

SPECIAL FINANCIAL MEETING
NEW SHOREHAM SEWER DISTRICT
March 25, 2008 Minutes

Present were Sewer Commission members Ann Cunningham, Frank Leslie, Steve McQueeny, Cliff McGinnes, Rally Migliaccio, Howie Rice, Don Thimble and District Clerk Janet Ziegler.

Also present were Public Works Director Nancy Dodge, Finance Director Amy Lewis, Superintendents Ray Boucher and Dave Simmons, Counsel Elliot Taubman and Canvasser Bonny Ryan.

Chair C. McGinnes called the meeting to order at 4:07 PM.

The New Shoreham Sewer District's proposal to expend reserves was posted on March 4 for public review at three town locations and copies were available at the Town Hall, Island Free Library and Sewer District's Office during regular business hours. Notice of the Special Financial Meeting and Eligibility of Voters was posted on February 22, 2008 and published in the weekly issue of the Block Island Times newspaper on March 8, 15 and 22. The canvass of New Shoreham's registered voters as of February 23, 2008 was posted at three town locations.

Attorney E. Taubman announced that ten (10) electors would make a quorum for the Sewer District; B. Ryan canvassed the public as they arrived. The Sewer Balance Sheet as of February 29, 2008 was available to the public.

B. Ryan reported that twenty-one (21) electors of the New Shoreham Sewer District registered at the meeting.

MOTION: by A. Cunningham to authorize the expenditure of \$75,000 by the New Shoreham Sewer District for construction of two affordable apartments above the service building, such funds to come from reserves. The motion was seconded, a quorum was present. The motion was opened for discussion.

A. Lewis reported that cash on hand was just over \$350K; net assets as of June 30, 2007 were ~\$4.4 million.

To questions asked about the affordable apartments the Commission clarified several points: The apartments are to be located on the second floor of the service building (the ground floor is used to store work trucks and miscellaneous equipment). The building is completely separate from the plant treatment operations. All Town approvals have been obtained and the second floor area meets minimum-housing requirements. The Building Permit was issued after the Town's Zoning Board approved the Application for apartments in 2006.

The apartments are one-bedroom units, would not be appropriate for families with children, but are being built to house Commission employees (who staff both water and sewer plants) or Town employees. The Commission stated that there was a high priority to maintain staffing levels at both plants and to be able to provide affordable apartments; revenue would be received from rentals. All utilities will be included in the rentals. Sewer's and Water's contribution of \$75K each, a total of \$150K, is a firm price to totally complete both units; bids were obtained last year and reaffirmed just recently. Framing of the apartments was completed in FY 2007.

The Sewer Superintendent gave a brief history of the wastewater treatment infrastructure. The plant was built over 40 years ago and the operating goal is to replace critical sections before there is catastrophic need. Most of the collection system has already been updated and the plant processes are being improved with more efficient equipment. A large part of the costs for the plant's treatment and collection upgrades are paid through USDA grants/loans. The apartments are in anticipation of future operational needs of year-round personnel.

To a question whether rates would be increased, H. Rice responded that no increase was anticipated this year; the Commission has been using reserves as revenues to balance the annual budget and avoid changes to user fees.

C. McGinnes called for a vote on the motion. The Sewer District electors' response was:

AYE: 15

NAY: 2

The motion carried.

The Chair thanked the turnout of voters.

MOTION: by H. Rice to adjourn the meeting was seconded, a quorum was present and the vote by all members to adjourn was unanimous.

The meeting adjourned at 4:50 PM

Respectfully submitted,
Janet Ziegler
District Clerk

Approved: April 8, 2008