

Saugus Board of Selectmen
July 5, 2012

*****MEETING MINUTES*****

AGENDA
July 5, 2012
7:30 PM
Saugus Board of Selectmen
Town Hall Auditorium
298 Central Street

- 1.) I & I
Inflow & Infiltration

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The Saugus Board of Selectmen met on July 5, 2012 at 7:30PM in the Town Hall Auditorium, 298 Central Street. Present were: Selectmen Stephen Castinetti, Stephen Horlick, Debra Panetta and the Chairman Michael Serino. Absent: Julie Mitchell.

The Chair explained this meeting was scheduled last minute and Ms. Mitchell was unable to attend due to a scheduled appointment.

1.) I/I: Inflow & Infiltration

The Town Manager Scott Crabtree and Special Counsel Ira Zaleznik were present. The Chair asked Special Counsel for an overview of what transpired. Special Counsel gave the time line beginning in 2005 when a group of developers filed suit against the Town opposing the I/I Fee and explained two court rulings in favor of the developers and the Town filed an appeal for further review and said they do not have to accept the case, but they did and they did grant for further review and stressed the importance of this case to all communities in Massachusetts with the same issues and said this ruling means that communities may charge an access fee and they don't have to trade off short term planning and said the we would've needed to forgo any new development, but the sewer bank allowed to get work done and free up capacity while the master plan was on-going and said the Town made so much progress that the DEP entered into a new agreement and we no longer need the sewer bank. The Manager asked he explain statistically the odds of have the case reviewed. Special Counsel said they accept an extreme low percentage of cases and said the Town was fortunate to have other interested groups support our case. The Chair said the lower courts looked at this as a tax, but the developers could have waited for the moratorium to be lifted and this was a benefit to allow them to tie in immediately with a fee. Special Counsel said the developers argued they did not receive a benefit from the fee, but what happened was the developers were able to connect and if they waited, the market is like night and day. The Manager congratulated Special Counsel on the excellent job on the case and thanked the Selectmen and commended them for pushing the case forward and said winning this case also means we will stabilize the enterprise fund and sewer rates and said statutorily Saugus had exposure with a 12% interest rate which equals a little over \$1.5 million and the money was put into reserve to help stabilize sewer rates and will help infrastructure improvements and protect the environment and can use it to purchase equipment to keep work in-house and commended the former DPW Director Joe Attubato. The Chair thanked Special Counsel for representing the Town and for his hard work and said the Board looked to the Town Manager for advice and the Board followed his advice and said when the ACO was put into effect, our DPW was working on it. Mr. Castinetti asked Special Counsel to explain the appeals process. Special Counsel explained. Mr. Castinetti said this is a done deal if the developers don't file by next Friday. Ms. Panetta thanked everyone involved and said to reach an end after 7 years is huge and congratulated them and said things have been negative for so long and it's great to have positive news. The Manager said the ACO continues and work is being done ahead of schedule and under budget. Mr. Horlick thanked the Manager and the Chairman and said he voted to go forward with appeal and thanked Special Counsel and said this doesn't affect only Saugus but other communities with the same problems and thanked Special Counsel and the Chairman and said 9 years ago the ACO was signed and work had to be done otherwise there wouldn't have been any development and thanked Mr. Attubato for watching everything and working on the ACO and thanked the Manager and said the Town can stabilize the enterprise account and buy equipment to do work in-house and thanked everyone downstairs (Inspectional Services Dept.) and thanked everyone attending the meeting.

Joe Attubato, retired DPW Director said he knows well over 2 years we haven't discharged into the Saugus River and this has been a benefit to the Town. The Manager congratulated him on his retirement.

Peter Manoogian, TMMP10, said it's refreshing to hear good news and said Special Counsel mentioned water connection fee and said there's no connection fee at this time and asked if there's enough in this case to fashion a connection fee program for water also. Special Counsel said yes and said the lesson of the case is if you have reasonable rate structure and are not trying to rehab on the backs of only new construction / connections, then you can have a fee. Mr. Manoogian asked the Board to look at long term plan / policy or we will be doing this again if we are not proactive.

Mr. Castinetti moved to adjourn. Chair seconds. Vote: 5-0.

Meeting adjourned at 8:06PM.

Respectfully submitted,

Wendy Reed, Clerk