr. Pendergast; N) Phase 2 Sewer Project Crossing P & W Tracks on Heroux Blvd., Mr. Hencler;

MOTION Mr. Connolly, seconded by Mr. McGee and voted unanimously on an 5-0 aye vote to receive and place on file the following: O) 2009 Notice to Residents Letters to Connect to sewer project 2007.

OLD BUSINESS

Mr. McGee expressed his concern over capping the drains at the police station. He stated that it is illegal.

Mr. Alvarez explained that during the smoke tests that it showed that there was a connection there and, it didn't have a trap so it was allowing sewer gas to escape into the police station and they were directed to cap that floor drain.

Mr. McGee stated that they have traps in there and they have to put water in them. There is usually a valve on the floor to open up and let it go.

Mr. Alvarez stated that the plumbing inspector was made aware of it and he was directed to look at those drains.

NEW BUSINESS

Mr. Thurber asked for clarification on 8-35.5 (F) in the sewer ordinance where it states the following: “If the Commission finds it necessary to install (where proposed low pressure sewer is being created or a dwelling that is located in a low lying area along a gravity sewer system) grinder pumps as part of the future project area, the Town will provide one grinder pump unit to each developed parcel at no cost to the dwelling owner”.

Mr. Nordstrom’s response was not what the town council did. The town council changed the conditions for Phases 1A and 1B and they essentially voided that as they can tell. He explained that on past projects, residents had one year to connect, the town would provide the resident with a grinder pump. The council changed the rules to five years and there are several stipulations that the council changed in this section of the ordinance. He expressed that the sewer use ordinance is in place and is adopted by the council for specific reasons and then it isn’t followed and this is what gets people confused. This is why things are done this way one time, and why it is done the other and a different way another time.

Mr. Thurber expressed that he was confused about the bond that was voted among the town.

Mr. Kane clarified that the \$4.7m bond does not include the purchase

of the grinder pumps because the Clean Water Finance Agency that issued that bond will not cover the purchase of grinder pumps.

Mr. Thurber asked Mr. Kane of what his feeling is on this?

Mr. Kane stated that the information that was presented to the commission, yes and stated that the council again acted so rationally that they did not consider the ramifications of what they were doing.

Mr. Thurber asked what if Phase 2 or 3 were to continue.

Mr. Kane reiterated that Phase 2 and 3 would be 1 and 2 of another project completely separate and apart from this because the bond has been bought, the project is done. There is no more stimulus money, the town will not go forward to pay full cost for any of this. Phase 1A and 1B will not be affected by any future construction project. They are their own district now and are now their 2009 sewer district. Another project which would encompass Phase 2 and 3 and if it ever comes to conception would be maybe 2015 sewer district completely different assessment and nothing will affect Phases 1A and 1B.

Mr. Thurber asked that Phase 1A and 1B is done?

Mr. Kane's reply was yes. He also explained to the commission that the town has been talking lately that they are going to be applying for

economic development stimulus grants and that will hopefully in the council's eyes possibly be full principal forgiveness money to use in the Branch Village district. Their hope is that they get enough money to fund a sewer project to go forward with their redevelopment agency. That would be a lot of money and he highly doubts that they will find a pocket of money that large. Even if

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that were to happen, the ordinance has been set with the 2009 sewer district encompassing certain areas and certain roads that is all spelled out.

Mrs. Mariellen Sheridan of 7 Duane Court asked about the \$21m bond and what was used and what happens to the amount left over since only \$4.7m has been used.

Mr. DeCelles replied that the money hasn't been borrowed at this point. It is the authority to borrow.

Mr. Kane stated that after a certain date, that money will disappear and Clean Water will arrange to award another bond to another town.

Mr. Nordstrom stated that they are not going to sell the bond. They stopped doing it and only sold enough bonds to cover Phase 1A and

1B.

Mr. DeCelles stated that Clean Water Finance Agency allocated the entire \$21m to the town. But we only borrowed what we actually needed for construction but the council had the authority to borrow up to \$21m.

Mrs. Nasuti asked if that authority ever end or what ends that authority?

Mr. DeCelles thinks they would have to rescind legislation to say we no longer have the authority to borrow a certain amount of dollars on a particular bond. The authority is there but at some point in time Clean Water will ask for it.

Mr. Kane stated that the bond referendum was for a three phase sewer project with the streets that were included. The ordinance has been set the project is done, by all rights we would have to start all over.

Mrs. Diane Iskierski of 32 Fountain Street expressed her frustration on the removing of the design and engineering for Phases 2 and 3 and that was the only thing that the town council had conceded with regard to appeasing those in Phases 1A and 1B. She asked how we can be assured that they will not be paying for the design and engineering on the back side. She feels that it isn't going to be

included in her assessment but it will be included in her tax bill as it will across the town. So those in Phases 1A and 1B are paying for every aspect of the project because it was stopped.

Mr. Kane stated that \$562,000 and change for design, they are only paying \$200,000 in the assessment.

Mrs. Iskierski stated that they will be paying for it in their tax bill. But unfortunately, the town council states that it is unfair to bill anybody for any part of this project who does not tie in however they are able to bill everyone in the town for the engineering and design.

Mr. Kane replied that is was going to be a little than \$4.00 per tax payer.

Mrs. Iskierski stated that they can't throw in an extra \$10.00 per year to cover the asphalt and the roads. She stated if the town would just come together rather than being divided, be united. She feels that the town would reach their goals.

Mr. Kane reiterated that the commission did make their recommendations to the council and the commission is their recommending body and serve at their pleasure but they did not take the commission's recommendations.

Mrs. Iskierski feels that the council can have an ordinance, facility

plan and all of these rules and regulations and vote in front of the people on August 3rd to remove the cost of paving and pretend that it never happened. She asked who could hold them accountable with what they do and say and change the rules.

Mr. Kane's told her that it would be up to the tax payers of the town and who elect them into office and they are making the decisions and he who has the same frustration.

Mr. Iskierski commented that there was a vote as a town in 2007 in a general obligation bond for a piece of public infrastructure which was a sewer system. He feels that it belongs to too much of the town as it does to each individual as a piece of public infrastructure. He asked what is the town's responsibility? And to have this piece of public infrastructure developed and to lay almost 100 percent of the expense on the backs of the individual homeowners. He feels that the town council has not conceded anything to the residents affected to this project and feels that the town doesn't want to or be able to pick up any of the major expenses of this project even though it is a piece of public infrastructure.

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Mr. Kane met with Mr. Michael Annarummo, the Woonsocket Public Works Director and Woonsocket has to build a new waste water treatment facility which will have direct impact on North Smithfield.

He also met with the Mayor of Woonsocket and both stated that they are looking forward to working with North Smithfield.

EXECUTIVE SESSION

MOTION by Mr. Nordstrom, seconded by Mr. DeCelles, and voted unanimously on an aye vote to enter into executive session at 8:31 P.M. pursuant to RIGL 42-6-5 (A) (1) Any sessions pertaining to discussions of the job performance, character or physical or mental health of a person.

MOTION by Mr. Nordstrom, seconded by Mr. Connolly, and voted unanimously on an aye vote to come out of executive session at 9:24 P.M. and to seal the minutes. No motions were made and no votes were taken.

MOTION by Mr. Connolly, seconded by Mr. McGee, and voted unanimously on an aye vote to adjourn at 9:25 P.M. Meeting adjourned at 9:25 P.M.

Respectfully submitted,

Patricia A. Paul

Secretary