



BOARD OF SELECTMEN

DEEP RIVER TOWN HALL

Regular Meeting — February 10, 2015

Attendance: Selectmen Richard Smith, Angus McDonald & David Oliveria.
Also: Margo Hilfinger and John Greene (*videography*); Peter Terenzi, Mark Reyher.

This regular meeting was called to order at 6:40 pm by Smith.

Minutes: Regular Meeting of January 13, 2015

Motion by McDonald, Oliveria 2nd, to approve the minutes of the regular meeting of January 13, 2015.

APPROVED 3 – 0

Kirtland / River Street Sewer Extension:

McDonald read into the record the following documents, which are reproduced in their entirety:

Resolution recommending an increase in the appropriation and bond authorization for the Kirtland / River Street Sewer System Extension Project:

TOWN OF DEEP RIVER BOARD OF SELECTMEN

RESOLUTION RECOMMENDING AN INCREASE IN THE APPROPRIATION AND BOND AUTHORIZATION FOR THE KIRTLAND AND RIVER STREETS SEWER SYSTEM EXTENSION PROJECT

RESOLVED, that the Board of Selectmen recommends that the Town of Deep River increase the appropriation by \$1,174,000, from \$4,000,000 to \$5,174,000, and the bond authorization by \$859,000, from \$2,800,000 to \$3,659,000, for the extension of the sanitary sewer system to the eastern terminus of Kirtland and River Streets, as well as to all connecting streets, as approved at the May 2, 2013 Special Town Meeting, to reflect increased project costs and the final grant and loan amounts approved by USDA.

FURTHER RESOLVED, that the Board of Selectmen recommends that the other terms and conditions of the bond resolution approved on May 2, 2013 be amended to reflect these increased costs and approved grant and loan amounts.

Resolution to call a Special Town Meeting:

TOWN OF DEEP RIVER BOARD OF SELECTMEN

RESOLUTION TO CALL SPECIAL TOWN MEETING

WHEREAS, the Board of Selectmen and Board of Finance, on the recommendation of the Water Pollution Control Authority, have recommended that the Town of Deep River increase the appropriation by \$1,174,000, from \$4,000,000 to \$5,174,000, and the bond authorization by \$859,000, from \$2,800,000 to \$3,659,000, for the extension of the sanitary sewer system to the eastern terminus of Kirtland and River Streets, as well as to all connecting streets, as approved at the May 2, 2013 Special Town Meeting, to reflect increased project costs and the final grant and loan amounts approved by USDA.

BE IT RESOLVED, that the attached detailed appropriation and bonding resolution for these project is hereby approved and shall be submitted to a Special Town Meeting to be held on Thursday, March 5, 2015 in accordance with the attached Warning of Special Town Meeting, which is also hereby approved.

Motion by McDonald, Oliveria 2nd, to approve the resolutions as read.

APPROVED 3 - 0

The Warning (Legal Notice) of the Special Town Meeting scheduled for March 5, 2015, is reproduced in its entirety:

TOWN OF DEEP RIVER
WARNING OF
SPECIAL TOWN MEETING - Thursday, March 5, 2015

The electors and those persons eligible to vote in town meetings of the Town of Deep River, Connecticut, are hereby warned and notified that a Special Town Meeting will be held at Deep River Town Hall, 174 Main Street, Deep River, Connecticut, on Thursday, March 5, 2015 at 7:00 P.M. for the following purpose:

ITEM 1. - To discuss and vote on a Resolution to increase the appropriation by \$1,174,000, from \$4,000,000 to \$5,174,000, and the bond authorization by \$859,000, from \$2,800,000 to \$3,659,000, for the extension of the sanitary sewer system to the eastern terminus of Kirtland and River Streets, as well as to all connecting streets, as approved at the May 2, 2013 Special Town Meeting, to reflect increased project costs and the final grant and loan amounts approved by United States Department of Agriculture (USDA).

A copy of the full text of the Resolution is on file and available for inspection at the Office of the Town Clerk.

Dated at Deep River, Connecticut this 12th day of February, 2015.

BOARD OF SELECTMEN

Richard H. Smith

Richard H. Smith
First Selectman

Angus McDonald, Jr.

Angus McDonald, Jr.
Selectman

David Oliveria

David Oliveria
Selectman

A resolution to approve an additional appropriation of \$1.1 million, an amount equal to the increase in funding through the USDA grant / loan is reproduced in its entirety:

TOWN OF DEEP RIVER
SPECIAL TOWN MEETING

RESOLUTION TO INCREASE THE APPROPRIATION AND BOND
AUTHORIZATION FOR THE KIRTLAND AND RIVER STREETS
SEWER SYSTEM EXTENSION PROJECT

BE IT RESOLVED:

That the resolution titled "RESOLUTION TO APPROPRIATE \$4,000,000 FOR THE EXTENSION OF THE SANITARY SEWER SYSTEM TO THE EASTERN TERMINUS OF KIRTLAND AND RIVER STREETS, AS WELL AS TO ALL CONNECTING STREETS; TO FINANCE THE APPROPRIATION BY ACCEPTING A GRANT FROM USDA OF APPROXIMATELY \$1,200,000 AND A LOAN NOT TO EXCEED \$2,800,000, OR BY ISSUING TOWN BONDS, NOTES OR TEMPORARY NOTES IN AN AMOUNT NOT TO EXCEED \$2,800,000," as approved by the voters at the May 2, 2013 Special Town Meeting, is hereby amended to increase the appropriation by \$1,174,000, from \$4,000,000 to \$5,174,000, and the bond authorization by \$859,000, from \$2,800,000 to \$3,659,000, to reflect increased project costs and the final grant and loan amounts approved by USDA. The resolution, as amended, shall read as follows:

RESOLUTION TO APPROPRIATE \$5,174,000 FOR THE EXTENSION OF THE SANITARY
SEWER SYSTEM TO THE EASTERN TERMINUS OF KIRTLAND AND RIVER STREETS, AS
WELL AS TO ALL CONNECTING STREETS AND TO FINANCE THE APPROPRIATION BY
ACCEPTING A GRANT OF \$1,515,000 AND A LOAN NOT TO EXCEED \$3,659,000 FROM
USDA, OR BY ISSUING TOWN BONDS, NOTES OR TEMPORARY NOTES IN AN AMOUNT
NOT TO EXCEED \$3,659,000

BE IT RESOLVED:

SECTION 1. That the Town of Deep River appropriate \$5,174,000 for extension of the sanitary sewer system to the eastern terminus of Kirtland and River Streets, as well as to all connecting streets, including Fairview Avenue, Old River Streets 1 and 2, River and Phelps Lanes and Read Street. The appropriation may be expended for site improvements, design and construction costs, equipment, materials, engineering, legal, financing and administrative fees, interest expense on temporary borrowings, and other costs related to the project. The appropriation shall include any federal, state or other grants-in-aid received for the project. The Board of Selectmen may reduce the scope of the project if funds are insufficient to complete the entire project, and the entire appropriation may be spent on the reduced project.

SECTION 2. That the Town finance the appropriation through the United States Department of Agriculture (USDA) by accepting a grant of \$1,515,000 and a loan not to exceed \$3,659,000, or by issuing Town bonds, notes or temporary notes in an amount not to exceed \$3,659,000, or so much thereof as may be necessary after deducting any Federal, State or other grants for the project. The

loan, bonds or notes shall be issued pursuant to the Connecticut General Statutes, as amended. The loan, bonds or notes may be sold as a single issue or consolidated with any other authorized issues of bonds or notes of the Town. The loan may be in the form prescribed by the USDA under the Rural Utility Service's Water and Environmental Programs. The Treasurer shall keep a record of the loan, bonds or notes. The loan, bonds or notes shall be signed in the name and on behalf of the Town by the First Selectman and Treasurer and shall bear the Town seal or a facsimile thereof. The loan, bonds or notes shall each recite that every requirement of law relating to its issue has been fully complied with, that such loan, bond or note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The terms, details and particulars of such loan, bonds or notes shall be determined by the First Selectman and Treasurer. The loan shall be issued to the USDA, and the bonds or notes shall be sold by the First Selectman and Treasurer at public sale or by negotiation, in their discretion. If the bonds or notes are sold by negotiation to other than the USDA, the purchase agreement shall be approved by the Board of Finance.

SECTION 3. That the First Selectman and Treasurer are authorized to issue temporary notes in anticipation of the receipt of the proceeds of said loan, bonds or notes. The temporary notes shall be signed by the First Selectman and Treasurer and shall bear the Town seal or a facsimile thereof, shall be issued with maturity dates in accordance with the Connecticut General Statutes, as amended, and shall each recite that every requirement of law relating to its issue has been fully complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing, and marketing such notes, to the extent paid from the proceeds from the issuance of the loan, bonds or notes, shall be included as a cost of the appropriation.

SECTION 4. That the Town hereby declares its official intent under Treasury Regulation Section 1.150-2 of the Internal Revenue Code of 1986, as amended, that the project costs may be paid from temporary advances of available funds and that the Town reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing authorized for the project; that the First Selectman and Treasurer are authorized to bind the Town pursuant to such representations and agreements as they deem necessary or advisable in order to ensure and maintain the continued exemption from federal income taxation of interest on the bonds, notes or temporary notes authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years; and that the First Selectman and Treasurer are authorized to make representations and agreements for the benefit of the holders of the loan, bonds, notes or temporary notes to provide secondary market disclosure information and to execute and deliver on behalf of the Town an agreement to provide such information with such terms and conditions as they, with the advice of bond counsel, deem necessary and appropriate.

SECTION 5. That the Water Pollution Control Authority (WPCA) shall collect from each property, or each other unit of assessment, that is benefited by the project an assessment fee payable under such terms as determined by the WPCA in accordance with State statutes. If the WPCA determines that each property, or each unit of assessment, that is benefited by the project shall be assessed a one time benefit fee, this shall only take effect if approved at a special town meeting.

SECTION 6. That the First Selectman and Chairman of the WPCA, or their designees, are authorized to contract with engineers, contractors and others on behalf of the Town and to approve construction expenditures for said project.

SECTION 7. That the First Selectman or his designee is authorized to apply for and accept or reject the USDA grant or any Federal, State or other grants for the project and to execute and deliver to the USDA any grant or loan documents or agreements for and on behalf of the Town, and the Board of Selectmen, WPCA, Treasurer and other Town officials and employees are authorized to take all actions necessary and proper to obtain such grants and loans, to complete the project and to issue the loan, bonds, notes or temporary notes to finance the appropriation.

500 Industrial Park Road:

On January 13, 2015 the Town published a legal notice seeking a licensed real estate broker to properly market the town-owned building at 500 Industrial Park Road. The sole response was from the Frederick K. Reyher Agency of Deep River. Board members will review the document, which will be on the agenda for discussion and action at the next Board of Selectmen meeting, scheduled for February 24, 2015.

Appointments:

Motion by Oliveria, McDonald 2nd, to correct actions taken at the Board of Selectmen meeting of November 25, 2014:

1. Murray Zack, whose name had been omitted from the list of Special Constables, was reappointed, his term to expire 12/01/15.
2. Russell Marth, who had wished to retire from the Community Health Committee, was reappointed in error. The appointment was rescinded.

APPROVED 3 – 0

The Board of Selectmen remained in session during a joint meeting with the Board of Finance.

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

Smith presented information provided by Southern Connecticut Gas (CNG) regarding the possible installation of a natural gas pipeline along Main Street. The documents outline the cost of the proposed project and the part the Town of Deep River might be expected to play.

At the regularly scheduled February 24, 2015, meeting of the Boards of Selectmen & Finance, representatives of CNG will give detailed presentation and answer questions from Board members and the audience.

Smith reported that as of the year ending October 1, 2014, the Grand List had risen by \$9,145,318, or 1.86 per cent, compared to the previous year's

total. The increase represents anticipated additional tax revenues of approximately \$236,000, or approximately one-half mill at the current rate of 25.88. All agreed that, with preparation of the FY 2015-16 budget underway, the added revenue would be welcome. Members of both Boards expressed concern over possible requests for increases in the Regional District 4 and Elementary School budgets despite the decline in enrollment.

Fire Department Headquarters:

Following discussion of the Fire Department Study Committee's (FDSC) report there was general agreement that of all the alternative sites listed, the present location is the most suitable overall, despite some outstanding issues.

1] Ownership of the house and property adjacent to Fire Headquarters. *The property was purchased by the Deep River Fire Department, Incorporated, to accommodate future expansion. It is still owned by the DRFD, Inc.* Board of Finance Chairman John Bauer agreed to meet with the Trustees of the Deep River Fire Department, Incorporated, to seek resolution of this issue.

2] The FDSC concluded that the Fire Department requires 10,000 square feet of floor space. The present single-story building has a footprint of approximately 4,800 square feet. Members of both Boards expressed their concern that the mass of a building more than twice as large might overwhelm the available land,

Adding a partial second story for office or storage use would shrink the footprint, but would increase the height. In addition, the area is designated as a flood plain—the building's base must be raised by 18 inches. Aside from neighborhood concerns, it was noted that the location is a major gateway to Deep River, so that aesthetics are very important.

To aid in future discussions, Smith will obtain the cost for preliminary exterior designs, so Board members can view the impact of a new building in the context of the surrounding neighborhood. That information should be available for the next joint meeting of the two Boards, scheduled for February 24, 2015,

Adjournment:

Motion by Oliveria, McDonald 2nd, to adjourn at 8:40 pm.

APPROVED 3 – 0

Respectfully submitted,

Richard H. Smith,
First Selectman