



BOARD OF SELECTMEN

DEEP RIVER TOWN HALL

Regular Meeting – February 26, 2013

Attendance: Selectmen Dick Smith, Angus McDonald, David Oliveria; Margot Hilfinger, Rich Strukus (*vidiography*); Peter Lewis, Lisa Bibbiani (*WPCA*); Jonathan Kastner.

This regular meeting was called to order at 6:54 pm by Dick Smith.

Minutes: Regular Meeting – January 22, 2013

Oliveria moved, 2nd by McDonald, to approve the minutes of the regular meeting of January 22, 2013.

APPROVED 3 – 0

Appointments:

Motion by McDonald, 2nd by Oliveria, to approve the appointment of Rob Lanouette to the Board of Fire Commissioners, term to expire 12/01/2013.

APPROVED 3 – 0

Oliveria moved, 2nd by McDonald to appoint LinaLynn Schmelzer and Angus McDonald to the Town Hall Auditorium Management Committee, terms to expire 12/01/2013.

Addition to Agenda:

Oliveria moved, 2nd by McDonald, to add to the agenda for discussion and action the Memorandum of Agreement between the State of Connecticut, Department of Emergency Management and Homeland Security, and the Town of Deep River.

APPROVED 3 – 0

McDonald moved, 2nd by Oliveria to approve the following:

RESOLVED, that the Town of Deep River may enter into with and deliver to the State of Connecticut Department of Emergency Management and Homeland Security any and all documents which it deems to be necessary or appropriate; and

FURTHER RESOLVED, that Richard H. Smith, as First Selectman of the Town of Deep River, is authorized and directed to execute and deliver any and all documents on behalf of the Town of Deep River and to do and perform all acts and things which he deems to be necessary or appropriate to carry out the terms of such documents, including, but not limited to, executing and delivering all agreements and documents contemplated by such documents.

APPROVED 3 – 0

At this time the Board of Finance convened. The Board of Selectmen remained in session to discuss and act on a proposal to expand the sewer system. Angus McDonald was not present during the remainder of the Board of Selectmen meeting.

Sanitary Sewer Expansion:

Following a lengthy discussion among members of the both Boards, representatives of the WPCA and residents, Oliveria moved, 2nd by Smith, to approve the following:

A proposal to undertake a \$ 4 million dollar extension of the sanitary sewer system to the eastern terminus of Kirtland and River Streets, as well as to all connecting streets: Fairview Avenue, Old River Streets 1 & 2, River & Phelps Lanes and Read Street. Under a United States Department of Agriculture (USDA) program, 30 per cent of the cost would be borne by a grant of approximately \$ 1.3 million, the remainder underwritten by a USDA loan of approximately \$ 2.806 million, at an interest rate of 2.75 per cent, and payable in 40 annual installments of \$ 116,540.

The following e-mail from Michael Rendulik of the USDA explains the proposed grant and loan and includes the entire repayment schedule. It is reproduced in its entirety.

Richard Smith

From: Rendulic, Michael - RD, Windsor, CT <Michael.Rendulic@ma.usda.gov>
Sent: Monday, February 25, 2013 12:17 PM
To: Richard Smith
Subject: RE:

Good morning,

I am responding to your request for repayment information for a potential loan through USDA Rural Utility Service's Water and Environmental Programs. As we've discussed, Deep River's application, held since fiscal year 2011, must be either completed in the very near future, or deferred until at least our next fiscal year (after September 30th, 2013). A number of impending fiscal deadlines approach that encourage us to line up projects for our available funding sooner rather than later and if we're unable to move forward with the Deep River project, we would need to consider other applications.

We have considered an approximately 30% grant for the proposed \$4.0 million project, which includes a loan of approximately \$2.806 million. Please find below the repayment chart for such a loan (estimated given current interest rates and assumptions as to the cost of the project):

Year	Beginning Balance	Principal	Interest	Total	
2014	2,806,000.00	39,375.00	77,165.00	116,540.00	0.0275
2015	2,766,625.00	40,457.81	76,082.19	116,540.00	0.0275
2016	2,726,167.19	41,570.40	74,969.60	116,540.00	0.0275
2017	2,684,596.79	42,713.59	73,826.41	116,540.00	0.0275
2018	2,641,883.20	43,888.21	72,651.79	116,540.00	0.0275
2019	2,597,994.99	45,095.14	71,444.86	116,540.00	0.0275
2020	2,552,899.85	46,335.25	70,204.75	116,540.00	0.0275
2021	2,506,564.60	47,609.47	68,930.53	116,540.00	0.0275
2022	2,458,955.13	48,918.73	67,621.27	116,540.00	0.0275
2023	2,410,036.40	50,264.00	66,276.00	116,540.00	0.0275
2024	2,359,772.40	51,646.26	64,893.74	116,540.00	0.0275
2025	2,308,126.14	53,066.53	63,473.47	116,540.00	0.0275
2026	2,255,059.61	54,525.86	62,014.14	116,540.00	0.0275
2027	2,200,533.75	56,025.32	60,514.68	116,540.00	0.0275
2028	2,144,508.43	57,566.02	58,973.98	116,540.00	0.0275
2029	2,086,942.41	59,149.08	57,390.92	116,540.00	0.0275
2030	2,027,793.33	60,775.68	55,764.32	116,540.00	0.0275
2031	1,967,017.65	62,447.01	54,092.99	116,540.00	0.0275
2032	1,904,570.64	64,164.31	52,375.69	116,540.00	0.0275
2033	1,840,406.33	65,928.83	50,611.17	116,540.00	0.0275
2034	1,774,477.50	67,741.87	48,798.13	116,540.00	0.0275
2035	1,706,735.63	69,604.77	46,935.23	116,540.00	0.0275
2036	1,637,130.86	71,518.90	45,021.10	116,540.00	0.0275
2037	1,565,611.96	73,485.67	43,054.33	116,540.00	0.0275
2038	1,492,126.29	75,506.53	41,033.47	116,540.00	0.0275
2039	1,416,619.76	77,582.96	38,957.04	116,540.00	0.0275
2040	1,339,036.80	79,716.49	36,823.51	116,540.00	0.0275
2041	1,259,320.31	81,908.69	34,631.31	116,540.00	0.0275
2042	1,177,411.62	84,161.18	32,378.82	116,540.00	0.0275
2043	1,093,250.44	86,475.61	30,064.39	116,540.00	0.0275

2044	1,006,774.83	88,853.69	27,686.31	116,540.00	0.0275
2045	917,921.14	91,297.17	25,242.83	116,540.00	0.0275
2046	826,623.97	93,807.84	22,732.16	116,540.00	0.0275
2047	732,816.13	96,387.56	20,152.44	116,540.00	0.0275
2048	636,428.57	99,038.21	17,501.79	116,540.00	0.0275
2049	537,390.36	101,761.77	14,778.23	116,540.00	0.0275
2050	435,628.59	104,560.21	11,979.79	116,540.00	0.0275
2051	331,068.38	107,435.62	9,104.38	116,540.00	0.0275
2052	223,632.76	110,390.10	6,149.90	116,540.00	0.0275
2053	113,242.66	113,242.66	3,114.17	116,356.83	0.0275
TOTALS	<u>2,806,000.00</u>	<u>1,855,416.83</u>	<u>4,661,416.83</u>		

Audience of Citizens – Any Other Matters to Come Before the Board:

None.

Adjournment:

Motion by Oliveria, 2nd by Smith, to adjourn at 8:43.

APPROVED 2 – 0

Respectfully submitted,

Richard H. Smith,

First Selectman