

**TOWN OF JAMESTOWN
BOARD OF WATER AND SEWER COMMISSIONERS**

Monday, April 21, 2003

A work session of the Jamestown Town Council sitting as the Board of Water and Sewer Commissioners was called to order at the Jamestown Philomenian Library, 26 North Road at 7:06 PM by Commission Vice-President David Swain. The following members were present:

Kenneth Littman
David Long
Norma Willis

Also present were:

Maryanne Crawford, CPA, Town Administrator
Denise Jennings, Assistant Finance Director/Water and Sewer Clerk

Absent were:

Commission President Guy Settipane
Steven J. Goslee, Public Works Director
Douglas DiSimone, Esq., Town Solicitor

SEWER BOND

Ms. Crawford stated that Laszlo Siegmund from Siegmund and Associates, Inc., Robin Hedges from RI Clean Water Finance Agency and Jay Manning from RIDEM were present to make a short presentation to the Commission regarding the additional financing required (\$2,000,000) for the Sewer Treatment Plant Rehabilitation.

Mr. Siegmund stated that Siegmund and Associates has undertaken a 7-step program and that their objective other than rehabilitating equipment which is at the end of its life cycle, was to achieve a reduction in inflow/infiltration into the wastewater treatment plant. The 7-steps identified were as follows:

- Rehabilitate approximately 25,000 feet of pipeline.
- Repair depressed or leaking manholes.
- Reconstruct or rehabilitate approximately 7,000 feet of pipeline, where slip lining is not possible.
- Disconnect sump pumps and roof leaders.
- Disconnect catch basins that may be connected.
- Rehabilitate Pump Stations and the Treatment Plant, such as the following components:
 - Replace pumps and motors.
 - Add an effluent sand filter.
 - Install SCADA system.
 - Increase capacity of Pump Station 1 and Pump Station 3.
- Implement a long-term strategy for the replacement of services.

Mr. Siegmund presented an itemized breakdown of the costs associated with the project and reported that a total of \$7,240,000 would be required for the project and that \$5,500,000 has been already been bonded and that an additional \$1,240,000 would be required to complete the remainder of the project. Mr. Siegmund stated that the referendum on the additional funding is scheduled to be on the ballot at the local election on May 7, 2003.

The Commission asked for clarification on a few items as reported by Mr. Siegmund.

Robin Hedges, RI Clean Water Finance Agency SRF (State Revolving Fund) Program Manager briefly

explained how the finance agency operates as follows:

- The agency administers a state revolving loan fund to city and town municipalities in Rhode Island.
- The agency loans money to waste water district commissions.
- The agency receives money from the EPA through capitalization grants on an annual basis.
- The State of RI gives a 20% state match to those funds received from the EPA.
- The agency then loans those monies to communities at one-third off what the market rate of borrowing would be at the time of loan.
- The agency also has a zero interest loan program, which in combination with the one-third off of the market rate creates a blended interest rate.
- The agency charges fees on monies that have been drawn down.
- At the present time, the Town has a loan with the agency in the amount of \$5,500,000. The market rate for that loan at was 4.012%, to which 50% of that amount is at one-third off the market rate and 50% is at zero and the blended rate resulted in an interest rate of 1.5223%.
- The annual principal amount, which begins September 2004, is going to be \$228,703.12.
- The savings over 20 years for this loan is \$1,487,642.57.

Ms. Hedges: At this present time the agency has a high demand for the funds. There are more projects than funds. The agency will put their best foot forward to accommodate everyone who comes in to ask for funding, but there is a possibility that the agency may not have enough funds for everyone and at that point we would have to go to the project priority list. Jay Manning from RIDEM briefly described the process for the project priority list and stated that the deadline for submitting lists to RIDEM is May 1, 2003. Mr. Manning further reported that Mr. Goslee has already submitted his list to RIDEM. Short discussion ensued regarding the project priority list. The Commission asked for clarification on a few items as reported by Ms. Hedges and Mr. Manning.

ADJOURNMENT

Following clarification and no further business before the Commission, the work session concluded at 7:29 PM.

Attest:

Denise Jennings
Assistant Finance Director/Water and Sewer Clerk

xc: Council Members (5)
Town Administrator
Town Solicitor
Public Works Director
Town Clerk