

JOINT FINANCE COMMITTEE AND BOARD OF SELECTMEN MEETING

July 10, 2013

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Meeting Date: July 10, 2013

Called to Order: 6:01 PM

Location: 1 Avenue A, Turners Falls MA

Finance Committee Members Present: John Hanold, Lynn Reynolds, Sharon Kennaugh, Michael Naughton and Greg Garrison

Selectmen Present: Christopher Boutwell, Michael Nelson and Mark Fairbrother

Others Present: Town Administrator Frank Abbondanzio, Water Pollution Control Facility Superintendent Robert Trombley, Town Accountant Carolyn Olsen, prospective member Lisa Adams, and Jeanne Golrick

Minutes

Finance Committee Moved:

To approve the minutes of June 19, 2013.

Vote: 3 In Favor 0 Opposed 2 Abstained

Reserve Fund Transfers - None

MGL Chapter 44 Section 33B Transfers

The Water Pollution Control Facility (WPCF) operating budget (Department 440) needs additional appropriations to pay bills incurred through the end of June. There is insufficient funding available to pay for all of the outstanding bills, so the May and June bills from the Franklin County Solid Waste Management District will go unpaid, and will be on the warrant for the next Special Town Meeting as prior year unpaid bills.

MGL Chapter 44 Section 33B allows transfers of appropriations between departments at the end of the fiscal year with the approval of both the Board of Selectmen and Finance Committee. These transfers are limited to 3% of the operating budget or \$5,000, whichever is greater. There is \$24,185 available from other appropriations within the WPCF Enterprise fund that can be transferred within the statutory limitations.

Mr. Trombley gave a brief overview of some of the causes of the over-expenditures.

- There was an unexpected sharp increase in electricity rates for 2 months.
- A lot of testing at the plant has provided increased revenues, but the costs were higher than anticipated, particularly electricity.
- Much of the experimentation has to do with reducing the amount of solid waste needing to be transported, and therefore the solid waste costs. The potential is that the solid waste disposal costs could be cut in half.

Selectmen Moved:

To transfer \$11,142 from WPCF Debt Short Term Interest (661-5-710-5925) to WPCF Electricity/Plant (661-5-440-5211-000).

Vote: 3 In Favor 0 Opposed 0 Abstained

Finance Committee Moved:

To transfer \$11,142 from WPCF Debt Short Term Interest (661-5-710-5925) to WPCF Electricity/Plant (661-5-440-5211-000).

Vote: 5 In Favor 0 Opposed 0 Abstained

Selectmen Moved:

To transfer \$3,043 from WPCF Benefits Health Insurance (661-5-910-5174) to WPCF Electricity/Plant (661-5-440-5211-000).

Vote: 3 In Favor 0 Opposed 0 Abstained

Finance Committee Moved:

To transfer \$3,043 from WPCF Benefits Health Insurance (661-5-910-5174) to WPCF Electricity/Plant (661-5-440-5211-000).

Vote: 5 In Favor 0 Opposed 0 Abstained

Finance Committee Moved:

To transfer \$5,000 from WPCF DPW Subsidiary Wages Full Time (661-5-449-5112) to WPCF Electricity/Plant (661-5-440-5211-000).

Vote: 5 In Favor 0 Opposed 0 Abstained

Selectmen Moved:

To transfer \$5,000 from WPCF DPW Subsidiary Wages Full Time (661-5-449-5112) to WPCF Electricity/Plant (661-5-440-5211-000).

Vote: 3 In Favor 0 Opposed 0 Abstained

Finance Committee Moved:

To transfer \$5,000 from WPCF DPW Subsidiary Capital Outlay (661-5-449-5800) to WPCF Electricity/Plant (661-5-440-5211-000).

Vote: 5 In Favor 0 Opposed 0 Abstained

Selectmen Moved:

To transfer \$5,000 from WPCF DPW Subsidiary Capital Outlay (661-5-449-5800) to WPCF Electricity/Plant (661-5-440-5211-000).

Vote: 3 In Favor 0 Opposed 0 Abstained

Update on Sewer Emergency and costs

Mr. Abbondanzio provided a brief update on the Sewer Emergency.

- Most importantly, permission has been received from the Department of Revenue to increase the previously approved authorization to spend in excess of appropriation from \$500,000 to \$2,000,000.
- When fixing the original problem, the town encountered major problems when it attempted to connect the new sewer line to the existing lines on Industrial Boulevard. These problems included survey discrepancies which caused the new line to be at the wrong elevation (at Industrial Boulevard), and the discovery that the existing asbestos sewer line on industrial Boulevard was seriously

deteriorated. These problems are preventing the town from hooking the Industrial Boulevard sewer line into the new sewer line on Millers Falls Road. The current estimated cost to adjust for the errors encountered in the original work on Millers Falls Road and the continued need to provide for emergency by-pass pumping of sewage until a permanent connection of the two lines can be installed will be approximately \$200,000

- Additionally, attempts to make that connection have resulted in breaks in the Industrial Boulevard sewer line and the resulting underground seepage of sewage has caused the road to cave in and threaten the integrity of both the road and the sewer line itself. This latest emergency occurred at 5:00 p.m. on July 8, 2013, when a “sink hole” developed on the Industrial Boulevard. The concern is that additional portions of the road will be undermined if the underlying sewer line is not replaced. This has created a serious public safety problem on a road which serves as the main access to the town’s industrial park and the Franklin County Technical School. The town’s only option seems to be the replacement of the degraded asbestos line on Industrial Boulevard. At a minimum the town must immediately replace about 255 feet of sewer line (up to the first manhole on Industrial Boulevard) at a cost of \$300,000. Included in this cost is the engineering required to evaluate the extent of additional replacement work needed. The town anticipates having to replace up to 1,000 feet of additional sewer line. This work will cost an additional \$1,000,000.
- Ms. Golrick requested that any article on the Special Town Meeting warrant concerning sewer repairs be supported by a description of the alternatives considered, and the basis for any recommendation. There was agreement on the principle of informed decisions, as well as discussion of the practicality and respective roles of the Selectboard and Finance Committee.

Next Meeting

August 7, 2013

Future Items

- August - Create a list of information to be requested from the GMRSD as part of the budget process (Mr. Naughton)
- Update on WPCF future capital costs and proposed funding (Mr. Abbondanzio)
- Interpret sections of the Compact that currently have different interpretations (Mr. Naughton)
- Determine what town-wide IT coordination changes would be reasonable and useful (Mr. Naughton)

Meeting Adjourned at 6:55 PM

List of Documents and Exhibits

- Minutes June 19, 2013
- Copy of e-mail from Town Administrator to DOR requesting additional authorization to over-expend appropriations under MGL Chapter 44 Section 31