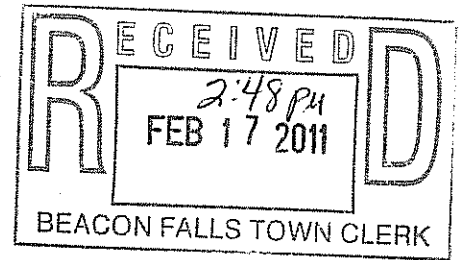


**BEACON FALLS BOARD OF FINANCE
SPECIAL MEETING MINUTES
FEBRUARY 15, 2011**



CALL TO ORDER

Chairperson G. Smith called the meeting to order at 7:35 PM with the Pledge of Allegiance.

Members Present: C. Bielik, R. Doiron, L. Krepinevich, B. Ploss, G. Smith, W. Hopkinson (7:42 PM)

Members Absent: None.

Others Present: First Selectman S. Cable, Selectman D. Sorrentino, M. Krepinevich, J. Blesse, Finance Manager M. Gomes, and J. Smith representing the Sewer Commission.

SEWER COMMISSION

J. Smith from the Water Pollution Control Authority received a letter from the Board of Finance inquiring about sewer hook-up fees and user fees. He reported that the last increase in sewer hook-up fees took place in 1991-1992 when the fee was increased from \$2,000 to \$4,000. J. Smith stated that this was a large increase and a steep fee in comparison with other towns. The Sewer Commission has considered sewer usage fees and J. Smith believes that user fees are a good idea, in light of the fact that there is less land in town left to be developed.

J. Smith explained one of the issues with user fees involves the precedent which currently exists for businesses, where one fee of \$4,000 is charged for every 10 employees. Single family homes are charged \$4,000. Duplexes are charged \$4,000 per unit or \$8,000 total. A company like Goldenrod, for example, has been told their hook-up fees will total \$38,000. If new user fees are established, after these larger companies have paid large hook-up fees, then it would be appropriate to grant them a waiver for several years.

G. Smith asked if \$4,000 is an appropriate tie-in fee, as compared to other towns and J. Smith responded that at the time of the last increase, members of the board felt the price was cheaper than a septic system. R. Doiron asked how they arrived at that number.

M. Gomes stated that with regard to sewer assessments, the cost of the sewer project is divided by parcel or by front footage, so costs will vary by project. R. Doiron clarified that a sewer assessment fee and sewer hook-up fees are two separate numbers. Costs of putting in a sewer line are assessed to the residents who are affected, and there is then a separate \$4,000 fee for hooking up to the sewer line.

G. Smith would like to know if the \$4,000 is a high number or a low number as compared to usage. J. Smith explained that usage is tracked through the water bill. In surrounding towns, the tie-in fee is lower (in the neighborhood of \$1,500) because there is also a user fee. The town would need to work out how a usage fee is regulated with the water company. J. Smith stated again that he believes the \$4,000 hook-up fee is excessive and the State department recommends user fees, as user fees will generate more revenue.

S. Cable asked about drawbacks to a user fee. J. Smith stated that manpower would be an issue, because the town hall would need to establish, track, and collect the user fees. The process would most likely require a full-time employee.

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J. Smith also stated that another issue he has been following is the Fat, Oil & Grease Recovery systems in town businesses, restaurants, churches, and schools. Currently, Woodland's system is up to date; however Laurel Ledge is not current. There are plans to update that system this summer.

G. Smith asked what M. Gomes' experience with user fees has been in other towns and M. Gomes stated that commercial/industrial users are treated separately from residential users of the sewer system. For the residents, the town would divide the cost of running the Water Pollution Control Plant by the number of users and that is how they determine the user fee. The user fees cover the cost of running the plant. It is a separate issue than one time sewer assessments, which are project-based and one-time hook-up fees for tying into a sewer line.

G. Smith noted again, that even without new developments in town, there is still a need to pay for the water treatment plant and that is the primary reason for this discussion.

J. Smith asked about line item transfers which affected the water treatment plant budget during the last budget year. The Board members concurred that any transferred monies were used for the waste water treatment plant. J. Smith asked for letter stating the transfers were spent on water treatment.

J. Smith reported on a storm drain which is emptying into the manhole on Main Street, which is generating thousands of gallons of water with each rainstorm and this issue is being corrected.

G. Smith requested that the Water Pollution Control Authority talk with the Board of Selectmen about establishing user fees. J. Smith also submitted a copy of the Rules & Regulations for the Sewage System for Beacon Falls to the Board of Finance for reference. This document includes a Connection Fee Schedule.

APPROVAL OF MINUTES

**B. Ploss made a motion to approve the January 11, 2011 Regular Meeting Minutes, as presented.
C. Bielik seconded the motion. R. Doiron abstained from the vote. All others were ayes.**

PUBLIC COMMENT

None.

TREASURER'S REPORT

This report was not yet received. The Board of Finance expects to receive two reports at their March meeting.

TAX COLLECTOR'S REPORT

W. Hopkinson made a motion to accept the Tax Collector's Report. R. Doiron seconded the motion. All ayes.

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TOWN CLERK'S REPORT

M. Gomes noted that only \$55.00 has been collected through February 14, 2011. There are no property transfers taking place, so no conveyance monies are coming in at this time.

R. Doiron made a motion to accept the Town Clerk's Report. C. Bielik seconded the motion. All ayes.

FINANCE MANAGER'S REPORT

M. Gomes noted that the expenses to date do not reflect the majority of the activity connected with recent snowstorms. All of those expenses for labor, sand, salt will show in February. M. Gomes received \$31,000 in invoices today connected with snow removal.

S. Cable has applied for assistance from the State to cover costs associated with snow removal in January. R. Doiron noted that the town will need additional road repairs as a result of the storms. M. Gomes noted that the state/federal aid package reflects a 48 hour window of storm activity. S. Cable stated that the state may have another round of funding available.

W. Hopkinson made the motion to accept the Financial Manager's Report. R. Doiron seconded the motion. All ayes.

A. BOARD'S CLERK INVOICES

An invoice was submitted by clerk, Lauren Classey for \$132.50, for January, 2011. **C. Bielik made the motion to accept and pay the invoice. L. Krepinevich seconded the motion. All ayes.**

BOARD OF SELECTMEN

A. TRANSFERS - S. Cable stated that there are no transfers at this time.

The bond referendum had been set for March 1st, however because the resolutions were not specifically stated on the Board of Finance Special Meeting Agenda for this evening, these resolutions cannot be read tonight. S. Cable asked the Board of Finance to set a special meeting as soon as possible to read the resolutions, so that the Board of Selectmen can then proceed by setting a Public Meeting and a referendum date.

G. Smith proposed a **Special Meeting** of the **Board of Finance** on **Wednesday, February 23, 2011** at **7:00 PM** for the purpose of reading the bond resolutions and for the acceptance of the town audit. The Board of Selectmen will then meet and the town meeting could take place 7 days from that date and the referendum would follow accordingly.

B. Ploss recently attended the Region 16 budget workshops. S. Cable asked that the Board of Selectmen and the Board of Finance have an active role in attending the Region 16 Board of Education Budget Workshops. The workshops will be Wednesday evenings over the next several weeks and at least one Board of Finance member plans to be present for each workshop. B. Ploss noted that at the meeting he

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attended there were no cuts made, because the Board of Education was just starting the process. Some of the budget figures, such as insurance costs, were approximations.

S. Cable noted that the ECS monies will not be affected this year. The student numbers for Beacon Falls are lower. Beacon Falls will receive a \$95,000 return from the Region 16 surplus, which can be used by the town as they wish. In discussing these monies, it was noted that transfers should be included on the February 23rd meeting agenda.

B. Ploss noted that Region 16 did refinance some of their long term debt, including the Long River roof project and Region 16 also joined an Energy Consortium which could translate into a \$200,000-\$400,000 savings.

Copies of the 2010 Grand List were distributed to the Board members, showing increases, which were pleasing. S. Cable will be meeting with Governor Malloy in the near future. The Selectmen are beginning the budget process and they hope to provide the Board of Finance with a draft budget at their Regular March 8th Meeting. S. Cable hopes to bring the town budget to referendum in April.

The Selectmen sent letters to the unions asking for concessions and they will be speaking with them about concessions later this month. The Selectmen's Office has sent letters to all of the departments to halt spending except for essentials, and letters have also been sent to residents that owe back taxes.

NEW BUSINESS

1. PUBLIC PETITIONS

G. Smith mentioned that the Board of Finance was expecting to receive a public petition. He asked if the Board of Finance wishes to pursue legal advice on how to handle a petition, should one come before them now or at any point in the future. G. Smith asked for a legal opinion in writing from the Town Attorney on this matter.

2. LOU KREPINEVICH

L. Krepinevich stated he has been working on an idea for several months, which would address some of the issues with roadways which appear in the bond package and have long term benefit for the town. L. Krepinevich proposed that the town add to the bond package the purchase of paving equipment, so that future resurfacing can be done quicker, cheaper and without the cost of outside contractors.

He reviewed the numbers in the current bond package which covers 2.1 miles of roadway and costs \$7.4 million dollars. Resurfacing costs average \$234,000 per mile. He researched other town paving projects which have average repaving costs of \$230,000 - \$250,000 per mile. L. Krepinevich has researched machinery which can repave roads at a cost of \$50,000 per mile, including material and labor.

He has been in touch with Angelo Benedetti Asphalt Recycling Systems and showed a 5 minute promotional video from this company on their product. The machinery is a paver, which recycles 100% of the existing asphalt on the roads, by crushing, heating, and

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reapplying the material. It is “green” technology which has been successfully implemented in cities such as Pittsburgh and Akron.

At the conclusion of the video, L. Krepinevich shared the proposal he received from Benedetti, Inc. The first option is a new machine for \$2,025,000 and the second option is a refurbished 2009 machine for \$1,500,000. Both proposals include a roller with 1 year warranty. The machinery is capable of repaving ¼ mile of road a day and could be delivered in June, 2011. L. Krepinevich also researched a storage facility to house the equipment for a total cost of \$64,000.

The total cost associated with the purchase of the used equipment is \$1.6 M, as part of a 20 year bond at 4% is \$116,000 per year. If paving takes place four weeks each summer, the machine could repave 4 miles of roadway per year at \$50,000 per mile. The Board discussed potential savings to the town, based on paving costs per mile, and additional benefits to purchasing this innovative equipment.

The Board held a lengthy discussion on the machinery and L. Krepinevich answered questions regarding the life expectancy of the machinery, training available, manpower needed to operate the machinery, delivery costs, capabilities of the machines, and how other towns might lease the equipment and generate revenue for the town.

G. Smith asked if this equipment would be in place of the bond package, part of the bond, or in addition to the bond package. There are more than blacktop costs in the roadways section of the bond package; including sewer, water, sidewalks, curbs, and straightening roads. Discussion continued on the roadwork which is currently specified in the bond package and the costs associated with this work. S. Cable noted there are grants available to towns with “green” solutions, and it is worth pursuing grants as an option for purchasing this equipment.

G. Smith stated that it is important to keep the bond total the same, but asked if the \$1.6 M for this machinery could be incorporated in the \$5.1 M bond total. Discussion followed regarding the wording of the bond resolutions. Can the bond resolution be reworded to state that the town may be purchasing equipment to reclaim roads in-house?

W. Hopkinson stated that she was not an expert on this machinery, and would like the opinion of the street crew or town engineer, before making a decision to purchase this equipment. G. Smith stated that he is in favor of purchasing the equipment if it can be done within the numbers of the current bond package. In reviewing the payment terms of the Benedetti proposal, L. Krepinevich will look into financing options for the equipment, as another option.

R. Doiron made a motion for the Board of Selectmen to investigate the changes to the wording of the bond resolution which would allow for the purchase of repaving equipment and to seek out grants for the purchase of the machinery. C. Bielik seconded the motion. All ayes. Thanks to L. Krepinevich for researching this equipment.

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OLD BUSINESS

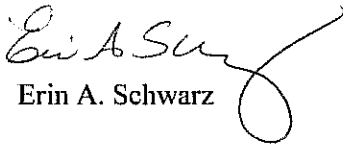
None.

CORRESPONDENCE

G. Smith noted that all correspondence is related to the 2011-2012 upcoming budget, and the Board of Finance expects to receive the first draft their next regular meeting in March.

R. Doiron made a motion to adjourn the meeting at 9:30 PM. W. Hopkinson seconded the motion. All ayes.

Respectfully submitted,


Erin A. Schwarz