



Melissa Dayton of 42 Faulkner Drive, and President of the Tuttle's Point Association, also read a prepared statement requesting the Board of Finance' approval of the resolution for the Mulberry Point Water Main Extension Project so that the project can move forward. She stressed the critical need for a reliable water source for the residents of the three communities. A copy of her statement is attached to these minutes.

Paul Canestri of Bunker Hill Road has been a resident for over 40 years, and is the owner of a plumbing and heating company in town. He outlined several common problems his company responds to in the Mulberry Point, Tuttle's Point and Long Cove neighborhoods:

- Many wells are below grade, and septic tanks are old, causing leaching of contaminants such as Ecoli into the well water. Residents require an ultraviolet light system to kill the bacteria. His company receives emergency call because when the ultraviolet lights go out, the homeowner has no water. This is bad for children, year round residents and creates a liability to property owners who rent to tenants.
- Many wells are shallow, due to ledge in the area, the water becomes corrosive and eats at the plumbing.
- Often in the summer homes run out of water.
- Some homeowners have water storage tanks under their homes which require pump systems.
- The water lines freeze in the winter. Due to the ledge in the area, the water lines are not deep enough in the ground.
- Newer wells have been drilled in salt marsh areas, the salt water eats at the steel, and contaminates the wells.

Mr. Canestri stated that he feels for the residents of these neighborhoods.

Don Knapp of 744 Mulberry Point Road also requested the Board of Finance's approval of the appropriation. His water is fine for cooking but not for drinking. He has to haul many gallons of water into his house (today he carried 32 gallons). He is willing to pay for water hook up.

- 2. To consider and act upon a resolution approving an appropriation and borrowing authorization for costs related to the 2017 Mulberry Point Water Main Extension Project, contemplated to include a water main extension to serve properties located in the neighborhoods of Long Cove, Mulberry Point and Tuttle's Point, and to be connected to the existing distribution main of the Connecticut Water Company; related equipment, improvements and appurtenances; related land or easement acquisitions; and other work related to the project and to the financing thereof.**

*Motion: Upon a motion by Mr. Ayles, and seconded by Mr. Gamerman, the Board of Finance voted to approve a resolution approving an appropriation and borrowing authorization for costs related to the 2017 Mulberry Point Water Main Extension Project, contemplated to include a water main extension to serve properties located in the neighborhoods of Long Cove, Mulberry Point and Tuttle Point, and to be connected to the existing distribution main of the Connecticut Water Company; related equipment, improvements and appurtenances; related land or easement acquisitions; and other work related to the project and to the financing thereof.*

Mr. Beatty recused himself and exited the meeting.

First Selectman Mazza distributed a copy of the resolution, which had been revised to correct a minor typographical error in the easement language of the original resolution, revising the word “of” to “or”. He thanked Chairman Hoey for bringing the error to the town’s attention.

Mr. Mazza explained that the Board of Selectmen, at their May 8, 2017 meeting, approved a resolution to send the Mulberry Point Water Main Extension project to Town Meeting and Referendum. Although the town would be initially indebted for the entire project, only the property owners in the three associations will be paying back the debt, through assessments.

The appropriation request is for \$3,443,000. Because there was a fantastic response by property owners to commit to the project, the Connecticut Water Company (CWC) has committed to contributing \$1.5 million to the project, leaving a balance of approximately \$1.9 million for the 145 area property owners to pay back over twenty years, at 2% interest. This will be done by a special assessment from the Tax Collector.

Attorneys Pam Millman, Norb Church, and Health Director Dennis Johnson approached the Board with further information. Ms. Millman reminded the Board that in November, 2015 after considering a petition for eminent domain, the BOF instructed the town to get the easements necessary for the project.

Attorney Church stated that as of November, 2015, all easements have been procured. Title searches confirmed that the ownership of Lower Road belonged to Long Cove, not Indian Cove. Rather than having to obtain an easement for 150’ of Daniel Avenue from Indian Cove, a family came forward to grant an easement through their front yard to connect the route.

Mr. Johnson then outlined the revised water main route on a map, and explained how the route was completed.

Attorney Church explained that he has since acquired all of the easements and they are being held in escrow pending the town’s approval of the project.

Attorney Millman noted that the town and CWC entered into an agreement in December of 2016, whereby the CWC would contribute to the project on a sliding scale based on the number of property owners committing to the project. The CWC is in the process of obtaining its regulatory approvals and should be filing its State Public Utilities Regulatory Authority, (PURA), approval requirements after a successful referendum.

All costs will be assessed against primary route home owners, whether they hook up to the water main or not. Secondary route homes, on the lower portion of Lower Road, would not be assessed unless they decide to hook into the main, they would then pay the same assessment as the primary route home owners.

She further informed the Board that the next step in the procedure, the step they are considering today, is to accept the Board of Selectmen's recommendation for the appropriation, pursuant to Section 6-6 of the Town Charter. The subsequent Town Meeting would be an opportunity to educate citizens regarding the project, and allow for public comment. No vote will be taken at Town Meeting, the moderator will send the matter to Referendum by machine vote on May 31, 2017, in accordance with Section 7-5 of the Town Charter.

In response to a question by Mr. Gamerman, Ms. Millman explained that PURA is the regulatory body for CWC for this project. The CWC has stated it will not file its application for approval to PURA until completion of a successful referendum.

Guilford is the first town to seek approvals under this new state statute, that State Representative Patricia Widlitz helped to get passed. Guilford town leaders may be attending the PURA hearings to express their support of the project.

In answer to a question regarding reimbursement from the CWC, Attorney Church explained that the town would get half the reimbursement at the beginning, and half at the end of the project. Any funds the State might contribute from the Revolving Loan Drinking Fund would be paid in progress payments.

When asked by Mr. MacKenzie, Attorney Church stated there is no prepayment penalty.

Mr. Hoey noted that although they are voting to approve an appropriation and borrowing authorization for \$3.4 million, they will be going to market at various times to bond what is needed, if the CWC contribution and State loan is not sufficient. If it is sufficient, there will be no additional bonding. While the voters approve the entire amount of the bonds, the Board does not anticipate going to market for the total amount.

In response to a question from Mr. MacKenzie, Attorney Church responded that any buildable lots on the primary route would be considered as secondary route

property owners, until such time that a building is built, at which point they would be assessed as primary route homeowners.

Mr. Hoey asked if the State Department of Health or State Department of Energy and Environmental Protection had provided any letters of support for the project. Mr. Johnson informed the Board that yes, the Board of Selectmen received a letter from the Department of Health accepting the various studies that were done and recommended extending the public water supply to that area.

Mr. MacKenzie asked whether the use of the word "defray" in the resolution: "*.....in an amount sufficient to defray the net project cost.*", was correct. Attorney Millman assured him that Bond Counsel Doug Gillette, from Day Pitney, who drafted the resolutions, was correct in his use of the term, that Attorney Gillette has prepared bond resolutions for the town for over ten years, and that he understands the project and provided this specific language.

Mr. Hoey asked if any surveys, legal fees, title searches, etc. were included in the cost of the project? Attorney Church assured him that those costs, including his own fees, were all included.

Attorney Church further explained that at the very end of the project, the bottom line costs, minus any contributions, would be divided among the 145 property owners, and that figure would be the assessment. There will be a Public Hearing at the completion of the project regarding the assessment. The Board of Selectmen then vote on imposing the assessment, and a lien in the amount of the assessment is recorded on the land records for the primary route homes. This happens at the very end of the project.

It was further clarified that property owners are responsible for the cost of hooking up from the main to their homes.

In response to a question regarding the town's liability should something go wrong, Attorney Millman explained that the town would be going out to bid for construction of the water main, and those contracts would be very sophisticated in terms of indemnities and recourse for any construction problems that might arise.

Attorney Church stated that the estimated assessment of approximately \$13,161 per household will benefit the properties, enhancing property values for those homes, by, based on his experience, \$50,000 to \$75,000. A homeowner would have to prove that their home was not benefited by that \$13,161 assessment, to make a possible claim.

Mr. Mazza stated that since the CWC is contributing 48% to the project, CWC will be assessed personal property tax on 48% of the water line, as revenue for the town.

In response to a question from Mr. Ayles, Mr. Johnson stated that the estimated time line for the project is 1 ½ - 2 years. That does not include the PURA approval process.

In response to a question from Mr. Federici, Mr. Johnson informed the Board that Wright – Pierce is the firm that is providing design, engineering and inspection services for the water main project.

Mr. Federici noted that if the board votes to approve the resolution, the Town Meeting will take place on May 24, 2017; and the referendum will be held May 31, 2017.

*Motion: Upon a motion by Mr. Ayles, and seconded by Mr. Gamerman, the Board of Finance voted to approve the following resolution:*

*RESOLVED, that the Board of Finance recommends that the Town of Guilford appropriate \$3,443,000 for costs related to the 2017 Mulberry Point Water Main Extension Project, contemplated to include an approximately 2.4 mile water main extension to serve approximately 145 properties located in the neighborhoods of Long Cove, Mulberry Point and Tuttle Point, and to be connected to the existing distribution main of the Connecticut Water Company; related equipment, improvements and appurtenances; related land or easement acquisitions; and other work related to the project and to the financing thereof; and that the Town issue bonds, notes or obligations and temporary notes or interim funding obligations in an amount not to exceed \$3,443,000 to finance the appropriation, the amount of borrowings authorized to finance the appropriation to be reduced by the amount of grants received by the Town, if any, and applied to pay project costs. It is anticipated that the project shall be completed substantially in accordance with the map entitled "Public Water Main Extension Mulberry Point, Tuttle Point, Long Cove, Guilford, CT" as modified by the Connecticut Water Company on 12/16/14, based upon the preliminary plans prepared by Luchs Engineering, dated December 2011 and entitled "Water Supply Study Feasibility Report," which map is on file in the office of the Town Clerk and available for public inspection during normal business hours. The project includes the acquisition of the following easements, such easements being located generally along route of the water main extension as set out in the map referenced above:*

*Easement over a portion of property described in Volume 382 at Page 803 of the Guilford Land Records, now or formerly owned by The Edwin H. Fisher Land Association, a Connecticut general partnership.*

*Easement over a portion of property described in Volume 463 at Page 726 of the Guilford Land Records, now or formerly owned by Michael Dattilo and Karen Dattilo.*

*Easement over a portion of property described in Volume 437 at Page 134 of the Guilford Land Records, now or formerly owned by Allen L. Oshana and Sarah C. Oshana.*

*Easement over the private road in the neighborhood referenced on the map entitled "Property of Heirs of Marshall D. Stevens, Mulberry Pt., Guilford, Connecticut dated May, 1927, revised July, 1927, Scale 1 in.=80 ft." prepared by Chester W. Ladd, surveyor and recorded as Development Map No. 83 in the Guilford Land Records, now or formerly owned by The Mulberry Point Association Incorporated.*

*Easement over a portion of property described in Volume 182 at Page 434 of the Guilford Land Records, now or formerly owned by The Tuttle Point Improvement Association, Incorporated.*

*Easement over a portion of property described in Volume 331 at Page 266 of the Guilford Land Records, now or formerly owned by The Long Cove Homeowners Association, Inc.*

*Easement over a portion of property described in Volume 653 at Page 557 of the Guilford Land Records, now or formerly owned by Rhodes Family L.L.C., a Connecticut Limited Liability Company.*

*The property owners listed above have all voluntarily agreed to grant such easements to the Town. The Board of Selectmen shall be authorized to determine the scope and particulars of the project; and may reduce or modify the scope of the project including without limitation the deletion of components of the project, and the entire appropriation may be expended on the project as so reduced or modified. The appropriation may be spent for design, construction, acquisition and installation costs, materials, equipment, surveying and testing costs, engineering and other consultant fees, legal fees, net interest on borrowings and other financing costs, and other expenses related to the project. The Town anticipates receiving a contribution from the Connecticut Water Company, pursuant to the agreement between the Town and the Company dated December 19, 2016, in the estimated amount of \$1,500,000, to defray in part the project appropriation, for an estimated net project cost of \$1,943,000. The Town anticipates levying assessments against properties located in Long Cove, Mulberry Point and Tuttle Point benefitted by the project in an amount sufficient to defray the net project cost.*

*In Favor: Ayles, Federici, Gamerman, Goletz, Hoey, MacKenzie  
Opposed: None  
Abstained: None*

Mr. Beatty reentered the meeting at 8:20 p.m.

**3. Approve minutes of:**

**3.1 Regular Meeting of April 17, 2017**

There was a brief discussion regarding Item 3.1, Standing Building Committee minutes. He added that it was advised not to entertain bids from bidders not on the On-Call list.

Mr. Gamerman asked that Item 2.2, Paragraph 3 be further amended to read: "...haven't yet heard from the town regarding the town government extensive activities that in fact constitute a "return on investment",...

Mr. Federici asked that Item 3.1, last paragraph be amended to read "...low bidder on the Baldwin project..."

Item 4 should read BOE not Town Government

Mr. Goletz asked that Item 4, page 4 paragraph 10 be amended, " In addition there are a number of encumbrances."

Item 4, top of page 5, Mr. Federici asked the BOE representative Greta Maynard to check if "energy" usage should be changed to electric. Ms. Maynard will check on it.

Item 6, second paragraph should be "deficits".

Town Government Expenditures, strike "and" from the sentence: "Ms. Malavasi said she did an analysis of the department..."

Medical Benefits second sentence, "Ms. Malavasi added that the expenditures number..."

*Motion: Upon a motion by Mr. Ayles, and seconded by Mr. MacKenzie, the Board of Finance voted to approve the regular meeting minutes of April 17, 2017 as amended.*

*In favor: Ayles, Beatty, Gamerman, Goletz, MacKenzie*

*Opposed: None*

*Abstained: Federici, Hoey*

**3.2 Special Meeting of April 28, 2017**

*Motion: Upon a motion by Mr. MacKenzie, and seconded by Mr. Goletz, the Board of Finance voted to approve the special meeting minutes of April 18, 2017 as presented.*



*In favor:* Beatty, Federici, Gamerman, Goletz, Hoey, MacKenzie  
*Opposed:* None  
*Abstained:* Ayles

**4. Correspondence:**

**4.1 Standing Building Committee Minutes**

Mr. Ayles stated he was not able to attend the April meeting, but he did attend the May meeting. He explained that because we are a public entity, we cannot make proprietary specifications.

Mr. MacKenzie asked Mr. Ayles if he could find out why the Baldwin Middle School Windows and Door project was not awarded to the low bidder, but the bid for HVAC equipment at Cox, Baldwin and Jones was awarded to the low bidder.

**4.2 Pension Committee Minutes**

Mr. Goletz reviewed the asset allocations, and suggested pension should have a split between growth and value.

Mr. Hartmann, a member of the Pension Committee, was in the audience and explained that the Pension Committee is moving in that direction.

Mr. Hoey noted that BOF members could not advise the Pension Committee, but as a resident of the town, could ask questions for the Committee.

**5. Review and accept report of expenditures for the Board of Education for April 2017.**

Greta Maynard and BOE member Kathleen Balestracci presented the BOE expenditures totaling \$4,593,911.71. Encumbrances are at 76.05% of budget, last year at the same time they were at 76.10% of budget.

The Substitute Teachers and Information Systems lines are higher than last year, but this is due to the budget being lower than the prior year. It is expected that the lines will be within budget by year end.

Tuition is down, due to the timing of the receipt of the Excess Cost Grant. Employee Benefits are up, as are Supplies.

There was a discussion regarding the Excess Cost Grant and the timing of when it is received. Next year the reimbursement will be lower, which could give the impression that we are spending more, when in fact the reimbursement is less.

The Tuition line is running high, but they are expecting one more payment, bringing the total receipts to 75%, which is higher than expected and budgeted for.

There were questions regarding the following line items, which Ms. Maynard will look in to and report back on: Workers Compensation, Pension, Substitute Teachers, and Special Needs Tuition.

The Board discussed encumbrances at Year End, and Mr. Hoey asked if Building and Grounds expenses are traditionally held at Year End to see what the budget looks like.

*Motion:* Upon a motion by Mr. Gamerman, and seconded by Mr. Goletz, the Board of Finance voted to approve the April expenditures for the Board of Education in the amount of \$4,593,911.71 as presented.

*In favor:* Ayles, Beatty, Federici, Gamerman, Goletz, Hoey, MacKenzie

*Opposed:* None

*Abstained:* None

**6. Review and approve expenditures for the Town Government for April 2017.**

Revenues

Ms. Malavasi reported that at we are 83% through the year, and revenues are at 100% of budget. This includes the Excess Cost Grant.

Mr. Federici and Mr. MacKenzie discussed interest rates and interest received on the town accounts. Mr. MacKenzie felt we should be generating more interest based on the average balances of the day to day cash on hand. Ms. Malavasi stated that she has been meeting with different banks in an attempt to investigate how best to diversify the town's investments and short term funding.

The Board also discussed interest from the Dedicated Road Fund. There was a legal opinion written on how these funds can be used approximately 12 years ago.

Expenditures

Mr. Ayles asked about encumbrances for Engineering and Public Works. It was explained that there are a lot of blanket purchase orders from the beginning of the fiscal year, and the Finance Department is starting to ask department heads to close out what they will not need.

Mr. Mazza explained that Public Works services the Police, and Park and Rec vehicles, as well as their own, which explains why the Equipment

Maintenance and Repair line is high, it is not just for Public Works equipment.

The Board discussed the special fund for the 30,000 gallon water tank at Podunk Road. The tank will be used for fire suppression.

A large property tax refund was for the settlement of a tax appeal.

There was a discussion regarding the contract with Equity Valuation Services, They have a multi-year contract with the town totaling \$122,000.

Mr. MacKenzie asked about a payment for the Long Hill Road Reconstruction project. It was explained that the town makes the payments, and is later reimbursed for them.

Two medical bill payments from the Legal Account are for a heart and hypertension case.

#### Medical Benefits

Ms. Malavasi stated that the benefits account looks very good. Insurance is currently covering any catastrophic claims.

New premiums will go into effect on July 1. The rates for regular claims are very good, but for catastrophic claims they will be high. The Board speculated that it might be worthwhile to see if we what the cost of a policy would be that covers anything over \$75,000.

*Motion:* Upon a motion by Mr. Ayles, and seconded by Mr. Federici, the Board of Finance voted to approve the April expenditures for the Town Government in the amount of \$1,811,738.

*In favor:* Ayles, Beatty, Federici, Gamerman, Goletz, Hoey, MacKenzie

*Opposed:* None

*Abstained:* None

#### **7. Receive and take action on Tax Collector's recommendation of Uncollectibles to be Transferred to the Suspense List.**

Ms. Malavasi explained that although an account is put on the suspense list, that does not mean it is written off. Attempts to collect the taxes are still made. Cars cannot be registered in the State if the owner owes property taxes.

Mr. Hoey asked if anyone on the list is doing business with the town? Mr. Mazza assured Mr. Hoey that the Tax Collector is very cognizant of who owes taxes. She

recently brought a situation to his attention, and the taxpayer immediately paid the bill.

*Motion: Upon a motion by Mr. Federici, and seconded by Mr. Beatty, the Board of Finance voted to approve the Tax Collector's recommendation of Uncollectibles to be Transferred to the Suspense List.*

*In favor: Ayles, Beatty, Federici, Gamerman, Goletz, Hoey, MacKenzie*

*Opposed: None*

*Abstained: None*

**8. Committee Reports**

None

**9. Old Business**

None

**10. New Business**

None

**11. Public Forum (Limited to 3 minutes on any item)**

Ms. Balestracci clarified that Capital Site Improvements, not Building and Grounds expenses, are traditionally held at Year End.

*Motion: Upon a motion by Mr. MacKenzie, and seconded by Mr. Gamerman, the Board of Finance voted to adjourn the meeting at 9:19 p.m.*

*In favor: Ayles, Beatty, Federici, Gamerman, Goletz, Hoey, MacKenzie*

*Opposed: None*

*Abstained: None*

Respectfully Submitted,  
*Karen Quercia*  
Acting Clerk

**STATEMENT FOR BOARD OF FINANCE REGARDING THE EXTENSION OF THE  
TOWN WATER SYSTEM TO MULBERRY POINT, TUTTLES POINT AND LONG COVE  
ASSOCIATION**

**Last Monday, May 8, the Board of Selectmen considered the proposed extension of the Town's water system to our three communities: Mulberry Point, Tuttle's Point and Long Cove Association. The BOS unanimously adopted a resolution referring this project to a Town meeting on May 24, and a referendum on May 31, subject to Board of Finance approval.**

**The project, with an estimated cost of \$3.4 million, will not be paid for by the town. It will be paid for entirely by us - the residents of these three communities and a contribution by the Connecticut Water Company.**

**The Town has obtained all the necessary easements for installation of the water main. We understand the Water Company agrees the Town's project cost estimate is reasonable based on its experience with similar projects.**

**We thank the BOS, especially Mr. Mazza for his leadership, and the hard work of Dennis Johnson and others, including Pamela Millman, outside counsel, Norb Church, and the engineering firm of Wright Pierce.**

**As you know, with this project in mind, our state representatives, Pat Widlitz and Ed Meyers, went to bat for us. They succeeded in getting the PURA laws changed, so that the Water Company could more than double its permitted contribution. The Water Company agreed to contribute 1 million dollars toward extending the existing water system if 41% of our residents were willing to connect. Here's what happened.**

**In February, the Water Company sent out commitment letters to our residents. Based on the returns, fully 120 owners out of 145 agreed to hook up and each has made the cash deposit required with the commitment letters. The Water Company has provided the Town with the complete list of the 120 homeowners. We didn't just get a 41% commitment - a whopping 83% of our residents committed! With 83%, the Water Company's contribution rose to \$1.5 million. And why did 83% commit? We are desperate.**

**As our Town officials can confirm, both the State and our own Health Department, as well as the consulting engineers retained for this purpose, have definitively determined that our communities do not have an adequate water supply for basic living. And many wells are contaminated. Further, after extensive study, the Town and State also have concluded there will be no adverse environmental impact.**

**This project, vital to our health and safety, also fulfills the promise of Guilford's Coastal Resiliency Plan. That Plan promises safe water to all Guilford residents, including us. The Plan recognizes, with rising sea levels, the problem is increasing and, if not addressed now, the Town and its taxpayers will be forced to pay more money later. The \$1.5 million from the Water Company cannot be guaranteed in the future. The time for this project is now!**

**And most importantly, for this Board's consideration, the project will cost the taxpayers of Guilford no money – it will be fully funded by the residents of our three communities and the Water Company contribution.**

**We respectfully ask the Board of Finance for its approval, so this project can proceed to the town meeting and the referendum, where we anticipate a favorable vote on this desperately-needed – and long awaited - extension of reliable, safe water to our communities – again at no cost to other taxpayers.**

**Respectfully submitted,**



**Sue Robins,  
President, Mulberry Point Association  
798 Mulberry Point Road**

**May 15<sup>th</sup>, 2017**

**Statement for the Guilford Board of Finance Regarding the Extension of the Town Water System to Mulberry Point, Tuttle's Point and Long Cove Associations**

I would like to second the statements of my neighbor and colleague, Sue Robins of Mulberry Point.

As president of the Tuttle's Point Association, I can attest both to our critical need for reliable water and the wide support for town water in the Tuttle's community. In Tuttle's Point alone, 81% of our members demonstrated their financial support for this project by submitting a deposit with their affirmative response to the Connecticut Water Company. Five additional households, while opting not to hook up at this time, have expressed support for the project – this represents a community support rate of more than 91%!

I, too, would like to thank the Guilford Selectmen's Office and the Guilford Health Department for their leadership, diligence and responsiveness to our communities. Our state representatives, along with environmental, engineering and public health professionals at the State, have worked to make town water a reality in our three communities, and more affordable than ever before.

The need is real. So are the benefits – to the health of our residents, public safety, and the viability of our properties. Tuttle's Point, Mulberry Point and Long Cove will benefit from the installation of a public water main and will foot the bill for this installation, with a contribution from Connecticut Water. There will be no cost to Guilford taxpayers at large.

We respectfully request Board of Finance approval tonight so this long-needed project may proceed to a Town Meeting and Referendum – and an anticipated favorable result. Thank you.

Respectfully submitted,



Melissa Dayton  
President, Tuttle's Point Association  
42 Faulkner Drive, Guilford

May 15, 2017