

Town Council Meeting
September 10, 2015

TOWN COUNCIL MEETING – 7:30 P.M.

Present: Vice-President Carlson, Councilman McGee, Councilwoman Duxbury, President Shibley, Councilman Laboissonniere, Town Manager Thomas Hoover, Town Solicitor Nicholas Gorham.

Pledge of Allegiance
Review of Emergency Evacuation Plan

PUBLIC COMMENT

There was no participation in Public Comment this evening

PUBLIC HEARING

1. Amending the Town of Coventry Sewer Ordinance

A motion was made by Councilman Laboissonniere seconded by Councilwoman Carlson to open public hearing. All voted aye.

Manager Hoover advised that Bob Thibeault, Finance Director and Glen Skurka, Chairman of the Sewer Subcommittee, could not be in attendance this evening. Mr. Hoover gave background information in that sewer projects had been moving along for a few years, and we accomplished 6 or 7 projects. The next scheduled project was actually the Quidnick area of town. However, it turned out that our ordinance, at that time, included an assessment of \$12,900 for a residence, having been raised from \$6,600 in 2008. When the cost of the project in Quidnick was calculated out, and considering all the ledge in that area of town and the blasting that would need to be done, each homeowner would have had to pay about \$21,000. Admittedly, the Quidnick area is the least economically advantaged area of the town, with a lot of rental property and this just was not affordable.

At that point, the Town Council basically stopped the sewer program and wanted to take a look at assessment rates and user fees. In the meantime the US EDA allowed us a grant of over \$2 million. As a result of the grant, we spent a couple of years building the project on Route 117 up to Industrial Drive in order to enhance economic development. The Sewer Subcommittee continued to work on a new ordinance. Even though the Route 117 line was put in for industrial and commercial use, it can be used by residential properties with a 20 year loan at 6% available.

Tonight's proposed ordinance was formulated by the Sewer Ordinance Committee with Chairman Glen Skurka, legal counsel Veronica Assalone, the Tax Collector, Tax Assessor, Mr. Joe Spada, and Mr. Bill Hall. That committee went on for a couple of years and ultimately came up with the recommendation before you. This has already been through the Sewer Subcommittee, with both Councilmen McGee and Laboissonniere sitting on that committee. They are probably a little more familiar with the proposed ordinance.

Without Mr. Skurka in attendance this evening, Tax Collector Monique Houle will give you a presentation on the ordinance. If the ordinance is adopted, there will be a resolution setting the rates on Projects 7 and 7A. (See Entire Sewer Ordinance revision/presentation filed in Council folder.)

With this particular project it was deemed that residences should not have to pay assessments until after they tie in, and then a 20 year loan period at 6 percent is available. Until a year or two ago, it was 8%.

Tax Collector Monique Houle gave a presentation on the ordinance, stating the purpose of the proposed ordinance was to provide a fair and measurable method of assessing for sewer users. It eliminates conflicts within the current ordinance and reduces and eliminates future sewer appeals and litigation. Originally all residents were assessed at \$12,900, no matter how many bedrooms were involved. It was a flat rate. This method should not be utilized unless all residential properties are identical.

The new ordinance is based on design flow, which method is consistent and is applied to

each particular property and its' use. It is measurable, relating to the collection system and the treatment system in the form of gallons per day. Assessments are based on design flow and consistently measure the individual contribution. Currently, a three bedroom unit will be assessed the same as a one bedroom unit, at \$12,900. The proposed ordinance, for example, will assess a three family home, with a total of three bedrooms, the same as a single family home with three bedrooms.

She spoke about acceptable residential GPA rates at \$40.00 - \$80.00; non-residential rates \$65.00 - \$95.00, all based on design flow. (Charts were included in presentation showing current assessments). The ordinance provides for flow based non-residential assessments also being consistent, measurable and fair.

The ordinance requires minimum assessments for residential (based on two bedrooms) and minimum non-residential at 200 GPD at the non-residential rate.

Manager Hoover advised that Mr. Sprague checked with other towns on their sewer assessments and the Coventry rate is still slightly below state average. Back in the 70's federal money/grants were available, but because Coventry did not take advantage of the funding, we are pretty much on our own with this.

He went on to talk about the cost of replacing a failed septic system with a possible cost of up to \$20,000. At this point in time, the Department of Environmental Management will require you to tie in to sewers if they are available to you. The Quidnick area has many cesspools, so we ultimately have to get that project done. We also purchased the private line on Route 3 in the last couple of years, which presents presents an opportunity to extend that sewer to the town limits on Route 3. There are opportunities in the future and we have to keep the sewer enterprise fund healthy. If needed, the general fund could subsidize the enterprise fund, but the reverse is not true, the general fund cannot be subsidized with the enterprise fund. We do have a balance in the sewer fund, but it gets a little lower each year and we need to make some changes.

Councilman McGee believes this is a fair ordinance. As a member of the Sewer Subcommittee he knows that a lot of work went into this ordinance and it is a fair ordinance. The fund is low because of the way we were assessing.

President Shibley spoke about the rate increase from \$6,600 to \$12,900. It is not easy, and very challenging, but it is necessary that the rates are adjusted. The top experts in our town have come up with this new proposal to make assessments fair and measurable and I am all for it.

Councilman Laboissonniere added that he thinks many of our problems arose from disagreements with Amgen, as Amgen was supposed to pick up a lot more of this project than they did. However, both Councilmen Laboissonniere and McGee agree that Glen Skurka did an amazing job with the new ordinance.

Solicitor Gorham suggested that on Page 10, Section 5.1 (3B) the word "acceptable" should be added in the second sentence, to read, *"If such pumping facilities are not considered acceptable by the town, the developer may install a pumping facility, such that the ultimate ownership and operational maintenance responsibilities of such a facility remain the responsibility of the developer/property owner....."*

Manager Hoover added that although the sewerage treatment plant is located in West Warwick, it serves other communities such as Warwick, Coventry and East Greenwich; Coventry's usage is something like 24%. Through the Tax Collector's office, we are the sole collector of fees and issue a check quarterly to West Warwick.

Councilwoman Carlson asked whether we require commercial users to tie in on Project 7. Manager Hoover replied that we do require commercial users, but not residential, only if they want to at this time. Again, there is a 20 year, 6% loan available to them. He explained that this is a force main sewer and a pump is required, it is not gravity controlled. Every tie in needs a pump installed and the deal is that the town has to give a credit for the pump.

She asked whether we know the cost to tie in and Councilman McGee thinks between \$6,000 and \$10,000, more expensive for commercial.

Ms. Houle advised that the town credits \$9,000 for a commercial pump and \$5,000 for residential.

Councilman McGee explained the use of laterals so that streets don't have to be dug up whenever there is a tie in.

Solicitor Gorham advised that through the enabling act, the town is authorized to assess vacant lands and this ordinance provides for that assessment. He referred to Page 26 of the proposed ordinance, Section 14.4 (c). *Vacant land shall be assessed and subject to the minimum assessments indicated in this Section. The Town Council may defer assessment charges for vacant land that is restricted and considered undevelopable if supporting documentation is submitted proving such restriction and that assessment charges be paid when such property is available for development, and provided a municipal lien be placed upon the property at the time of initial assessment for the initial assessment amount.*

He wanted Council to be aware that this is something that is very different from what was being done before and is also something that your constituents will be asking about, especially if they have vacant land next to a sewer line. We can assess a vacant, buildable lot, but it has to have the sewer available. Mrs. Carlson asked about the abandoned gas station at Tiogue Avenue and Arnold Road. Solicitor Gorham replied that is not vacant land and is currently assessed. Land has to be totally vacant land with nothing on it. If you vote for this ordinance, it will allow the Town to assess vacant land.

Vice-President Carlson asked how we currently assess vacant land and Tax Collector Houle responded that at the moment we are not assessing. When the property is developed, it will get a betterment assessment, which could actually be less. (Betterment assessments are explained in full in section 14.7) Mrs. Carlson asked for clarification that vacant land would be assessed as 2 bedroom with a betterment assessment when it is built on. Mrs. Houle agrees.

Further discussion took place where, for example, if you can't afford to develop your commercial property, and it is not producing any income, if it would now be assessed for sewers, even though you're not going to build on it. Solicitor Gorham replied that vacant property is subject to the minimum assessment.

Councilwoman Duxbury asked whether people would be required to tie in if we completed another project and Councilman McGee replied that they would be required to pay an assessment, but not required to tie in. However, if you apply for a permit to fix or repair a septic system, DEM will not approve it if there is a sewer line running in front of your house.

Manager Hoover explained that Project 7 didn't work that way because a good part of the money was government grant money and we didn't think it was fair to make residences tie in. The project was built to serve commercial/industrial and just happens to pass by residential properties. Ms. Duxbury asked if Boston Scientific was aware of the amount of the bill they are going to receive, as Ms. Houle estimated it at \$480,000. She doesn't want to drive businesses out of town or give them surprises with a big bill. Manager Hoover responded that Boston Scientific was a driving force behind this sewer line, as they have had to truck out all of their water. They will save somewhere else, for example the savings on not having to truck out the water. Ms. Houle gave examples, that the majority of the businesses will pay less, such as Seascope, Seaside Casual, Pearl Insurance.

Ms. Carlson asked about a beauty shop, located on Route 117, that cannot tie in because they are not allowed to dump into the sewers, yet still has to pay the assessment. Manager Hoover said if that is the case, it would be under the control of either DEM or the Town of West Warwick.

A motion was made by Councilman Laboissonniere seconded by Councilman McGee to close public hearing. All voted Aye.

A motion was made by Councilman McGee seconded by Councilman Laboissonniere to approve the new sewer ordinance with the suggested word change to include "acceptable" on Page 10 Paragraph 3B. All voted aye.

RESOLUTION

1. Discussion and resulting action regarding the recommendation of the Coventry Sewer Subcommittee on use charges and assessments for Contract 7 and 7A based upon a unit rate per gallon of daily design flow

Mrs. Houle explained that currently we are at \$4.15 and we have to go to \$4.50. The regional rate was raised, not just for Coventry. We do not get a discount, but are meeting with West Warwick next Friday to discuss these things. Councilman McGee feels that because this is a regional plant, Coventry should have more say as to the rates and why they go up. Our concerns will be discussed next week.

A motion was made by Councilman Laboissonniere seconded by Councilman McGee to approve resolution. All voted aye.

A motion was made by Councilman Laboissonniere seconded by Councilwoman Duxbury to adjourn meeting. All voted aye.

Town Clerk