

HEARING BEFORE THE CITY COUNCIL, SEPTEMBER 22, 2014

Hearing opened at 6:45 P.M. with Councillor Salvatelli, Chair of the FINANCE COMMITTEE, presiding.

All members were present.

Present at the hearing was Roger Brooks, Business Manager for the Leominster Water and Sewer.

The following LOAN ORDER was the subject of the hearing:

Relative to the appropriation of \$2,500,000.00 for the purpose of financing the construction of the following water pollution abatement facilities: 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 meet this appropriation the Treasurer with the approval of the Mayor is authorized to borrow \$2,500,000.00 and issue bonds or notes therefore under G.L. c.44 or any other enabling legislation, and/or Chapter 29C of the General Laws; that such bonds or notes shall be general obligations of the City unless the Treasurer with the approval of the Mayor determines that they should be issued as limited obligations and may be secured by local system revenues as defined in Section 1 of Chapter 29C; that the Treasurer with the approval of the Mayor is authorized to borrow all or a portion of such amount from the Massachusetts Clean Water Trust established pursuant to Chapter 29C and in connection therewith to enter into a financing agreement and/or security agreement with the Trust and otherwise to contract with the Trust and the Department of Environmental Protection with respect to such loan and for any federal or state aid available for the project or for the financing thereof; and that the Mayor is authorized to enter into a project regulatory agreement with the Department of Environmental Protection, to expend all funds available for the project and to take any other action necessary or convenient to carry out the project.

HEARING BEFORE THE CITY COUNCIL, SEPTEMBER 22, 2014, continued

Mr. Brooks passed out a copy of the "Leominster Water Pollution Control Facility/Bio-solids and Fall Brook Pump Station Upgrades" dated August 6, 2014 and water and sewer usage and revenue comparison for January 2011, 2012, 2013 and 2014 which is on file in the City Clerk's office.

Councillor Salvatelli asked if we are under obligation to fix the wastewater.

Mr. Brooks said you have to fix the plant and maintain it to meet the standards and this is all part of that.

Councillor Salvatelli said basically what happened was we weren't meeting the federal standards of the wastewater, right?

Mr. Brooks said that is the only permit we have is the federal standards which we operate under.

Councillor Salvatelli asked if they raised their standards.

Mr. Brooks said they changed their standards. They have a different phosphorus level. He said we just received the renewed permit. They change their standards every five years so it is an ongoing regulatory adjustment.

Councillor Salvatelli said Councillor Cormier had concerns about the financing of this project and how we are doing in both water and sewer.

Councillor Cormier said we know that these are all projections and based on usage and asked if his projections have been on target or are we looking at another rate increase?

Mr. Brooks said there is no rate increase attached to this. Consumption is down slightly and the revenues are off approximately \$157,000.00 in water and \$180,000.00 in wastewater, however, the original projection on the borrowing for the wastewater treatment plant was based on \$28M net and we received a \$2.3M grant on the wastewater so that adjustment which was stimulus funded came off the original appropriation that the Council made back when we did the \$20M. We never borrowed \$20M but we did borrow a little over \$17.5M so the debt service has been carried forward in the rate structure. We do not have to do anything with rates or capital adjustments.

Councillor Cormier asked if the shortages are being absorbed by the stimulus grant.

Mr. Brooks said the revenue is a stand alone but the need for a rate increase to cover this particular aspect of debt service was absorbed by that grant.

Councillor Cormier asked if he foresees any problems in the future in regard to revenues to fund all these projects and have another rate increase.

Mr. Brooks said it is a little preliminary to say that but he doesn't see it on the wastewater side. He said with wastewater they have been able to access grant status with the State and that has helped significantly. He said they have some additional upgrades that will have to be done. At the moment he would prefer to do them incrementally rather than in one bond that way they would be able to keep the rate structure stable. In looking at some of the bonding we have that is outstanding we have four wastewater loans that mature in 2019 so it would be his goal to try and balance that out until that time. He does think there may be some borrowing on the water side that we will have to deal with.

Mr. Brooks said one of the things in the new permit was the requirement to do some upgrades on the system that we have already done. Historically we have gone back and have done a GIS system. We have located all the manholes and did the separations so a lot of the work we did five and ten years ago is part of the permit which is work we don't have to do and submit a completed report based on our previous work and we are in really good shape on that. Going forward, the wastewater plant needs somewhere between \$4M and \$5M. The aeration system is probably the biggest on which will be \$3.5M - \$4M. There are twelve pumps down there which are 30 years old. He said he would like to do that on an incremental basis than borrow the whole \$4M. There are some subsidies from National Grid and there may be some other grant money we might be able to access. He does not see raising the rates in the foreseeable future.

Councillor Cormier asked if those were the only capital improvements he can see at this time.

Mr. Brooks said we are going to have some money that was carried over and you will see it when Free Cash comes back down, we got a rebate on some of our interest expense. We are going to put that into one time capital expenses to reline some of the pipes that go to the plant and that will give us roughly a mile in every direction of rehabilitated infrastructure.

Councillor Dombrowski asked Mr. Brooks what exactly is being done as far as the construction to the infrastructure.

Mr. Brooks said he attached the document, which was handed out, with the funding which states the work;

1. Installation of new grinders and screw pumps
2. Replacement of pumps at the Fallbrook Pump Station
3. Replacement of Waste Activated Sludge and Return Activated Sludge Pumps
4. Replacement of Blowers for the Aerated Grit Chamber
5. Replacement of the Cover on Sludge Storage Tank 2.

Councillor Dombrowski said these are a lot of things that have become antiquated.

Mr. Brooks said correct. Usually they are good for 20-25 years and we are into 30 years with a lot of these items and the biggest issue is difficulty getting parts.

Councillor Dombrowski asked if these are in the order of priority 1 through 5 or is there a different order of priority?

HEARING BEFORE THE CITY COUNCIL, SEPTEMBER 22, 2014, continued

Mr. Brooks said numbers 1, 2, 3 definitely have to be done right off but they all should be done. Number 5 is a safety hazard. He said you can prioritize it any way you want because they are all in need.

Councillor Dombrowski asked if this is something we are being told to do or is it something we are doing in the ordinary course of business.

Mr. Brooks said it is not the ordinary course of business but they are not telling us to do the Fallbrook Pump Station. If it failed we would have another Consent Order. It is good housekeeping and it is stuff we should be doing.

Councillor Dombrowski said so this isn't a situation that we have DEP overlooking any of this.

Mr. Brooks said they have to review every single thing we do down there. The process is EPA gives us the permit, we operate under EPA oversight, DEP coordinates with EPA and reviews all of the applications for upgrades and any kind of system changes, so it is reviews on an ongoing basis by DEP and then DEP and EPA get together and if there are regulatory issues then they are brought forward. But for normal maintenance like this, this is something a municipality has to do to maintain the facility just to operate properly. He said it is one thing to be regulatory when they change the rules and you are complying with the new rules but failure to maintain would be a bigger problem with them.

Councillor Feckley asked what the timeline was on this. Number 5 says it is not safe and must be replaced.

Mr. Brooks said we have already done bids. The \$2.5M reflects some of the bidding in where we are.

Councillor Freda asked Mr. Brooks how much grant money he has brought to the table in the years he has been doing this.

Mr. Brooks said he hasn't kept score. He said we have been fortunate. DEP has really stepped up and helped us out. He said he has had a good working relationship with them and they are there to help us. As much as they are there to implement regulatory oversight and make sure we do what we are suppose they have been very good to us helping to get either grant money or technical assistance.

No one in the audience spoke in favor or in opposition to the Loan Order.

HEARING ADJOURNED AT 7:06 P.M.

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

HEARING BEFORE THE CITY COUNCIL, SEPTEMBER 22, 2014

Hearing opened at 7:07 P.M. with Councillor Dombrowski, Chair of the LEGAL AFFAIRS COMMITTEE, presiding.

All members were present.

Hearing continued from August 25, 2014

The following PETITION was the subject of the hearing:

3-15 Leominster Planning Board and Peter Niall, Building Commissioner: Amend the Leominster Zoning Ordinance by adding "sales and service of all recreation vehicles and motor cycles" to Section 22-17, Underlying Districts Table of Uses and removing the word "vacant" from Article I, Section 22-10-1-1.

Councillor Dombrowski said this is for two modifications. The Planning Board recommended approval of both modifications at their meeting. The Zoning Board of Appeals recommended approval of the first change. They had somebody appearing before them so they felt there was a conflict to make any type of decision on the second change. Councillor Dombrowski said a letter was received from Kopelman & Paige dated August 27, 2014 which indicates that the amendments are valid and may be approved as is.

Councillor Bodanza said it is rather confusing because they are two different issues. One modification is a housekeeping matter which has very little significance and the other is a policy question. He said on the basis of that we should give this petition leave to withdraw and have it refiled as two separate petitions. Mr. Niall was agreeable to simply reword it to say that particular provision would be in compliance with Chapter 40A, Section 6 which makes it nice and clean and no question of anybody misconstruing any language. He doesn't believe there is any urgency to either of these.

Councillor Nickel agreed with giving it leave to withdraw and feels two petitions into one is not a good precedence. The use of 40A, Section 6 will streamline it.

Councillor Dombrowski said the Planning Director took our advice to heart because the recommendations are two separate recommendations.

HEARING BEFORE THE CITY COUNCIL, SEPTEMBER 22, 2014, continued

Councillor Freda said she will support the leave to withdraw to separate the two issues. Let's do it right.

Councillor Dombrowski asked the Clerk if they so resubmit the petitions will we have to re-advertise and pay more money to the newspaper and the Planning Board do the same?

The Clerk said yes.

Councillor Feckley said she did not attend the Planning Board meeting but watched it on television. She said she doesn't think that is what they are exactly talking about compared to the petition. She said she would like to hear again from the Planning Board. She thought they said "all motor vehicles". She said she talked to the Planning Board Chairperson after the fact and she is almost certain that is what he said as well.

No one in the audience spoke in favor or in opposition to this PETITION.

HEARING ADJOURNED AT 7:18 P.M.

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

REGULAR MEETING OF THE CITY COUNCIL, SEPTEMBER 22, 2014

Meeting was called to order at 7:30 P.M.

Attendance was taken by a roll call vote; all members were present.

The Committee on Records reported that the records through September 8, 2014 were examined and found to be in order. The records were accepted.

The following COMMUNICATION was received, referred to the CITY PROPERTY COMMITTEE, given REGULAR COURSE and referred to the Mayor and the Department of Public Works.

C-11 Dean J. Mazzarella, Mayor: Accept the transfer of the pump station to the City which is located at Kennedy Way.

The following PETITIONS were received, referred to the LEGAL AFFAIRS COMMITTEE, given REGULAR COURSE and referred to the Building Inspector, the Planning Board, Zoning Board of Appeals, the City Solicitor, the Health Director, and a letter sent to the District Attorney's office.

7-15 Wayne Nickel: Establish a city ordinance banning the sale of synthetic marijuana except for medical use.

8-15 Wayne Nickel: Establish a city ordinance banning the use of synthetic marijuana on city property

The following PETITION was received, referred to the LEGAL AFFAIRS COMMITTEE, given REGULAR COURSE and referred to the Traffic Division and the Department of Public Works.

9-15 Wayne Nickel: Place a stop sign at the western terminus of Lido Avenue at Sixth Street.

The following PETITION was received, referred to the PUBLIC SAFETY AND TRAFFIC COMMITTEE, given REGULAR COURSE and referred to the Traffic Division and the Department of Public Works.

10-15 Mark C. Bodanza: Install a blind driveway sign facing north for southbound traffic near the Leominster Sportsmen's Club at 1455 Elm Street.

The following APPOINTMENTS were received, referred to the WAYS & MEANS AND VETERANS AFFAIRS COMMITTEE and given REGULAR COURSE.

Cultural Commission – Daisy Casiano - term to expire 4/15/2017

Fire Department – Permanent Firefighters - Nicholas A. Caponi, Michael P. Crowley,
Dustin C. Randall, Eric L. Arsenault, Timothy R. Comeau

REGULAR MEETING OF THE CITY COUNCIL, SEPTEMBER 22, 2014, continued

Upon recommendation of the LEGAL AFFAIRS COMMITTEE, the following PETITION was given LEAVE TO WITHDRAW WITHOUT PREJUDICE. Vt. 8/1, Councillor Dombrowski opposed.

3-15 Leominster Planning Board and Peter Niall, Building Commissioner: Amend the Leominster Zoning Ordinance by adding “sales and service of all recreation vehicles and motor cycles” to Section 22-17, Underlying Districts Table of Uses and removing the word “vacant” from Article I, Section 22-10-1-1.

Upon recommendation of the PUBLIC SAFETY AND TRAFFIC COMMITTEE, the following PETITION was GRANTED. Vt. 9/0

6-15 James Lanciani, Jr. and Mark C. Bodanza: Install a street light on pole 28 located on Birchcroft Street.

Upon recommendation of the WAYS & MEANS AND VETERANS AFFAIRS COMMITTEE, the following APPOINTMENT was CONFIRMED. Vt. 9 “yeas”

Disability Commission – Dean Carlson – term to expire April 15, 2017

The following LOAN ORDER was read a second time, adopted as presented and passed to be ordained. Vt. 9 “yeas”

CITY OF LEOMINSTER

LOAN ORDER

1st READING: September 8, 2014

2nd READING: September 22, 2014

BE IT ORDERED: that the sum of \$2,500,000.00 for the purpose of financing the construction of the following water pollution abatement facilities: 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 meet this appropriation the Treasurer with the approval of the Mayor is authorized to borrow \$2,500,000.00 and issue bonds or notes therefore under G.L. c.44 or any other enabling legislation, and/or Chapter 29C of the General Laws; that such bonds or notes shall be general obligations of the City unless the Treasurer with the approval of the Mayor determines that they should be issued as limited obligations and may be secured by local system revenues as defined in Section 1 of Chapter 29C; that the Treasurer with the approval of the Mayor is authorized to borrow all or a portion of such amount from the Massachusetts Clean Water Trust established pursuant to Chapter 29C and in connection therewith to enter into a financing agreement and/or security agreement with the Trust and otherwise to contract with the Trust and the Department of Environmental Protection with respect to such loan and for any federal or state aid available for the project or for the financing thereof; and that the Mayor is authorized to enter into a project regulatory agreement with the Department of Environmental Protection, to expend all funds available for the project and to take any other action necessary or convenient to carry out the project.

APPROVED: - Mayor

1st Reading: /s/ Dean J. Mazzarella

Date: September 9, 2014

2nd Reading: /s/ Dean J. Mazzarella

Date: September 22, 2014

Councillor Salvatelli said he would like information on the School Committee contracts regarding terms, benefits and raises.

Councillor Bodanza said he was in contact with the Superintendent of Schools and he would like to come down to the Council on October 27, 2014. It was agreed that the School Committee would also be invited.

Councillor Nickel spoke on the loss of Nancy Person and a Moment of Silence was taken in her honor.

MEETING ADJOURNED AT 8:08 P.M.

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