

HEARING BEFORE THE CITY COUNCIL, JUNE 29, 2009

Hearing opened at 6:30 P.M. with Councillor Salvatelli, Chair of the Finance Committee presiding.

All members were present except Councillor Marchand. Councillors Rowlands and Rosa arrived late.

The following LOAN ORDER was the subject of the hearing:

Loan Order - that the sum of \$28,000,000 be and hereby is appropriated to pay costs of engineering, planning, designing, constructing and equipping wastewater treatment and related facilities in and for the City, including the payment of all costs incidental and related thereto; that to raise this appropriation, the Treasurer, with the approval of the Mayor, is authorized to borrow said amount under and pursuant to Chapter 44, Section 7(1) of the General Laws, as amended, or pursuant to any other enabling authority, and to issue and sell bonds or notes of the City therefor; provided, however, that not more than \$20,000,000 shall be borrowed pursuant to this Order unless and until the City shall have received either (i) a commitment from the Massachusetts Water Pollution Abatement Trust for a loan for this project in the amount of at least \$28,000,000 at an effective rate of zero percent, or (ii) a commitment of federal stimulus funds or any other grants, gifts or financial assistance for this project in the amount of at least \$8,000,000. (Finance)

No one in the audience spoke in favor of the order.

Bart Kastsiff, who owns and operates the Plaza Car Wash at 561 North Main Street in Leominster, said he understands the sewer increase to appropriate the \$28,000,000.00 was for the project and is against it. He said in running a business today in this economy it is difficult enough with the costs that they have had. He said they have always had increased costs and have not had the privilege to raise their rates to wash cars. He said they have burdened those costs over the last five or six years since they have had their price increase. However, as costs increase at some point they will have to increase their costs and when they have a cost like this that is a direct operating expense to their car wash business they would have to have some increases and when they do increase their prices quite often their business will decrease in volume. He said when that happens they will have to lay off some of their employees and we all knows what happens when we have to do that. He said he understands the cost the City has and respects and understand, running a business, he knows what it costs to operate and the City runs like a business. He said if there was a graduated scale the more you use the less it may cost and if you were a high user have a discounted rate. He said at some of his other operations they have discounts based on payment i.e. if you pay the utilities within 10-20 days there is a substantial discount. He said if there was an incentive to allow the businesses in the City to pay on a timely manner he would like to see the officials look at this as a possibility.

No Councillors spoke.

HEARING ADJOURNED AT 6:38 P.M.

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Lynn A. Bouchard, City Clerk  
and Clerk of the City Council

SPECIAL MEETING OF THE CITY COUNCIL, JUNE 29, 2009

Meeting was called to order at 6:40 P.M.

Attendance was taken by a roll call vote: all members were present except Councillor Marchand.

A recess was called at 6:42 P.M. to hold a public forum and to have an informational meeting with the Mayor regarding the loan order.

Meeting reconvened at 8:46 P.M.

The following LOAN ORDER was read a second time, adopted as presented and passed to be ordained. Vt. 6 "yeas" and 2 "nays"; Councillor Rowlands and Dombrowski opposed.

CITY OF LEOMINSTER

LOAN ORDER

1<sup>st</sup> Reading: June 22, 2009

2<sup>nd</sup> Reading: June 29, 2009

BE IT ORDAINED: - that the sum of \$28,000,000 be and hereby is appropriated to pay costs of engineering, planning, designing, constructing and equipping wastewater treatment and related facilities in and for the City, including the payment of all costs incidental and related thereto; that to raise this appropriation, the Treasurer, with the approval of the Mayor, is authorized to borrow said amount under and pursuant to Chapter 44, Section 7(1) of the General Laws, as amended, or pursuant to any other enabling authority, and to issue and sell bonds or notes of the City therefor; provided, however, that not more than \$20,000,000 shall be borrowed pursuant to this Order unless and until the City shall have received either (i) a commitment from the Massachusetts Water Pollution Abatement Trust for a loan for this project in the amount of at least \$28,000,000 at an effective rate of zero percent, or (ii) a commitment of federal stimulus funds or any other grants, gifts or financial assistance for this project in the amount of at least \$8,000,000.

APPROVED: MAYOR

1<sup>st</sup> Reading: /s/ Dean J. Mazzearella, Mayor  
2<sup>nd</sup> Reading: /s/ Dean J. Mazzearella, Mayor

Date: June 23, 2009  
Date: June 30, 2009

MEETING ADJOURNED AT 9:18 P.M.

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Lynn A. Bouchard, City Clerk  
and Clerk of the City Council