

The Special Meeting of the Water Pollution Control Authority was called to order by Chairman Michael DeAngelis at 4:30 p.m. on Thursday, August 16, 2007 in Room 204 of Shelton City Hall, 54 Hill Street, Shelton, CT 06484.

The following Commissioners were in attendance to constitute a *quorum*:

Michael DeAngelis
Edwin Hellauer
Steve Morse
Bronislaw Piotrowski
Regis Dognin
Todd Dowty arrived at 4:15 p.m.

Absent were: Open (Matthew Gallo)
Anthony Presutto

Also attending were: Thomas Sym, Sewer Administrator
Phil Nizzardo - Birmingham Group, LLC
Kevin Farmer - Maguire Group

1. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

2. BENEFIT CONNECTION CHARGES BIRMINGHAM DEVELOPMENT

Commissioner Dognin said he is willing to consider the amount of usage that had been there prior to the acquisition by John Guedes of the facility. I think the 1800 employees is fiction and has not happened in twenty years. The previous years, I did not have good data, but my guess was there was something like fifteen businesses - there were artists and craftsmen in there and people with exhibits and just for a number I was going to guess there might be as many as fifty employees at the most. We would possibly work out a number using these figures.

Commissioner Dognin indicated he tried calling Jim Ryan's office (Economic Development) and I was told he was on vacation this week and that they had talked to Mike DeAngelis and said to contact Mr. Botti.

Commissioner DeAngelis said he never called me back.

Commissioner Dognin continued that the City is expending \$200 per foot x 1300 feet = \$1/4 million for the relief sewer that is required to handle what is going to be happening on Canal Street.

Commissioner Morse questioned if the first relief sewer will do it. If it does not do it, then we will have to extend all the way down Canal Street.

Mr. Sym said part of the City project is increasing the line on West Canal in front of Chromium back out past Farmers' Market Building and will be 24-inch line for that and that will help the flow and this new 24 inch relief all the way to the plant will help the flow as well. Getting this line cleaned out and removing the grit in the line will help with the flow and the contract that is out to bid should handle this.

Commissioner Morse said the report is needed on what changes are to support the rest of Canal Street. And if it comes up insufficient, then we have to go the rest of the way down Canal Street.

Commissioner Dognin continued - and finally, a lot of communities would be asking the developer to make a contribution to the infrastructure that is required by the project.

Commissioner Morse asked Mr. Novak who does the articles in the Huntington Herald if he did the Birmingham and he had not written any article on it. He had a directory of businesses back to 1964 and for 5 Bridge Street (the Birmingham) the first floor was a wire novelty Mfg. Co. and the second floor was Lerner's Knits and the third floor was Swim Fit Dress. The fourth and fifth floors were vacant. I tried to figure out how many employees were associated with each company and I figured about 100 employees total since I couldn't find any real figures. The plant came on line in 1966 - before that things were going into the river. This is a place to start.

Commissioner Dognin said we should look at what was going on the last ten years or so.

Mr. Phil Nizzardo from Birmingham Development LLC said we (the Nizzardo Brothers) looked at this building in 1985 and since then it has not been leased to its capacity. It was in the process of being sold since then so they kept the lease light. So, if you are trying to figure what is has been used for the past 20 years, I don't think that is really fair.

(Commissioner Dowty arrived - 4:15 p.m.)

Mr. Nizzardo asked if originally when this was connected, was there ever a sewer charge?

Mr. Sym said he is not sure if there was an assessment way back when. I don't have a record of it and I was not here then.

Mr. Nizzardo said we assumed that this was an existing building and was already connected and whatever fee there was, we would be grand fathered. \$180K is an expense when we had planned on \$0. Secondly, we feel that we took a building that was pretty much in disrepair and there were environmental problems which we cleaned all up, and now we are turning it into a project that will collect a lot of property taxes for the City and we never asked for any property tax abatements or anything and now we are getting hit with this at the zero hour. When we went for the allocation, nothing was mentioned about the sewer connection charge.

Commissioner DeAngelis said it is mentioned on your application and it says "*to be determined*" as we were in the middle of the process of reviewing the benefit connection charges. Item number E - Operating Principles - *sewer connection charges are not required where a previous connections once existed on a similar improvement on a parcel*. The interpretation of *similar* rests upon the WPCA. That will be the hard part. We have to decide on the interpretation of *similar*.

Commissioner Hellauer said we have a dilemma with the sewer system down there and the future that is going to come and if there is enough capacity and we all know we have a problem with the Chromium Process right now and when there is a huge storm they get flooded in their basement and we need to pay for this relief sewer that we are going to install to take care of some of that problem, hopefully and it all costs money. Commissioner Dognin made a comment earlier that many times builders and developers are asked to participate.

Mr. Nizzardo said he understands that. We are trying to say we took an existing building that was kind of an eye sore and upgraded it.

Mr. Sym asked Mr. Nizzardo if there was an agreement with the City as to providing any utilities - I know they did a lot of relocating underground.

Mr. Nizzardo said Mr. Guedes would have been more involved in that than me - but I don't recall that. I know they are going to put utilities underground - the City sponsors that by Spongex.

Mr. Sym said the sewer was not put in as part of that and perhaps should have been.

Commissioner DeAngelis said with BIC on Research - they never came in for a benefit connection charge - because they are connected?

Mr. Sym said they made no application. When the building was put up it was ITT.

Commissioner DeAngelis said we would consider the BIC and what was before similar and no charge.

The new gas station at exit 14 - we consider it to be similar. The Webster Bank downtown was CT National and is similar. Lauretti's restaurant to D'Amicis is still a restaurant and is similar. So, we have to decide is this similar use or is it similar improvement on a parcel?

Commissioner Dognin said taking a building with 40-50 employees and putting in 103 families - it was not residential before and now it is residential. There are no similarities. There was some usage but it was minor.

Mr. Sym asked how many feet does your property extend up Canal Street?

Mr. Nizzardo said 100 feet.

Mr. Sym said if you were to replace that entire sewer line in front of your building and upgrade it - you are looking at a number like \$300 a foot - so that is \$30,000.

Mr. Farmer from Maguire Group said the benefit connection charge that you developed and have written - the intent of that is to fairly allocate the burden of capital investment both past and the anticipated future to people who have been benefiting from it for some time; existing sewer users and tax payers and people who might come in and introduce additional flow to your system - that additional flow represents some percentage of all the flow coming into your system and theoretically, that additional flow should pay its fair share. Growth should pay for growth of what you have invested in your community for your system. So, I am not sure it is just the road frontage but rather it is valuing the system as something - \$40 million dollars - and then a proportioning that value among the users and you went through some math of one bedroom equals so many dollars and so on. The logic you came up with over the six months, was sound and so the question is what do you want to assign for what was anticipated from that building as designs and construction projects were done over time. I think Commissioner Morse was barking up the right tree. That building was in use in the 1960's and went to the river and then was connected to the interceptor - so the thinking of the 1960's of the overall flow was going to the treatment plant is the thinking you should be using.

Mr. Sym said that when Maguire analyzed this back in the 1980's, this was probably considered so much for square footage for industrial area as it was an industrial zone - so how many square feet of industrial properties are there?

Mr. Farmer said we did not break it down by numbers. If you knew the water usage numbers, those numbers would be helpful.

Commissioner Morse said he did contact Aquarian and they were most helpful. Their computerized records go back to 2000 - so they could tell me what was used in your building which was 5 cu ft.

Mr. Nizzardo said the building was trying to be sold so they kept the tenants light.

Commissioner DeAngelis said that is only an assumption and does not hold water.

Commissioner Dognin said that 1800 number is fiction.

Mr. Sym said the connection is an 8-inch pipe (sewer line).

Commissioner DeAngelis said the peak flow is 30,000 gallons per day.

Commissioner Dognin said they (Birmingham) feel we should provide a benefit or break for them because they are developing the building - then may be they should consider the fact that we need a break because we are developing a \$1/4 million dollar investment increase based on that street being developed and we don't know if this is even the end of it. We should seriously consider them making a contribution.

Mr. Sym said the entire flow goes in front of their property. In the event that that needs to be replaced with a new relief sewer - it is going to be another bond issue - another city project sponsored by the City - it is not going to be individually paid for by whomever is moving in - it will be an upgrade to the entire system. The whole line to the plant was never sized properly.

Mr. Farmer said the whole system is what you are trying to fairly proportion capital costs. You have to guess-estimate what the building was planned for.

Mr. Nizzardo said you mentioned 103 families in the building. 76 are pre-sold and are all singles - married and no children. The second bedrooms are computer rooms or an office. We are saying that if that building were sold and used as a similar operation of what was there as manufacturing - they would not get charged a sewer connection fee and I guess the question is somewhere in-between 200 and 1800.

Commissioner Morse said in 1964-1965 I say 100 people and this would be a consideration.

Commissioner Dowty said it even could have been warehouse space with no employees.

Commissioner Dognin said going back to 1965 is totally irrelevant. We need to look within the last ten years.

Mr. Sym said you are dealing with heavy industrial zone of which is this is the only game in town. There is no other heavy industrial zone. Warehouse property would be cheaper somewhere else.

Commissioner DeAngelis said we have to take an average of what it was in 2000 and cannot speculate what it might have been - and figure out the number of gallons.

Commissioner Morse said it 20 cu ft for the year per the hydraulic company.

Mr. Nizzardo said that would make sense, as there was no one in there.

Commissioner Dognin asked how does that translate into us giving you a break?

Mr. Sym asked should we consider what the agreement is with the City regarding utilities (sewers).

Commissioner Dognin said there must not have been any or the WPCA would have been aware of it.

Mr. Sym said he is not sure of that.

Somewhere it must be shown where the utilities are considered.

Mr. Nizzardo said Mr. Guedes would know.

Commissioner Dognin said we are willing to give a small percentage of the total and be done with it.

Commissioner DeAngelis said we have to be careful to be consistent.

Commissioner Morse said lets look at this through the EDU standpoint. Figure out what was happening at some point in time and agree on some flow and create that into EDU's and that would be the credit. 100 employees x 25 gpd. Perhaps I can check the Suburban News for another source.

Mr. Nizzardo said there is 180,000 sq ft per floor - forget the basement, you only count the five floors above ground. In 1965 it all went into the river.

Commissioner Hellauer said lets look at a percentage discount and go on with it.

Commissioner Dognin suggests a 15% deduction.

Mr. Sym said I am giving you 400 employees.

Commissioner DeAngelis said I would vote that down (the 15% deduction) because you cannot support it and there will be more buildings.

Commissioner Dowty said perhaps we should establish a base credit no matter what the project is which is applicable to everybody.

Mr. Sym said you are on a pre-existing sewer line and buying a pre-existing building and there is a change of use so a 50% credit.

Commissioner Dognin said that is crazy.

Commissioner Morse said that is too much.

Commissioner Hellauer said this was never set on what we were going to charge. We are not going to hash over every application that comes in here now because it had a pre-existing use.

Commissioner Morse said yes we are. Everyone has a different scenario and has to be reviewed.

Commissioner Morse said let's use a round number like 100 - because we will be doing the asphalt plant soon and they had 100 employees.

Commissioner Hellauer said "never". Everyone agreed "never".

Mr. Sym suggested a 50% reduction.

Commissioner Dognin suggested a 15% reduction.

Commissioner DeAngelis suggested a 0% reduction.

There was discussion of using 80 or 100 employees as a base.

Mr. Sym asked how much bigger is this building than Rolfite?

Mr. Farmer said I don't believe 1800 occupants ever happened in that building. 200-300 people is a reasonable number/use when it was in a factory mode. The 1960's is when they planned the sewer line, interceptor. So, whatever it was in the 1960's matters. So, pick a number that seems reasonable and let the developer challenge it if they can find documentation that there were more people there.

Commissioner Morse said lets take 100 employees for each of the three companies = $100 \times 3 = 300$.

Mr. Farmer said $300 \times 25 \text{ gpd} = 7500$ gallons and would be a 25% discount of what Joe Pereira showed on his paper. (This would have been a factory without showers).

7500 gallons per day divided by $30,000$ gpd average flow = 25%

Commissioner Dognin said to go back to 1965 is irrelevant - we are dealing with a building which has been empty for the last fifteen years except for a handful of people.

Mr. Farmer said to pick a number that would not be challenged.

Commissioner Dognin said we need to consider what was in the building not what can be in the building - the pre-existing flows.

Mr. Nizzardo asked if we are not being penalized for the usage of a building that was under utilized for years? What incentive are you providing for people to come in and take old buildings and rehab them?

Commissioner Dognin said it is not our job to be giving incentives - the City is maybe going to do that....

Commissioner DeAngelis said that is out of our hands - I do support what you are doing here and the next project will probably be you again.

Commissioner Dognin asked where is the contribution from developers to the sewer infrastructure improvements we have to make. We are going to spend a quarter of a million dollars.

Mr. Nizzardo said there has to be something in the middle obviously.

Commissioner DeAngelis said the taxes you will pay goes to everyone else but we do not get any of that money - we have to go to the state to get any monies.

Tape 1 Side B 4:45 p.m.

Mr. Nizzardo said you have us between a rock and a hard-place. Seventy-six people are about to move in.

Commissioner DeAngelis said he is willing to go back to 1965.

Commissioner Morse said that is a total of 100 employees and add rainwater on top of that.

Commissioner Dognin said that is not relevant anyway as they have to take that out anyway.

Commissioner Morse said in 1965, a fair number would be 300 employees \times 25 gpd per employee without showers = 7500 gallons divided by $30,000$ discharge = 25%. (36 full units).

Commissioner Dowty said he wants to determine a percentage number, like 25%. 200-300 employees.

Mr. Sym said 400 employees - 100 people per floor. (4 floors \times 100 people)

I am going back to what it could be two years ago with industrial.

Commissioner Hellauer said he like the 25% rationale.

Commissioner Piotrowski said there never was 300 people - may be a 100 people.

Commissioner Dognin said he would go with the 100 people x 25 divided by 30,000 = 8%.

Commissioner DeAngelis said he is going with 300 people and agrees with Commissioner Morse = 25%.

Mr. Sym said to go back and base the units on what 210 gallons per day per benefit connections are being called for three bedrooms - 36 full units. You are talking gallons per day per unit.

Motion: A motion was made by Commissioner Morse and seconded by Commissioner Hellauer to use 300 employees or 7500 gpd discharge as a baseline credit for the Birmingham. A voice vote was taken:

In favor: Commissioners Morse, Dowty, and Hellauer
Against: Commissioners Piotrowski, Dognin, and DeAngelis

Motion fails.

Commissioner Piotrowski said we cannot give it away.

Commissioner Dognin said they will come back again and ask us to give them a break on the next building and then the next building, etc. We are supposed to pay for past and future investments and they are not proposing to contribute.

Mr. Sym said they have paid \$60K in the Revolving Sewer Account already.

Commissioner Hellauer said this should not be precedent setting because it is a one-time deal.

Commissioner Dognin said the asphalt plant will be coming up next week.

Commissioner Morse said I have documentation of 100 employees in 1964.

Commissioner Dognin says going back to 1964-65 is going back too far.

Motion: A motion was made by Commissioner Dognin and seconded by Commissioner Piotrowski to use 100 employees at 7500 gpd discharge. A voice vote was taken:

In favor: Commissioners DeAngelis, Piotrowski, Dognin, Morse.
Against: Commissioners Dowty and Hellauer.

Motion carries 4-2.

There was discussion of this as a one-time deal and from now on, applicants pay what the going rate is or are we going to analyze every application.

Commissioner DeAngelis said there are no "to be determined" on the asphalt plant or Brennan's Building - lets give Birmingham a one time deal.

Insert my page "based on 100 employees" etc page wit correction

Mr. Sym said you can pay however you want; by floor or whatever, as long as it is all paid at the end.

4. REVIEW BID EVALUATIONS PHASE I GENERAL CONTRACTOR

Tonight at 6:30 p.m. is the bid opening. Kevin Farmer will be there. Bob Wilcox, the acting Purchasing Agent, resigned at noon today.

Mr. Farmer handed out the revised version from last meeting and it provides history.

This is the Relief Sewer Design work totaling \$39,000 and money is from Revolving Sewer Account.

On page three, the Appendix A - Scope of Work is all new and has four paragraphs and is the description of the previous work, Amendment 1 and Amendment 2.

Commissioner Morse said he likes it - nice work.

Commissioner DeAngelis said it reads better.

Page 6 has new information under Schedule of Fees - it shows some history.

Motion: A motion was made by Commissioner Piotrowski and seconded by Commissioner Hellauer to approve Maguire Group, Inc., Amendment #3 for relief sewer design work for 1300 feet. This was never included in the Bond Referendum for a total of \$39,000. Monies to come from the Revolving Sewer Account and to authorize Chairman Michael DeAngelis to sign the contract. All were in favor. Motion carried unanimously.

Mr. Farmer will change the title from Amendment #3 to Special WPCA Agreement since it comes out of the WPCA budget. And Mike DeAngelis is to sign, not the Board of Aldermen. Keep this with the study.

Tape 2 Side A 5:30 p.m.

5. ROOF FOR PUMP STATIONS

Kovacs prepared a Scope of Work and Pricing in reference to re-roofing the Beard Sawmill and Bridgeport Avenue Pump Stations. The total proposed price for the two roofs is \$66,801.00.

Each building is 1,000 sq ft or 30x30 at \$11 a sq ft.

Mr. Sym feels this is high and we need another quote.

Commissioner Hellauer said we should get other quotes.

Mr. Sym suggests that DTC draw up specs and put it out to bid.

Motion: A motion was made by Commissioner Dognin and seconded by Commissioner Piotrowski to ask DTC to prepare a bid spec for the two roof replacements separate from their contract in order to go out to bid. Monies for this spec work would come from the Revolving Sewer Account. All were in favor. Motion carried unanimously.

6. ADJOURNMENT

There being no further business to conduct this evening,

Motion: A motion was made by Commissioner Hellauer and seconded by Commissioner Dognin to adjourn. All were in favor. Motion carried unanimously.

The meeting adjourned at 5:45 p.m.

Respectfully submitted,

Linda M. Hooper
Clerk

2 Tapes on file with the City/Town Clerk

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