

SPECIAL TOWN COUNCIL MEETING  
WALLINGFORD TOWN HALL  
TOWN COUNCIL CHAMBERS

March 31, 1998  
6:30 P.M.

AGENDA

1. Roll Call and Pledge of Allegiance
2. Discussion regarding road and streetscape improvements to Quinnipiac Street between Route 5 and Quinnipiac Street Bridge/Mayor's Office
  - a. Waiver of bid to allow contractor (under state bid) on the Quinnipiac Corridor State Project to perform work for the Town
  - b. Appropriation of \$200,000 for Water Division improvements in Quinnipiac Street/Water Division
3. Discussion regarding selection of a developer for determining viability of a Power Generating Project at the Pierce Plant site/Director of Utilities
  - a. Waiver of public bidding and acceptance of the proposal from Stone & Webster and Pennsylvania Power and Light
  - b. Authorization to execute Exclusivity Agreement with Stone & Webster and Pennsylvania Power & Light

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ADDENDUM TO AGENDA

4. Executive Session Pursuant to Section 1-18a(e)(4) of the Connecticut General Statutes Pertaining to the Purchase, Sale and/or Lease of Property/Mayor's Office
5. Consider and Approve the Purchase of Real Property and if the Town and the Owner Cannot Agree on the Amount to be Paid, the Town Attorney is Authorized to Proceed in the Manner Provided by Section 48-12 of the Connecticut General Statutes to Commence Condemnation of Said Real Property/Mayor's Office
6. Set a Public Hearing Date for April 14, 1998 to Conduct a Public Hearing, Consider and Act on a Proposed Bond Ordinance and Appropriation for the Acquisition of Various Parcels of Real Property by the Town of Wallingford/Mayor's Office

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Bruney A. Rosetti TOWN CLERK

SPECIAL TOWN COUNCIL MEETING  
PUBLIC UTILITIES COMMISSION MEETING

MARCH 31, 1998

6:30 P.M.

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Town Council Agenda Items

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- 3a. **Approve** a Waiver of Bid and Acceptance of the Proposal from Stone & Webster and Pennsylvania Power & Light 65
- 3b. **Approve** Authorization to Execute Exclusivity Agreement with Stone & Webster and Pennsylvania Power & Light 65
- 4. Executive Session - 1-18a(e)(4) - Purchase, Sale and/or Lease of Property 65
- 5. Withdrawn

Waiver of Rule V

- Fail to Approve** a Motion to Underground All Overhead Utilities Associated with the Quinnipiac Street Project from Bull Avenue to Colony Road 37-42
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SPECIAL TOWN COUNCIL MEETING

PUBLIC UTILITIES COMMISSION MEETING

MARCH 31, 1998

6:30 P.M.

A special meeting of the Wallingford Town Council was held on Tuesday, March 31, 1998 in the Robert Earley Auditorium of the Wallingford Town Hall and called to Order by Chairman Robert F. Parisi at 6:37 P.M. All Councilors answered present to the Roll called by Town Clerk Rosemary A. Rascati. Mayor William W. Dickinson, Jr. and Assistant Town Attorney Gerald Farrell, Sr. were also present.

A special meeting of the Public Utilities Commission was held on Tuesday, March 31, 1998 in the Robert Earley Auditorium of the Wallingford Town Hall and called to Order by Chairman David Gessert at 6:40 P.M. In attendance from the Public Utilities Commission were Chairman Gessert and Commissioners Cooke and Papale.

e Pledge of Allegiance was given to the Flag.

Mr. Parisi announced that the Public Hearing on the Budget of the Town for F.Y. 1998-99 will be held on Tuesday, April 21, 1998 at 6:30 P.M. in the Robert Earley Auditorium of the Town Hall. Department Heads will return on Wednesday, April 22, 1998 at 6:30 P.M. for the Council to review departmental budgets. The third Town Council meeting of the month is hereby canceled due to the fact that conference room space in the Town Hall is booked solid for the next few weeks in April and the Town Council Chambers are not available for use at a convenient enough time for the Council to re-schedule the meeting.

Mayor Dickinson asked that he be allowed to make a few introductory remarks prior to the start of business.

Mayor Dickinson stated, as you know, it involves improvements to Quinnipiac Street. In January we requested the Engineering Department give us an idea about improving the sidewalks from Route 5 to Washington Street. The Engineering Department reviewed the sidewalks and determined that, in order to repair the sidewalks, it would be necessary to re-build the road. At the point John Thompson, Town Engineer) determined that, he asked if we wanted him to look into streetscape improvements as well. I said, I think that is great. As you are aware, we have a Quinnipiac Corridor project that runs from approximately Bull Avenue to Washington Street. That project includes lights, period lamps around Wallace Park, as well as new sidewalks and the planting of fifty (50) trees in the

a up to Washington Street. John (Thompson) has put together plans that would include the street lamps, the sidewalks, road repair in the area from Washington Street to Route 5. A lot of this depends upon what our vision is regarding the improvements and their intent. I'll state at the outset; I think the streetscape improvements are not meant, nor shall they ever be meant, just for the business district. We have a wonderful opportunity to pull the downtown together; the downtown including the business district as well as outlying residential areas. The period lights will go around Wallace Park. We have an opportunity to have those lights extend from that park all the way up to Center Street, up to Main Street. An individual would walk along Main Street, walk down Center Street, walk down Quinipiac Street, around Wallace Park and back all with the ambiance of the period lights and the pleasure that that involves. Now, in my opinion, during the day, the most important features are the trees and the sidewalk improvements. But at night, at night is when the lights shine and I think anyone driving in the downtown, when you hit that string of lights, you can't help but feel good. We have an opportunity to do something very positive. In the future the lights should run from Wallace Park up Ward Street. They should run all the way up to Main Street. They should run along Main Street down to Dutton Park. We have a wonderful opportunity to transform the environment within the community but if we are unwilling to make those moves because we only want to do it where we underground utilities, we will curtail our abilities in a very extreme way. The cost of undergrounding from Route 5 to Washington (Street) which we are at this point hearing from the J.C. (Public Utilities Commission) prepared to undertake, will cost some \$600,000. That is with S.N.E.T. (Southern New England Telephone Company) and the cable company indicating that they will need eighteen (18) months. We still have to deal with that issue. We still have pending improvements on Route 5 which were at one point estimated at \$400,000. At the point that we will only do streetscape where we underground utilities, in my opinion, we will need rate increases in the utility; the Electric Division; because we can't keep up with those costs. But, with that said, I don't think that there is a need to underground all of the lines. The reason for the pictures (on display); picture #1 shows the area from Route 5 to Washington Street and you can see it is more congested in terms of the overhead lines; the area from Washington Street to Wallace Park; one side of the street has no lines. The other side is being changed so that the cross arms (of the utility poles) will disappear and what they call a "wish bone" at the very top of the pole would carry most of the lines. (Mayor Dickinson distributed photographs to the Councilors at this time.) He pointed out the kind of aesthetic change that will be made.

Mayor Dickinson went on to say, these pictures are vistas along Quinipiac Street and I think, again, show that one side of the street does have the (electrical) lines and the other side does not. The pictures show Quinipiac Street and the possibilities of what can occur. The Town Engineer, through the efforts of the Engineering Department, gives us the ability to even consider this in a very quick turn around time. Raymond Smith, Director of Public Utilities; Roger Dann, General Manager

of the Water and Sewer Division; William Cominos, General Manager of the Electric Division and P.U.C. Commission are here due to the fact that water line improvements under Quinnipiac Street are to be performed, where the railroad track crosses Quinnipiac Street and in that area from Route 5 to Washington Street. What it comes down to is, what we want to do with the downtown. I don't think that we should curtail ourselves with what might be in some views a perfect situation undergrounding all utilities but we can create an improvement that is exciting, that will encourage people to use the sidewalks and be walking and can absolutely; again, in my opinion, but I believe will transform Quinnipiac Street. I think people will generally be very accepting of this and ultimately to extend these kinds of improvements throughout the community should be the mission. Again, it should not just be the business district. With those comments said, I will open it up for questions or further discussion.

Mr. Knight asked, if we were to request that the entire area be undergrounded from Route 5 to Bull Avenue; is that the \$600,000.?

Mayor Dickinson answered, no, I don't believe that is the \$600,000., you will have to ask Ray Smith to address that question.

Mr. Knight asked, the \$600,000 is Route 5 to Washington Street?

Raymond Smith, Director of Public Utilities answered, that is correct; \$600,000 is the first phase that we have estimated, that being construction costs; \$800,000 would be from Washington Street down to Bull Avenue. A lot of that cost is associated with converting a lot of services, electrical services that are now served overhead; they would have to be converted to underground. One of the problems in the design is that we would have to make personal contact and have agreements with all the property owners in question because it is a responsibility issue of converting that; a liability that we don't want to assume in the long term.

Mr. Knight asked, along that same line; you also require the cooperation/coordination with S.N.E.T. and T.C.I. Cable to the extent that their utilities are located on our poles?

Mr. Smith answered, yes, the numbers that I quoted you have no allowance for any of those other utilities; they have their own costs; issues; timing.

Mr. Knight asked, in similar situations, who absorbs the costs of S.N.E.T. being forced, if you will, to underground their utilities and T.C.I. as well?

Mr. Smith answered, it is my opinion, and only my opinion, that you, as a Town, can cause them or let them to do that. Obviously, they don't have those funds budgeted this year; their monies also get provided by the D.P.U.C. (Dept. Of Public Utilities) and they put that forward as part of their total budget package. Quite frankly, there is no motivation for them to do this at this point. Preliminary discussions were held with the Town Engineer and it was probably supported by what we have learned in the past; eighteen (18) months would not be unusual.

Mr. Knight asked, is that your timetable or is that the timetable that you would estimate includes the negotiations and what not with S.N.E.T. and T.C.I.?

Mr. Smith answered, the numbers that John (Thompson) has is approximately eighteen (18) months for them to tackle the project; I think it is through the design; only through the design, not the actual construction. The Electric Division could be in and out of there in perhaps six (6) months; eight (8) months. The poles would still be there for another year.

Mr. Knight asked, if we embarked on this project in its totality, what could we expect in terms of total design time before you....or are you talking that the entire project could be completed in eighteen (18) months by all three utilities?

Mr. Smith explained, in speaking exclusively for the Electric Division, if we were to start design tomorrow, we are looking at three to four months as our estimate to get through the process and do the design, coordinate with all the other utilities, gather the information and make over thirty-five contacts since there are thirty-five services involved. We are assuming that would include the role of the Legal Department to develop these agreements which we think are crucial to converting the services. Once that is in hand, we could then allow a contractor to start his work. Then it is another three to four months to do the entire piece, that is to install the new system and then there will be maybe a month or so of tearing down the old system; the overhead; from the Electric Division perspective only. As far as T.C.I., our experience has been, you have to give them eighteen (18) months notice before they will react.

John Thompson, Town Engineer, stated, finding representatives from T.C.I. and S.N.E.T. that were even willing to discuss this subject was a challenge in itself. They both reacted. S.N.E.T. and I-S.N.E.T. are a single entity for the purpose of these discussions and T.C.I. is a separate entity. S.N.E.T. indicated that they have just completed a make ready program of relocating all of their electrical utilities over head already as a single project as part of the original Quinnipiac Street Corridor Project. To open up discussions just to initiate discussions is an entirely new process of starting a new project as far as S.N.E.T. is concerned. We are basically starting over a process that



we began, as the Council may be well aware although six years ago this June, when we began the Quinipiac Street Corridor Project it took us two years before S.N.E.T. began their actual design. They completed in approximately two years and it took them another eighteen (18) months or so to complete the switch over which is currently being wound up in conjunction with the Electric Division's relocation. T.C.I. would move at a similar time frame with S.N.E.T. and I-S.N.E.T. in their relocation process. We are talking about a process that if it were began today, would take a minimum of eighteen (18) months before S.N.E.T., I-S.N.E.T. and T.C.I. were ready to begin their relocation process and that is only the process of getting the utilities from an over head configuration to an underground configuration. We still have to worry about individual connections to each of the individual thirty-five properties that are located within the Quinipiac Street Corridor Project area. Along with that, Ray (Smith) indicated the cost of the over head. Each of these underground connections to the individual properties is an additional cost that we haven't even talked about yet as to who would pay for that. So we are talking about a long, drawn out process of getting the utility companies to initiate their services and then a subsequent long time to switch over to an underground location.

Mr. Knight stated, let's round it out to about three years by the time you get the houses connected and S.N.E.T. and all the rest of it; what does that do to the Quinipiac Corridor Project that is about to start?

Mayor Dickinson replied, I believe they are going to start construction in April.

John Thompson explained, the contractor was issued a notice proceed by the Dept. Of Transportation on January 4, 1998 to begin their construction. The actual work is scheduled to begin tomorrow; the contractor has put his trailers on site and he has begun the process of notifying and posting detour routes in construction with liability signing, he is ready to begin. If there is any delay in beginning his construction activities caused by the Town of Wallingford, the Town would be liable for all penalties and costs associated with those delays. So to answer your question directly, we do not have the luxury at this point of saying, you cannot begin, to the contractor. Mayor Dickinson has entered into a contract and agreement with the Department of Transportation to allow them to administer this job and they have taken on that responsibility. We really don't have the luxury at this point of stepping back and saying that we would like to re-think the process for what ever reason.

Mayor Dickinson stated, just to be clear, that is the area from Washington (Street) to Bull (Ave.). It is the project from Washington to Bull that is the subject of the State contract. The subject before you tonight involves us being able to enter into a contract with the same contractor working under the State project to include Washington to Route 5. That is where we have a little more latitude because they will not be working there immediately. They will be working down in the vicinity of the park.

imately, they will be reaching up to the Washington to Route 5 area which probably would not be until September or October. We have some ability to plan and deal with that area, that is Route 5 to Washington. But the area from Washington to Bull will almost be immediately under construction and I think that the Water Division work will be one of the first things undertaken out there and that area we probably would be holding up if we tried to start designing electrical conduits and underground vaults and what ever else is involved. You have to distinguish those two portions of the work.

Mr. Zandri asked for a more detailed explanation of where the sidewalks are going to be improved in the vicinity of Wallace Park. Is it going to be just around the park or on both sides of the streets?

Mr. Thompson explained, the park is going to have new curb, new concrete and brick sidewalk all the way around it and then the ornamental lighting around the entire perimeter of the park.

Mr. Zandri asked, on the opposite side of the street, adjacent to the park, is any work going to be done on the sidewalks on that side of the street?

Mr. Thompson answered, nothing on the Ward Street side. The north side of Quinnipiac Street opposite the park is scheduled to have new curb, new sidewalk and new trees.

Mr. Zandri asked, how about Valley Street?

Mr. Thompson stated, only on the park side is scheduled at this time to have complete reconstruction with respect to curb and sidewalk. We received individual requests from some of the abutting property owners about the possibility of rehabilitating some of the sidewalk and we talked to the contractor about having that work included as a construction change order. On an "as needed" basis, we will be doing piece meal repairs. All of Valley is not scheduled as part of this project.

Mr. Zandri asked, you are going to go up Quinnipiac Street from Bull Avenue all the way to Washington Street; both sides of the street will have sidewalks finished?

Mr. Thompson answered, yes.

Mr. Zandri asked, and then the Town is now planning on potentially undertaking from Washington Street to Route 5 with resurfacing of the road and also performing sidewalk improvements all the way to Route 5 on both sides?

Mr. Thompson replied, total reconstruction of the roadway pavement, curb, sidewalk, installation of water main, ornamental lighting and additional street trees. That would be a complete reconstruction of the area from Washington to Route 5.

Mr. Zandri stated, I now have a pretty good picture of what is going to take place, however, I am a little bit disappointed that we are not doing both sides of the street around the park. It seems as though only half of the job is going to be done.

Mr. Thompson stated, the Mayor shares your concern about that and has asked me to evaluate the feasibility of having additional ornamental lights put along the entire length of Quinnipiac Street as part of a construction change order and we are working with the State and that is a viable alternative. It is a matter that is before your Council.

Mr. Zandri stated, again, around the park, on both sides of the street, I don't think you are undertaking the sidewalk improvements.

Mr. Thompson answered, only on the park itself. Also, on the Quinnipiac Street side there will be a new sidewalk with ornamental lighting.

Mr. Zandri stated, it is my personal opinion that if we are going to be undertaking this project, I feel that all of the utilities should be underground. We can say that in the future we are going to go up Ward Street and we are going to go down Main Street and we are going to go down any other street in this community and obviously if we are going to undertake those projects, we should do them right even if we have to wait longer to get the project done right, we shouldn't do it until the money is available for I don't believe in doing a project and not doing it right. I think that if we are going to go down Center Street and afford all the businesses along Center Street with the proper improvements, if we are going to continue this project we should not be changing midstream what our philosophy is and how the thing should look. I plan on making a motion to that effect when the time comes; that all utilities in this project be put underground and I have heard a lot of the talk here so far this evening about timeframe. We should not be looking at timeframe. We are talking about planning here and if this planning wasn't done, in my opinion, properly from the beginning I don't think that we should be under the gun to make a decision here tonight just because it was not planned properly, in my opinion, right from the beginning. If we have to have a delay here, we will have to have a delay. I think that we should do the project right. That is the way I feel about it and when the time comes I will make the motion accordingly.

Ms. Papale stated, what I need is a comparison of how much it might cost if we went underground with the lights or if we did them as these pictures show.

Mr. Thompson stated, the actual estimate of construction that we have developed to totally reconstruct Quinipiac Street from Washington to Route 5 using the same concept of concrete and brick sidewalk, the ornamental lighting, the street trees, is approximately \$350,000 for that distance. That does not include the make ready costs that the Electric Division might incur for their over head utility adjustments. The Town of Wallingford does not incur any cost for the make ready efforts of the three other utility companies; S.N.E.T., I-S.N.E.T. or T.C.I. They are within the public right of way at the granting of that by the Town of Wallingford. They have to relocate their facilities when we so direct them but in doing that, they do it at a schedule that meets their own obligations.

Ms. Papale stated, I am probably as excited as anyone else as far as what the Town of Wallingford is doing and what is happening at the Quinipiac Corridor as far as making it look as nice as it does from Route 5 up to Main Street on South Main Street. I have been very happy about it; I say it every chance I get and when I heard this was going to happen downtown, I was excited. I love the idea of the new sidewalks and trees and I really want it to happen but I know that the main issue is probably the time it would take for S.N.E.T. and T.C.I. to come in and change their ways of doing it because they are set to go one way and we may be looking for another way. I was curious to know what it would cost if we put the lights above ground or if we put them underground. Is this a concern? Or is the major concern the time?

Mayor Dickinson stated, Ray Smith identified the cost at \$600,000 between Route 5 and Washington Street. It is \$800,000 from Washington Street to the end of the park or approximately Bull Avenue. That would be the undergrounding of the over head power lines. The lamps, if the period lights go in they will always be underground. You will not see wires going to the period lamps. All we are talking about is whether we underground the power lines and the telephone and television cable lines whether they are underground or not. From Washington Street to Bull Avenue is \$800,000. With that said, however, the problem for the Electric Division, I believe, is the amount of time it would take them to design that. That would hold up the project because I believe that Mr. Smith said that he needed four to five months in designing that. They are starting work this month so there would not be the capability of doing that. We do have the capability of doing it from Route 5 to Washington Street. The real question before you tonight is, if you like those improvements with the underground wires from Route 5 to Washington, that's what's on the table here and that would proceed. The wild card, if you will, is putting the period lights from Washington Street to the end of the park, tie in the park with the other and leave the over head lines as they are with changes that are being re-configured. That is the issue.

Ms. Papale asked, how long was it in the works before the discussion came about to beautify npson Court and then Center Street? It was done not too quickly; my point is, in speaking only for myself, I would not have a problem to do two phases of this.

Mayor Dickinson stated, once the State finishes its work, from Bull Avenue to Washington Street, we will not be touching that area for at least ten years. There will be new payment, the water lines are going in and hopefully, we won't be touching that pavement for ten to fifteen years. The opportunity to do something is now.

Ms. Papale stated that she was very disappointed that all of the utilities were not going to be underground and that it would be done half one way and half another way.

Mr. Smith stated, in our design and plan for undergrounding, we are not anticipating doing anything with the circuits that go north/south along Cherry Street. If you recall there is some pretty heavy duty construction right there and that pole that is in the corner; we have not planned to modify those circuits whatsoever. There will still be an area crossing at Cherry St. And there may be one at Washington too. Three of our major circuits go up through that area.

Mr. Centner asked, how long is it going to take the State to complete the corridor project without any dergrounding at all; what type of time frame are we looking at?

Mr. Thompson responded, the area that is shown on the map in front of you that is highlighted in blue, that is the section from Washington to Bull Avenue; about 1,700 feet of roadway. The project also entails the Wallace Park improvements and the installation of six new traffic signals. The completion of those three elements is scheduled for August of 1999; contract out about 390 calendar days to construct this project.

Mr. Centner asked, are they then going anywhere near Washington St. to Bull Avenue area or that is not part of the State and the project?

Mr. Thompson stated, the State project as shown on the map in blue does include the intersection of Washington. We have complete re-construction up to and including the intersection of Washington. The roadway improvements go just slightly to the east of the intersection. We are also installing a new traffic signal at that intersection that will be part of this State project. The roadway re-construction extends just west of Bull Avenue on the other end. Just as a point of clarification to all of the Councilmembers, the third element of this overall discussion that we have not touched on yet is : extension of the scheduled roadway improvements via milling and overlay of approximately 420 west of the Bull Avenue intersection to tie into the recently completed Connecticut

interchange improvements at the Quinnipiac Street bridge. What we are doing is taking new equipment that the State recently completed and bringing that, hopefully, as far as Route 5 on the east. Those are three important elements of the project as they are sitting before you. The only item that is currently contracted is what is shown in blue and that is the reconstruction of Quinnipiac from just west of Bull (Ave.) to just east of Washington.

Mr. Centner stated, my area of interest would then be, if we were looking at the possibility of taking undergrounding from Route 5 to Washington, that possibly exists due to the time schedule and all, is that what we were saying earlier? My concern then would be the utility service and where it would have to cross the roads or where it would track from Washington Street down to Bull Avenue. Isn't there a way we can do any kind of concurrence? I know that there is a timeframe needed for the design but couldn't we identify the area that the trench would be in and trench it and let it sit while designing it? Is it much more complicated than that?

Mr. Smith replied, you need to lay out the entire system, I don't even know right now where the primary and secondary.....what side of the street; I have my own ideas. For example, there will probably be three pad-mount transformers in the park. I don't even know whether there are any restrictions in the park. It makes sense design-wise to put them over there and run the services across street because on the other side of the street there is no space; there is a very minimal sidewalk a.

Mayor Dickinson asked that Mr. Smith explain what a pad-mount transformer is.

Mr. Centner stated, if we weren't intending on doing anything in the triangle area of Wallace Park; we are going to be on the opposite side of the road for any of this anyway, I was wondering if we couldn't identify an area and use that as the channel; keep it clear, start designing it....

Mr. Smith stated, we would have to coordinate with SNET and TCI and whomever else because they would have to run duct banks in that area too. We have two main duct banks, one for primary circuitry and one for low voltage conductors. I have walked it a couple of times and have a preliminary feeling for how it might lay out. I don't know if there are any legal restrictions for putting equipment into that park. Maybe the Law Department could find a way around that; that would make the best sense for us, preliminary design. As far as putting duct banks in, they would probably be under the sidewalks to avoid the road conflicts that currently exist. It would probably take us a month or two just to understand where all the crossings and all the information.....although I would assume that it is fairly; the information is probably accurate but there is a lot of abandoned facilities out there, gas lines and sewer lines. It is not as simple as that.

Mr. Centner asked, in the past, as a town, have we ever delayed construction on any State projects in the past and what did it cost us when we did it? Did it kill projects or did it just cost us some kind of dollar fee to tie up the delay in terms of manpower and equipment?

Mr. Thompson stated, the Mayor can address what has happened in the past but with regards to this project, when I discussed the possibility of a delay on start-up or construction activities, they said that the Town would be responsible for all costs, that includes the State's administrative costs in terms of their time and effort to put these documents together, advertise the bid, conduct pre-bid, pre-construction meetings, award the contracts, do all the research necessary to verify the contractor's background plus the cost associated with the lost profits to the contractor. They estimated, and I can only tell you what they told me, those costs could range between \$200,000 and \$500,000 that the Town could be liable for should this project be delayed.

Mayor Dickinson stated, I believe that this is the first project that we have had under the ISTEA Funds; the Quinipiac Corridor Project. This is the first time we have gained access to federal funds so we don't have any history regarding defaulting or preventing the State to move ahead.

Mr. Centner stated, if we could, I would like to do the underground utilities, however, I will not support anything that would jeopardize this program. However, if it is possible that we can do from Route 5 to Washington Street or even a single street further, as far as we can go that would not jeopardize the project, I would like to support that. I just think it is a good way to move in the Town as we go forward into the new century; to just clean it up with the utilities. I don't think I would support forcing this issue to cover the entire area but I would like to support it from at least Washington Street to Route 5.

Mr. Thompson stated, that is an opportunity. We are just doing the survey and design now so should it be the Town's desire and the Council's wishes to proceed with the undergrounding we could at least pursue that because the design is underway. The other portion, unfortunately has been underway for well over six years. I have been the designer on this project for the past six years and I can tell you that the difficulties we encountered in getting it underway and to go back and re-visit issues that were never brought up during that time frame would be very difficult in terms of addressing and keeping the project on schedule.

Mr. Zappala asked, can there be a minimizing of the wires that exist on the poles right now?

Mr. Smith stated, coincidentally, we have embarked on a project to re-build an amount of the circuitry in that area anyway. As a part of our removal of some old substations, specifically Washington Street and Prince Street so we have cleaned up some of the clutter. If you look at some of the older poles, east of the park versus the newer section west of the park, you will see the

dramatic difference in the over head construction. That is part of our capital program; it is unrelated to this project, it is just coincidental that it occurs in that area.

Mr. Zappala asked, are you going up Ward Street in the same fashion?

Mr. Smith replied, eventually we do get up Ward Street but I don't know if it is in the current phase or not.

Mr. Cominos stated from the audience that it is only up to Bull Avenue.

Mr. Zappala stated, I strongly support that we do Colony to Washington Street. It is too bad that we did not plan ahead. This project was started over six years ago. I cannot imagine why you would not consider the thought of putting the utilities underground. Regardless of the expenditure, the people in that area deserve it. In the future something like this should be re-considered and do the job the right way. No matter how you slice it, no matter what you do, it will never look the way it should k; that is the part that is so disappointing.

Mr. Rys asked, if we were to delay the project eighteen to twenty months can these funds be removed from the Town and given to another community if they had plans on the table before us?

Mayor Dickinson stated, every year the Council on Government goes through an exercise of what funds are obligated under the State determination and what is not obligated. If this would not be ready to go, it is conceivable that they would.....they have a process by which they want to spend their money prior to the end of the year or the money goes back to the federal government. The State has a real interest and will advance one of their own projects on State highways in order to absorb funds. It is also thrown out to other municipalities to absorb the funds also. Is there a potential for that? Depending upon the circumstances and the length of delay, absolutely there would be a potential for that.

Mr. Rys asked, during the planning stages, had there been a large public outcry for underground cabling in this area?

Mayor Dickinson stated, I think John spoke with some people along Quinnipiac Street. I am aware people who are opposed to it; I am aware of people who would like to see the improvements even here weren't undergrounding of the overhead wires. It comes down to a judgment call, in part, aesthetics as to what a person enjoys and what they don't enjoy.



Mr. Thompson stated, during the six years that we were advancing this project through the preliminary and final design process, we conducted a number of public informational meetings in this town and not once did the issue of undergrounding utilities come up, nor did it come up in any of the design review meetings that we had with the Town. Interestingly, as the process evolved, we have been meeting with the abutting property owners along Quinnipiac Street to make certain that what we are proposing as part of this project is consistent with their understanding of what they would like to see out in front of their house. Interestingly, last Friday, one of the abutters who called me and said that they were concerned about us taking down some trees; when I went out to explain that we were, in fact, taking down two trees in front of their house but would be replacing them with two brand new flowering trees, they said, "We like the idea of physical obstructions out there such as the poles because they lend a certain degree of perception of safety." Occasionally, drivers leave the road for whatever the reason and if there are objects between the road and the houses, they view that as a positive safety element.

Mayor Dickinson added, streetscape improvements, as a general rule, are not part of the ISTEA funding. The lights around the park, 80% of that is Town-funded while 20% is State-funded. That is why this issue did not come up in the planning of the Quinnipiac Corridor project because ISTEA; D.O.T. jealously guards those funds from being spent on streetscape improvements. It was not something that we could have included within the ISTEA funding or else we would have.

Farrell asked the P.U.C. representatives, if our distribution system is going to become our paramount item, does the P.U.C. have a plan for dealing with this kind of issue, of undergrounding on a regular basis? I don't think that we would be in this particular situation if we had a policy that was adhered to. The problem seems to me that we have had all these ad hoc discussions and ad hoc designing going on and the result is this "cobbled together" plan that nobody really likes. Does the P.U.C. have a plan? Does the P.U.C. have a vision? I am not blaming anyone for this end result; I think that trying to move forward on future projects like this, we desperately need a policy on this issue.

Mr. Gessert stated, as far as I know there is no policy regarding strictly underground as far as replacement of existing facilities. If we went into full scale undergrounding of lighting all over town and all the electricity, we could probably blow through \$50 - 100 million without too much difficulty. We do have a policy with new developments where we support underground and help to defray the cost of it. We encourage that. My own personal feelings, as a general rule I would like to see the division gradually look to extend underground in other areas, maybe starting at the center and looking out towards the outskirts and growing from the center as we have downtown. I would like to see us extend the boundaries of underground service in the downtown area.

Farrell suggested, maybe we should have a twenty year plan that calls for getting rid of all of the overhead utilities. A component of this project is replacing a lot of the water mains.

he center of town in the coming decades we are going to have to be replacing a lot of this old, existing piping in the streets. It would seem like we need a plan to address both of these problems at the same time. If the streets are being dug up for the water, they should be dug up for the electric at the same time.

Mr. Gessert stated, we have seen too many instances in the past when a street has been paved and within one year's time the street would be dug up because someone decided other work needed to be done. A coordinated plan is worthwhile and I think the (P.U.C.) commission may look into what parts of the system can we replace. The Council has strongly supported a massive upgrade of the electrical system. That was a system which had gotten old and tired over the years and has been significantly upgraded to improve reliability. Undergrounding may help somewhat in reliability area but it is more aesthetic and takes more coordination because you have got to get everyone else who is on that pole to agree to go underground as well. It is something we should look toward doing.

Mr. Farrell asked if it is possible for the commission to come back before the Council within six months to sketch out the beginning parameters of something like that?

Mr. Gessert did not find the request unreasonable. We can look to develop a report on what areas we could enhance underground and what the cost would be.

Mr. Parisi stated, perhaps what might be missing here is a lack of communication with the public. I will liken this to the procedure we used with the pool when we had at least two informational meetings that anyone who wanted to attend, attended. The Director of that project was here in the room and the engineering company was here, also. There was a give and take of information and questions and perhaps maybe that is what is missing or did not occur here. Mr. Farrell referred to many pocket meetings but the big picture never really truly got presented so that everyone could really understand what was happening and I understand, Mayor, that some of the things developed right at the last minute.

Mr. Knight stated, one of the subjects that has not yet come up and I would like a little clarification on is the AmTrak pre-emption program that ties in with both of the projects now. As I understand it, AmTrak has done a great deal of the work that they are scheduled to do and I wanted to find out what that would do; a delay would do to that project? What costs might we incur if we delayed that project by two or three years and what funds in that particular project might be jeopardized?

Thompson responded, there is actually two separate elements of the AmTrak work. The Town Wallingford, as part of the Quinnipiac Street Corridor Project, has new traffic signalization scheduled at Center Street, Route 5, Quinnipiac and Hall intersection and also at the Hall/Washington and Quinnipiac and Washington intersection. All three of those locations are scheduled to have state-

of-the-art integrated circuitry with the AmTrak circuitry which is being upgraded...the circuitry on the  
ks is a separate ISTEA-funded project. It is approximately \$510 million undertaking for AmTrak  
to upgrade their circuitry. If, for some reason, the Quinnipiac Street Corridor Project did not move  
ahead as originally scheduled and those intersections did not receive the upgraded traffic signal  
control that is currently scheduled as part of the project, the Town would be delayed in receiving the  
safety benefits of those scheduled upgrades. It is not anything that we would lose, it would only be  
deferred and we would not derive the benefit of those improvements.

Mr. Knight asked, would we be subject to any kind of penalties with regard to that phase of the  
overall project; the lost profits, the State administration costs, etc., that go into delaying? The element  
of the project that runs from Washington to Bull Avenue would not come into play here, even though  
there are federal and state funds committed to making this happen?

Mr. Thompson answered, it is exactly the same project. The Quinnipiac Street Corridor includes  
those intersections so if there was any delays in advancing those traffic signal controls, the same  
penalty that would be associated with the delay in the roadway construction or the park  
construction...the project is those three elements; the signalization, the roadway work and the park.  
If the contract was delayed, the penalty would be associated with the deferral or the postponement of  
any of those three items.

Mr. Knight asked, and that is in your estimate of the \$200,000 - \$500,000?

Mr. Thompson answered, that is correct.

Mr. Knight asked, and that would include AmTrak which is the most intransigent company that  
anyone has ever had to deal with? Would they seek to exact some kind of penalties from having to  
send their crews back here years from now once they have established their own circuits through  
town?

Mr. Thompson answered, in addition to being intransigent and difficult to deal with, they are also  
very expensive. They will receive full payment, the \$510,000 for their railroad circuitry work  
whether we go ahead or not. They would not come back to the Town to seek any additional  
reimbursement. If, at such time in the future, presuming or assuming that this was delayed and we did  
have to go back and upgrade our designs, they would come back to the Town or the State or federal  
government and seek what ever additional monies were required to upgrade their system to meet our  
current design. There could be additional cost but just to stop it, there would not be a direct penalty  
ociated or imposed upon the town from AmTrak.

Mr. Knight asked, are you intending, at this point, to underground anything either from Washington to Route 5 or from Washington to Bull Avenue?

Mayor Dickinson stated, we are proposing the undergrounding from Route 5 to Washington.

Mr. Knight asked, is the \$600,000 that Ray (Smith) said it will cost to go from Route 5 to Washington part of that project?

Mayor Dickinson responded, my understanding is that the utility, the Electric Division will look to accomplish that task. I am asking the commission, is that correct?

Mr. Gessert replied, assuming we can get a transfer approved by the Town Council.

Mr. Knight added, with that understanding, of course.

Mayor Dickinson added, there is a belief that that is a goal that we would look to achieve. From Route 5 to Washington we would look to underground the overhead power lines.

Mr. Knight asked, is that \$600,000?

That figure was verified off-microphone.

Mr. Knight asked, when you sketched out a scenario of SNET taking virtually three years to accomplish a re-design and installation from Bull Avenue to Washington, why is that not a factor in this particular portion of the project?

Mayor Dickinson answered, I believe it is a factor. It is my understanding that the poles may be out there for a year and one-half, two years, what ever with those lines ultimately going underground. Our conduits and lines would go underground quicker, is that correct?

Mr. Smith answered, that is correct. In addition, there are some underground telephone circuits already that dip under east or west of Washington Street. Part of their plant is underground in that vicinity.

Mr. Knight stated, in wandering around the area, my only observation was that it seemed from Washington down to Route 5 that it wasn't nearly as extensive set of wires whether it be phone and cable, etc., it did not seem as complex as it is from there west. Is that a fair assumption?

Mr. Smith responded, that is a fair statement. Their facilities are lesser in that area.

Mr. Knight asked, the undergrounding can take place within a reasonable time period without jeopardizing....?

Mr. Smith replied, there is not necessarily a correlation with one to the other, they still may take eighteen months to design and move it. I am just saying that there is less wires in that area.

Mr. Knight asked, with regard to the rest of the project, is there anything that we could do in this community if we don't go to complete undergrounding to minimize the unsightliness of all of the utility poles? Are there any other creative ways such as moving the poles to some back yards to take them off of the street? Any thing of that sort that would be a reasonable compromise to move the project ahead on schedule and yet, accomplish at least some of the same goals of enhancement that we are all looking for?

Mr. Smith answered, without going into the area to evaluate it further, I don't think there is a rear area right-of-way access that is reasonable in that area. All of those homes are tucked together and you would have to obtain all kinds of easements and I don't know what we have for aerial trespass behind there. Again, you would have the same problem of modifying all of the customer services.

Mr. Knight stated, In touring the area I noticed an awful lot of poles; there are two poles together and then a smaller pole and then larger poles.....

Mr. Smith explained, that is part of this reconstruction that we are working on. The picture shows that we have gone in, as the Electric Division, and have transferred a lot of our equipment onto the new poles and when the telephone company and T.C.I. finally get theirs off then we cut them at that level and they will eventually be pulled out but not until those companies disconnect. You will see some double poles up there for quite a while.

Mr. Zandri asked, regarding the AmTrak work and the signalization work along the corridor that is part of the project, has all of that already been designed?

Mr. Thompson answered, that is correct.

Mr. Zandri stated, there is no reason why there should be any delay to them to perform work on any of the signalization or the AmTrak, is that correct?

Mr. Thompson stated, on the surface there would be no reason what so ever why that work could not advanced with the project or separately.

Mr. Zandri asked, if we were to undertake putting underground utilities from Washington Street down to Bull Avenue, it would not affect the work that has already been designed associated with the signalization or AmTrak, correct?

Mr. Thompson stated, with respect to the roadway work, because we are changing some of the geometry at several locations with respect to the curb alignment; there may be some traffic signalization conflicts with the geometry if the geometry and the roadway reconstruction wasn't done as part of it. However, you are exactly right, it is conceivable that, if the Council is so inclined, we could do the traffic signalization immediately without any loss of time or effort if the State were willing to separate that work from the overall contractor. That is something that I just don't have an answer to as to whether that is an option or not.

Mr. Zandri stated, we could have two separate projects here, the underground utilities could be undertaken by the Town. It has nothing to do with the contract at hand as far as the ISTEPA contract.

Mr. Thompson stated, that is not entirely true. When the Town entered into this contract with the State to administer the project and the State advertised this project, they are turning over the contract area to the general contractor who was the low bidder. For us to think that we can go in and currently undertake other work within the same contract area could be a real problem. In fact, that is one of the reasons why we work with the Water Department in having their water main work included as part of the overall contract. You can't have multiple contractors working within the same contract area. It made all the sense in the world to have one contractor responsible for that contract area.

Mr. Zandri asked, even if there was additional underground work associated with that section of the contract, it would not interfere with the design that is in place for the signalization and AmTrak?

Mr. Thompson answered, with respect to the AmTrak work, that is correct, there would be no conflict with the underground utilities whether that was done at the present time or in the future. The only issue we had with respect to the integration of that work into the existing contract was, we were able to take advantage of very competitive contractor's prices; we were able to expand the contract having a sealed contract to do that work and we didn't get into a situation with conflicting responsibilities within the same contract area. The original concept, when I went back to the Mayor after his request to evaluate extending the project, it did not include the undergrounding of utilities. That came up subsequent to the development of cost estimates. If it is the Council's desire to move forward with the undergrounding of utilities within the area from Washington Street to Route 5, we can do that. However, it is unlikely that it can be done in a timeframe such that the work can be added to the Quinpiac Street Corridor Project. The State is favorably disposed to extending that contract date for additional work requested by the Town. That would necessitate us undertaking a separate contract which, again, could be done.

Mr. Zandri stated, I just wanted to make sure that if we decide to go with the underground utilities in it area, it would not affect the existing signalization or AmTrak work. The way I understand it, it will not.

Mr. Thompson replied, that is correct. Pursuit of underground utilities would not be in conflict with the traffic signalization or the AmTrak work.

Mr. Zandri asked, what would be done first, the sidewalk work or the roadwork on the Quinnipiac Corridor Project?

Mr. Thompson answered, the first item of work within the 1,700 feet scheduled for reconstruction on Quinnipiac Street is the installation of the water main. Subsequently they will do the drainage modifications, they will then do the curb, the sidewalk, the underground services for the lighting and then they will do the roadway pavement and finish off with the sidewalk and the landscaping and the installation of the ornamental lighting. It is sequential activity working on a block by block basis.

Mr. Zandri asked, is the sidewalks going to be last?

Mr. Thompson replied, within each block the sidewalk will probably be one of the final items.

Mr. Zandri asked the P.U.C., can the utilities be put in the sidewalk portion of the project? Can you see putting all of the utilities in that area of the project?

Mr. Smith answered, there would be some under each side of the street under the sidewalks, yes. It is likely that there would have to be dual duct banks down there. Although there is a lot of street crossings obviously, too.

Mr. Zandri stated, you can plan for the street crossings by putting in enough going across while you are digging up the road to anticipate what your needs are going to be even if you had to put in some extra crossings to make sure you planned a sufficient amount of crossings. It could be done. The point that I am driving at is, to me the way to approach this is to look at what portion of this road project is going to be done last to give us enough time to get the duct banks in the ground. It is obvious that it looks like it is going to be the sidewalk portion. We have over a year before this total project is going to be complete so if that is the area we should be looking at and targeting for our design work, let's get on the drawing boards and let's get that portion of it done so that we can run the lines at a later date so long as the ductwork is in. Even if the poles have to stay in place until the insitution takes place, the poles can be removed at a later date and you patch up the brickwork accordingly which has been done in many places around town. I want to know if you feel that is feasible by targeting in that manner whether or not this can be achieved without delaying this project?

Mr. Smith responded, I know there are some tight areas, narrow areas between Bristol, going to the east as far as space for the sidewalks. There are some retaining walls that come out there pretty close; I don't know what is in those areas presently and I assume there is nothing but it is likely or possible that we could all fit in that area; we being the four utilities.

Mr. Zandri stated, what you are telling me then is, with a little bit of proper planning here and a little bit of brain work we could really pull this thing off if we wanted to?

Mr. Smith replied, I did not say that.

Mr. Thompson added, Wallingford Electric can cooperate and I believe that they can do nearly anything that we believe as a town is in our best interest for them to do. I can assure you, however, from my conversations with the other utilities that they do not share our interest in putting the utilities underground. They cannot satisfy a schedule such that we would not delay the contractor. If there is any potential for delay then the Town of Wallingford is going to be at risk. To answer your question, even though I said the sidewalk is probably one of the latter items, it is still not far enough off into the future such that we would not impede the timely construction of this project and potentially create delays that we would be responsible for those costs.

Mr. Zandri asked, is there any way we could find out what the requirements are as far as the underground requirements for the cable t.v. and telephone that we could put that in and then let them pull their wires at a later date?

Mr. Thompson replied, it is my understanding from recent discussions that they would want to design all of their own facilities for their distribution network. Each company has their own very specific requirements and I don't want to speak for what they can or can't do but I suspect that he would be very hesitant to design a distribution network for the telephone system or for I-SNET or even TCI. We know that the end product is getting to the house. How they do that is a design element that they control.

Mr. Zandri asked, how unique is Quinipiac Street that the phone company and TCI is going to have to come up with such a unique design? You mean to tell me that they don't know what the requirements are by now on an average street of how many conduits they need and what laterals they need to each house to satisfy the requirements? I find that hard to believe that they are going to have to go back to their drawing board to re-design that one street.

Mr. Thompson stated, that is correct and I am not here to defend SNET or I-SNET or TCI because they probably are my biggest adversary during this design process but I also want to give you a realistic assessment based on what they told me and it is exactly that, going back to the design board



and creating an entirely new project to address an underground network. This is their advisement to me, I am not coming here to tell you what I believe to be a fact, I am telling you what they advised me formally in writing that it is an entirely new project in their mind's eye and they have to start from scratch. Is it unique? I can't answer that.

Mr. Parisi stated, you don't have to answer that.

George Cooke, P.U.C. Commissioner stated, it is a very difficult question right now but when you are opening up a ditch the phone company generally supplies you the pipe and TCI supplies the cable or whatever, in their case, pipe, and the contractor puts it in the ground; they are not even there. They supply you with the boxes and so forth, it is not as difficult as it may sound, it is just that it takes the time and the planning and Mr. Smith made a good comment; if we went on both sides of the street with utilities and he is talking about the phone and TCI and so forth; the contractor that we are talking about that has already been given the contract for the Washington to Bull Avenue is in place. He already has the street marked and he is ready to go to work tomorrow. That could be an add-on to his contract; it is possible. I'm probably going to get my legs broken on the way out the door but I have learned to walk that way but it is possible and that is how it is done; the tying of the wires into the houses and the different buildings is under issue but we are talking about getting underground piping in place and leaving outlets so that they can be hooked onto when they are ready to go to the home or factories or what ever.

Mr. Zandri stated, I really feel that with a little bit of planning here, this can be accomplished and I think it can be done without delaying this project.

Mr. Zappala asked Mr. Thompson, who is on the committee that designed the Quinnipiac Corridor Project? Would you name the committee members which are involved in this project?

Mr. Thompson stated, I defer to the Mayor, the project was organized before I was involved.

Mayor Dickinson explained, it is not a committee at all; it involves my office, Program Planning, Town Engineer, Rick Doll with the Police Department and it involved hiring a consultant at that time, Milone and McBroom for design. The Town was responsible for design of the project; that is our contribution. The construction comes through the ISTEPA funds. The process then is, having the design completed and approved by the State of Connecticut which stretched over some five plus years. It is administrative offices pursuing the project that is funded through budgets, etc.

Mr. Zappala asked, was Wallingford Center, Inc. Involved?

Mayor Dickinson replied, no, primarily because the project does not involve streetscape other than the park. I don't know if WCI was involved with the park or not but the park improvements were

discussed at public meetings; I think we had at least two public meetings on the Quinnipiac Corridor project and the park aspect was outlined at that time. That was the limit of streetscape improvements.

Mr. Thompson stated, Beverly Belliveau (former Exec. Dir. Of Wallingford Center, Inc.) was a participant in the design discussions about Wallace Park so there was representation in the early stages as we were developing concepts on how to treat the park.

At this time the Chairman opened the discussion to the public.

Lucille Trzcynski, 262 N. Elm Street stated, Ray Rys raised the question, "was there a public outcry about this?", intimating, I believe, and he can correct me if I am wrong, why is the public....why is there an outcry now at the last moment? How could the public have an outcry when just two or three weeks ago most of the Councilmembers that I spoke to had heard nothing of this including the commissioners on the P.U.C.? How could the public be aware of it if the very people who are here making the decisions knew nothing about it? That is what I want to know. When I called those people, the ones that I did call and I did not call every one, they said, "this is the first I am hearing about it". Now here we are under the gun, a decision has to be made and all of these people who have been planning this project for six years never brought it before the people who are going to pay it, who have to construct it, who have to worry about it and you wonder why the public gets upset? Here we are making a decision on a project that starts tomorrow and for the public-at-large they are hearing about it tonight. The Council did not even know about it, many of you, because you told me that. The Commissioners on the P.U.C. didn't know about it because they told me that. Now, I want to know how that happens in a town where hundreds of thousands of dollars of taxpayer's money is going to be spent?

Mr. Parisi stated, there were a couple of public hearings; at least they were mentioned.

Mayor Dickinson stated, the fact here is that the project is one that has evolved. The Quinnipiac Corridor Project is one that had several public meetings, the park aspect of it was part of those meetings. As explained earlier when I opened up the meeting, the issue over the streetscape improvements from Route 5 to Washington Street and from Washington Street to Bull Avenue along Quinnipiac Street had been a result of the work of the Engineering Department as a result of a request from the Mayor's Office. We heard complaints about the sidewalks from Washington Street to Route 5; the request was for us to improve those sidewalks. The Engineering Department came back and said we can't improve the sidewalks without improving the road. We said, fine, now it is going to be more of an expense, tell us what the cost is. The Engineering Department said, if we are going to do the road and the sidewalks, how about if we look at providing streetscape improvements?

(A malfunction occurred with the audiotape at this time)

rs. Trzcynski stated, you asked, Mr. Zappala if WCI knew about this? WCI was aware of the streetscape improvements around the park but that was not a problem for us because there are no utility wires around the park. We were delighted that ISTEA-funds would perhaps pick up this bit of cost. We thought this was great but that was the end of WCI's involvement. When we did Center Street and there was a possibility of doing Route 5 north and south one block, the Mayor's Office suggested that we put the amenities on that street, the poles, the bricking, the benches, the trees without undergrounding the utilities and WCI raised holy cane and the Mayor's Office and Ray Smith very much knew the feeling of WCI about streetscape amenities without undergrounding the utilities. It is not something that should have surprised them or something that they would not have.....they should have said, wait a minute, everything we have done so far we have done very well, let's not do this unless we can underground. The money is there, the timeframe you can work out. Anything can be done today; anything can be done. If this mistake is made, if you put those amenities on those streets without undergrounding the wires, it is like putting make-up on a dirty face. Every time people drive down those streets they are going to see those poles and the streetlights and the bricks and those pear trees next to those ugly poles and those horrible wires and the fault will lay with the powers that be in this town and I hope that every taxpayer remembers that every time they drive down those streets. This should not be a last minute decision, every person in this town should have known about this and had the right to come here and speak. The Council and the Commissioners would have certainly known about it. (Applause)

Barbara Dsupin, President of Wallingford Center, Inc. Stated, we do prefer to have the underground wiring, we have done well so far with what has been done in town. I am ecstatic to hear that they are intending to do at least from Washington Street to Route 5 but my question is, why bother with the lighting, if we can't do it the right way, is that going to.....why bother putting the lights in? Just let us do the rest of the work and don't bother with it, don't bother putting the lighting around, that is my question; do we have to have the lighting?

Mayor Dickinson replied, as I stated earlier, there are various opinions on most subjects. I believe that it is a wonderful opportunity to transform that area; one side of the street has no poles at all; the side with the church on it. I think for people to walk along there and have these period lights, it just makes everyone feel very good. At night you won't even notice the poles, you will see the lights like a string of pearls, it transforms an area. That is my opinion, I feel that the area...it would be a wonderful improvement, other people feel that it isn't. That is what we are here talking about.

Mrs. Dsupin responded, I think that the ISTEA....and going along with what we have to do with the trees and things but if you can't do the lighting the right way then I think you should not do it at all. Just continue what we have to do; the sidewalks and what ever and put the trees in and just leave our period lighting in the center of town. That is where we are trying to encourage people to come in to; the center of town to help our merchants, to help our restaurant people. By making that the special

ce in town, instead of putting it all over town. It is going to become old hat and this is the point.....the center gets so many compliments, the people who have come into town and have said how beautiful the center is but if you put a light everywhere else, you are taking away from what we are trying to do which is to help our merchants. We are trying to attract new business into town because it is important that our town become revitalized. If you can't do it right, don't do it, that is the whole Board's opinion.

Andy Kapi, 6 Deme Road recalled when the Oakdale Theatre project at the bottom of Cook Hill Road was delayed due to SNET's inability to move a couple of poles due to a delay on their part. He asked if that portion of the work had to do with the expenditure of State monies or Oakdale monies?

Rick Doll, Traffic Maintenance Officer, Wallingford Police Department responded, the actual moving of the poles was part of the ISTEA project that was split out of the Quinnipiac Street Corridor Project which then ultimately ended up becoming a Cook Hill and Turnpike Road project. Just to add to that, we still have not completed that area yet with SNET, we are still waiting for a transfer out there on line so that we could try to get the rest of our job out there done. That is about two and one-half years now.

Mr. Kapi stated, if this is a split out of ISTEA monies from actually the same project, how do we justify or buy time for the delay of those monies that were set aside for that work? How did we buy time in that instance and somehow this situation is different where we can't buy that time?

Mayor Dickinson stated, I think the issue here is probably one for John (Thompson) but the undergrounding of the utilities would require in the pavement, in the roadway work. The work that has yet to be performed by SNET is out of the road right-of-way and at this point can wait but the work on Quinnipiac Street would require work where pavement will occur. There has to be designs where the street crossings occur and its got to be on blueprints so everyone knows what is happening. I think that is the difference.

Mr. Thompson stated, the delay that was experienced on the South Turnpike/Cook Hill Road was a delay caused by unanticipated construction problems. What we are talking about here is a delay created by potential actions by the Town of Wallingford. There is two distinct.....

Mr. Kapi stated, at some point it becomes obvious that you can justify a delay of final expenditures of bids. That does not address the liability to the contractor issue. As I read this agenda, Item #2a is a view of bid to allow contractor to perform work for the Town. I take it that means, to perform that additional component of the work that is not ISTEA-funded?

Mr. Thompson replied, that is correct. All the work that we are talking about; the additionalamental lighting, the additional roadway construction and the additional overlay as well as the water main work would be 100% Town-funded.

Mr. Kapi asked, since that is listed as a waiver of bid, that must mean that someone here tonight is prepared to go to this contractor and negotiate a dollar figure without undertaking the bid process to complete that additional component of the work, is that correct?

Mr. Thompson answered, that is exactly correct. The extension of the Quinnipiac Street Corridor is identical in all fashion to existing contract items. We were able to exactly determine what the additional cost would be if we were to extend the contract items.

Mr. Kapi stated, it is probably going to be likely in the end that this contractor may end up doing both pieces of this work; don't ask me how I know that, I don't know that but, obviously he is booked to do the ISTEА portion between the end of the park and Washington Street. Next we are going to be looking to do the Route 5 to Washington Street section and this fellow will at least know how to bid that if we put that out to bid. My question is, if we are running the risk of liability to this contractor because we may delay him from beginning work and getting funds that are set aside for him by way of the ISTEА funding, I cannot believe that our Town legal department can't write a document to make an offer to this fellow for the same dollar amounts that we are prepared to go to him now without going to bid to undertake the other component of the work that is not ISTEА-funded, I can't believe that this guy wouldn't jump at the chance to begin work on the section between Washington Street and Route 5 for which we apparently have some planning underway to do the undergrounding. If this fellow would not jump at the chance to do both pieces of work without going through the bid process by signing a document, signing a waiver, not holding us to any liability and we go to the State and say, can you expend these funds to an escrow account, why can't that be attempted?

Mr. Thompson responded, you are exactly right on the first count, at least. The contractor that was low bidder for the Quinnipiac Street Corridor Project is absolutely excited about the possibility of having his contract work extended. It is a win situation for him and a win situation for the Town because we have a single contractor to do work at a competitive price. The obstacle to all of this is a third party that is not here tonight but is the administering entity for this contract and that is the CT. Dept. Of Transportation. The D.O.T., when approached about a delay in any form or fashion was totally shocked that the Town would even suggest that the project be delayed. They were the ones who developed this cost estimate. The State is the one who is not prepared to discuss an extension of time.

Mr. Kapi asked, what is the matter with suggesting to them the idea of expending those funds into an escrow account? When asked earlier about whether there was the potentiality to run the risk of losing these funds, the Mayor's words were that the potentiality was there; he did not quite close the door

on it. I imagine that if the funds were not expended at some point, there is a risk but is it not worth an empty to do this in a cohesive fashion, both sections, to make the contractor happy; to ask the State put those funds into an escrow account, they are expended, they are taken care of? We are supposed to administer the project work, are we not?

Mayor Dickinson replied, I don't think the State can put the funds in an escrow account. Their accounting system is with the federal government and they have to expend the dollars earmarked for a given year within that year otherwise they lose the funds. When projects are not ready to go ahead, it happens at the Council of Government; they ask for permission to substitute their own projects or requests come from other places to move those dollars to another area for immediate expenditure. To my knowledge there is no escrow account for ISTEA funds. They have to spend a certain amount of what is obligated within a given time period or they lose the funds. They do not lose the funds, they make sure that they spend them.

Mr. Kapi asked, if SNET or TCI or someone proved to be uncooperative at any juncture of the project for the section between Bull Avenue and Washington Street, would there not be a procedure someplace to go to the State and say that we cannot expend the monies yet? Is everyone here absolutely certain that corridor of asking that question again in a kinder, gentler way, is not a possibility?

Mr. Thompson answered, it is possible to ask the question again perhaps in a different context with different words but it has been asked once already, twice already and the reaction has been, use it or lose it essentially. The money has been obligated for this project, you are ready to go ahead, you have signed an agreement to get the project under construction, now you are asking for alteration. The alteration was as simple as, can we have additional time at the end of the job in order to complete this work?, and they weren't even receptive to that. We are to a certain degree, subservient to their administrative process.

Philip Wright, Sr., 160 Cedar Street stated, there has always been the "east" side and the "west" side of town and never the twain shall meet. I think the people down in that area of town deserve exactly what every other area in this town is getting or is planned for them to get. I believe that not doing all that we can on that project at this point will further divide the town. The people down on Clifton Street and East Street will say, "aha, they did it to us again." I think that we should continue to try very hard to complete the project all the way or stop at Route 5, don't bother with anything.

Bill Choti, 44 Lincoln Avenue asked Mr. Gessert, if we spend \$600,000 between Route 5 and Washington Avenue, what impact will that have on the ratepayers of the Electric Division?

Mr. Gessert responded, I think we have enough reserves right now so that we can handle that type of an appropriation with no difficulty.

Mr. Choti asked, if we spend \$800,000 between Washington Avenue and Bull Avenue, what impact that have on the ratepayers?

Mr. Gessert replied, the way things are going with funds, I think we can probably deal with that type of a number over the next year or two without having significant problems.

Mr. Choti asked the Mayor, if we do delay and there is a fine of \$200,000 to \$500,000 what line item out of the budget will this money come from?

Mayor Dickinson stated, there is no money budgeted for fines at this point. Our intent is to avoid fines. I think the bigger problem here is not a fine but what John Thompson has reported as the State's reaction; what their feelings are. We have been pushing hard on this project; it has taken them far too long to get it where it is and I don't expect that there would be anything close to a reasonable or positive attitude on their part if we said we don't want them to go ahead right now.

Pasquale Melillo, 15 Haller Place, Yalesville asked, isn't this a State mandate? Do we really have any choice to reject this item?

Mayor Dickinson responded, there is a decision to be made; the decision involves a waiver of bid to allow the contractor who is doing the State portion of the project funded through ISTEPA to go ahead and do additional work for us. There is a choice regarding appropriating funds for the Water Division to have work done and there is a choice as to where we would put the period lighting and where we would not put them. I don't believe any of these issues involve State mandates.

Mr. Melillo asked, by letting the utilities do their work first won't that give us time to better plan the whole project and not have to be concerned about the possibility of liability?

Mayor Dickinson explained, the Quinnipiac Street portion of the project from Washington Street to Bull Avenue, that portion is overseen by the State of CT. and we are not in a position to delay that portion of the project. The project from Washington Street to Route 5, we can implement what we want there, what we would like to do is have the contractor doing the State project accomplish work for us there, too. We can't let the State go ahead on the Washington Street to Bull Avenue portion of the project and then go in later because then we would be involved with digging up roads and sidewalks that have been completed. The issue before us tonight is, allowing work to be performed from Route 5 to Washington Street and then the question is, do we include the period lamps from Washington Street down to Wallace Park? There are two sections here, the Washington Street to Wallace Park is the problem in delaying the State-portion of the project.

Mr. Melillo stated, we should discuss the possibility of having the contractor who is going to perform the State-funded portion of the project perform the additional work with said contractor and have him quote the work but do not waive the bid.

Mayor Dickinson stated, the Town Engineer has reviewed the pricing, in general, as well as the unit pricing and believes that the costs that we would then incur if we enter into a contract with the existing contractor, those costs are attractive for us and we will save money because someone new won't have all the mobilization costs in bringing in equipment and setting up for construction.

Mr. Melillo stated that he is opposed to waiving the bid.

Wes Lube, 15 Montowese Trail stated, having been a customer serviced by them, I have the impression that the P.U.C. actually prefers the undergrounding, is that a mis-impression?

Mr. Gessert replied, there are certain benefits to underground and there are certain disadvantages to it. Underground is more pleasing aesthetically and the other thing is when we get a storm, we are less likely to lose power due to tree limbs coming down and that type of thing. Underground, however, becomes a little more expensive to service if you have to dig up a spot rather than go up in a bucket and fix it. Occasionally you have to do some digging and also sometimes it is a little harder to try and find out where the problem is although technological changes are helping that.

Mr. Lube stated, I have the impression that the Planning & Zoning is intending, if they haven't already, to require all subdivisions, not merely cluster subdivisions, to install underground electric. Is this so?

Mr. Smith stated, Planning & Zoning, not too long ago adopted a new regulation requiring all new subdivisions, not just cluster, to have underground utilities. How that affects the Electric Division; our rights are pretty much predicated on overhead construction. It will drive up the cost of construction on the lots in the subdivision. We will provide what the equivalent cost with the overhead and the contractor or developer pays the differential, we ultimately assume the system and become responsible for the maintenance and operation. Under the new regulation it applies to any new individual or single unit extensions, too. Therefore, it may not be the developer but the individual property owner if he has a lot that is immediately adjacent.

Mr. Lube stated, apparently our P&Z Commission is trying to steer the town in that direction. That is well to keep in mind when we are considering Attorney Farrell's suggestion about having a twenty year long term conversion program which I thought was a marvelous suggestion. There has been some talk about what should have been known and the Mayor referred to the two prior introductory meetings on the subject of the corridor and what was being planned. I attended both of those and I was surprised after a year had gone by that there was no sign of any further activity so I called up the



Town Hall and was told that AmTrak had raised its ugly head and was monopolizing more than anticipated ISTEAs subsidy and therefore the town has the whole project on hold and, hopefully, it could still materialize. Another year or six months went by and I saw the asphalt paving on the sidewalks around the park and I thought, what a motley looking mess this is at the entrance of our Town. Again, I went to the Town Hall and was told the same thing, and this is the first time since both attempts to find out what was going on that anything has been said. I am sorry that memories are short but at those hearings it was said that not enough coordination seemed to be going on between the various Town departments in this regard. At that hearing I was particularly concerned about the lack of attention or focus on the park, itself. This is a cornerstone or front door of our community to all other people coming off the parkway. Just like when you walk up to someone's home, their front door gives you an impression of that home before you even see it; the park is our front door that gives everyone an impression of our town before they even see it. We want that park to be something that says, we are proud of our town. I wonder if anyone has consulted with Tom Dooley about what he would like to see in terms of park upgrade.

Mayor Dickinson stated, I have not talked to Mr. Dooley and there are no improvements planned right now for inside the park. The streetscape improvements will go around the outside of the park and that is the extent of the planning for the park at this point.

Mr. Parisi stated, there may be a possibility that there may be some things done to the inside of that park but I am not at liberty to discuss it right now but it is something that I became aware of the other day.

Mr. Lube stated, I would hope that the Council would talk to Mr. Dooley about it and with the Mayor and when it comes budget time; we own our own water company and why we can't work out something in the way of a sprinkler system for that park is something that I will never understand. The park needs landscaping, it needs to be re-graded and shrub'd, it needs to have somebody pay some attention to it other than twice a year fertilize it. It is very unprofessional.

Mr. Parisi stated, there has been a lot of work put into it in recent times compared to what it was.

Mr. Lube stated, it has been stated by the Chairman of the P.U.C. that the Public Utilities is capable of absorbing both the \$600,000 and \$800,000 over the next two to three years which will be the anticipated cost for running the underground electric all the way down from Center Street to Bull Avenue down Quinnipiac Street. What happens from Bull Avenue to the bridge? Is that underground or above ground?

Mayor Dickinson stated, it is above ground.

Mr. Lube asked, why don't we talk about that section?

r. Parisi replied, that has been discussed.

Mayor Dickinson stated, we have not dealt with any streetscape improvement plans with regards to Bull Avenue to the bridge.

Mr. Parisi stated, I heard talk of it earlier.

Mayor Dickinson stated, I was not aware of any discussion.

Mr. Lubee did not recall any discussion on the topic either.

Mr. Thompson explained, the only improvements that were ever discussed for the area between Bull Avenue and the limits of the State bridge project was a pavement re-structuring. We were going to mill and overlay. There was never any discussion about utilities other than discussions with the Water Department about installing a continuation of the upgraded water main. There are no streetscape or sidewalk issues, all we are trying to do is create a brand new travel surface for the roadway to tie the two projects together. There was a missing link of 400' and we have come to the council through the budget process asking for that additional money.

Mr. Lubee stated, with what seems to be millions of dollars being spent on this project, we ought to give some attention to the park, itself; inside the park and the main purpose....for those of us who live on the west side and travel that route daily, multi-times, if you were to go there at 4:30 p.m. today and 5:00 p.m. tomorrow, you will find the traffic backed up from Wallace Park all the way under the parkway and up the hill towards the Wilbur Cross exit. Today all we are talking about is the electric and I agree that the underground electric should be a no-brainer. At the same time, what are we doing about the traffic problem down there? The light that is going to go.....

Mr. Parisi interrupted to say, we are putting up several lights and it is probably going to be worse.

Mr. Lubee stated, it will still be serving one lane of traffic. We have three to four lanes at the bridge; we come to the old Wallace canal, we cut down to two lanes and that little canal is dictating how we are using that road from Bull Avenue to the bridge and that is wrong. That canal should be widened. It should not even be there, it isn't even being used anymore and it is dictating this whole project and creating a bottleneck which is carried all the way downstream. If we have two lanes of traffic at that light, one going up Quinnipiac and one going up Ward Street then we would have a means of handling that bottleneck but we don't have that.

Mr. Parisi stated, what you are proposing is not even up for discussion.

Mr. Lubee responded, because you people never said , we're going to have to go into a meeting on s, over a year ago.

Mr. Parisi stated, I'm not going to get into it.

Mr. Cooke stated, the Wallace race is used every day by Ludlum for cooling water. They have an easement to that on a permanent basis. The bridge does need to be widened, there is no question about it but the race is in use every day.

Mr. Lubee asked, has anyone talked to the contractor who has won the State bid to see whether or not the subject of undergrounding the electric is a workable issue that he would cooperate on?

Mr. Parisi stated, that was discussed several times.

Mr. Thompson stated, we did discuss this in a series of meetings with the Department of Transportation at which the contractor was present. He has no position on whether to go overhead or underground; this is work that would not be done by him but by the utility companies. He has no desire either way. His desire is to move forward with the contract as it currently has been designed and awarded to him.

Mr. Lubee asked, if, as has been suggested, the bulk of the underground work was done in one or two sides of the road where the brick walks are going to go, would it in any way impede him and would he have any objection to this?

Mr. Parisi stated, that has been discussed already, I'm sorry; that has been discussed. Let's go to your next question. We have covered that when Mr. Zandri asked that and Mr. Kapi. It is just being redundant.

Mr. Lubee asked once more, has the contractor objected? I have not heard that said.

Mr. Parisi replied, he said that contractor wants to move forward with the project.

Mayor Dickinson stated, the contractor does not have any objections and he does not encourage. He is there to do the work. I want to make sure it is understood, there is not brick work on the north side of Quinnipiac Street. The brick work is involved around the park; there will be new sidewalks on Quinnipiac Street on the north side but not brick work. The proposal for the lights would go through ; end of the park but not beyond that point.

Mr. Lubee stated, although I am a very strong advocate of going underground with the electric, there is some hesitation in my mind which I don't think has been mentioned except very superficially, what

happens if we decide to go underground and those people along Quinnipiac Street, one or more, object to absorbing the cost of connecting? What legal standing do we have in that regard?

Mayor Dickinson stated, I suspect that the efforts of trying to deal with multiple property owners and having them agree would be an impossible task. I expect that most probably, at least for the Electric Division, it would have to be at division or town cost.

Mr. Smith stated, that is a part of the cost.

Mayor Dickinson stated, it is a part of the price that Mr. Smith indicated but the Town would have to pick up that cost.

Reginald Knight, 21 Audette Drive asked, why do the utility poles have to be in the sidewalks? Why could they not be behind the buildings? I have seen it this way in other communities. If you go to the railroad tracks there is a large parking lot behind what used to be a pizza place, the sporting goods place, the barber shop, the old bank, the gin mill, etc., has anyone explored the possibility of running these poles down the backs of the buildings?

Mr. Parisi stated, Mr. Knight asked the same question.

Mr. Smith commented, I am not sure that it is practical. I don't think there is an easement of a right-way to get back through there. The reasons we put poles out near the curb is twofold; one, is access and two, there is unlimited right-of-way. You don't want to put the pole back against the building.

Reginald Knight stated, I have seen two rows of houses that have the utility poles run down between them and the service is connected at the rear of the houses.

Mr. Smith stated that he is aware of that type of construction but it becomes very problematic during storms to deal with and that is assuming that you have a new subdivision and you can get the easements and rights-of-way that you need right up front. This is an old area of Town that, in all likelihood is small.

Reginald Knight stated, the utility poles are ugly and in storms, as you say, they come down and we get tremendous costs putting the stuff together again compared to the underground. Would you save money by being underground rather than having all of this business every few years and having a heavy ice storm and losing power and what not?

Mr. Smith replied, it is more expensive to build an underground system. We are talking \$600,000 cost in that short two to three block area. Repairs on overhead construction are easily handled

cause they are obvious. When you get into underground repairs they generally take a lot longer to deal with; a case in Meriden a few years ago; all night and things like that and we have experienced them. When we have nature faults in some of the underground systems we have it takes a long time to work on it, find them, re-route the circuits and repair them. It is a trade-off. Our rates are predicated on overhead design and construction. Con Edison is a good example; there are a lot of underground systems in New York but the rates are \$.15 kwh. People pay premium to deal with the underground construction. Our five year program does not anticipate major changes to the overhead construction. \$1.4 million, if this project is approved, is not even built into this year's budget or next year's either. Somewhere down the line it will be reflected back to the ratepayers.

Robert Sheehan, 11 Cooper Avenue asked, does the Quinnipiac Corridor run from Cook Hill Road to Washington Street?

Mayor Dickinson explained, the State portion of the project runs from approximately Bull Avenue to Washington.

Mr. Sheehan asked, and you want to waive the bid to have the same construction firm do from Washington Street to Route 5?

Mayor Dickinson answered, that is correct.

Mr. Sheehan asked, do you have a price on that work from the contractor?

Mayor Dickinson answered, the Engineering Department has provided some estimated costs.

Mr. Sheehan asked, is it our estimate or the contractor's estimate?

Mr. Thompson replied, we developed a cost estimate for the additional work which would be the reconstruction of Quinnipiac Street from Washington to Route 5 using the contractor's prices. We have curb in the original contract, we have sidewalk, we have brickwork, we have ornamental lighting, we have storm drainage modifications, we have cost estimates for the water main work. When we developed a cost estimate, we used the contractor's prices and we asked him specifically, would he hold his prices to do this additional work? When we come before the Council, we are coming with a fairly accurate number. That is not to say that there will not be adjustments up or down but we believe that we are fairly close on that cost estimate based on the contract prices that have been bid.

Mr. Sheehan asked, the contractor's agreement or contract with the State for the portion from Washington to Bull Avenue, does that include roadway, curbs and sidewalks? He is doing all of that?

Mr. Thompson replied, yes.

Alice Sousa, (no address given) asked, where the building is burned out on Quinnipiac Street; is anything going to be done about that? We are doing all of this work and spending thousands of dollars and it is a dump.

Mayor Dickinson replied, it is private property and where we can inspect and avoid hazards to the public, we have some responsibility there but where it is private property we do not have the right to go in and make improvements on private property.

Ms. Sousa stated, you do have the right to have that person do something with that building.

Mayor Dickinson responded, to my knowledge there is no way that we can require someone to improve their property. If the building is structurally unsafe we can require that it be demolished.

Ms. Sousa stated, it has been condemned.

Mayor Dickinson explained, I don't believe that it has been declared structurally unsafe but we could check with the Building Department on that. We cannot require someone to paint or repair their building and to make it attractive looking. There is not a legal ability to do that to my knowledge.

Ms. Sousa stated, Wallace Park is the eye of Quinnipiac and Ward Streets and you are talking about doing brick only halfway around the park or all the way around?

Mayor Dickinson stated, the brick or streetscape improvements would go all the way around Wallace Park. Brick accent will extend down to Washington Street but it would not extend from Washington on down to the park but that will be a new sidewalk with planting of trees. The period lights will go all the way around the park.

Ms. Sousa stated, I am 100% for it, there is a lot of activity in that park. What is the big problem with this project? You did North Main Street, South Main Street and all of Center Street. Did you make mistakes that you are now trying to correct? Why is this such a big deal when it is one quarter of what you have already done on Center and Main Streets?

Mr. Parisi responded, we are not arguing with that, this is just a session for the public to have....

Ms. Sousa interrupted to say, you are arguing about not putting lights underground and I think the word that goes with that is "equality". Just because we are on the other side of the tracks?

Mayor Dickinson explained, the issue here is, the undergrounding of the power lines. What is proposed is that the power lines be undergrounded through Washington Street. From Washington Street and the rest of the way to Bull Avenue or the park, the power lines would remain overhead. The issue is whether or not we put the period lights along that sidewalk even though the power lines are overhead. That is what is principally causing all of the argument or discussion.

Ms. Sousa stated, either do it right or don't do it at all, it's not fair. You can't do something halfway, it has to be done right or not at all. I think the period lights would be very nice. You have the Hartford Turnpike that you literally tore apart, the State tore apart; that is a death highway now; it is a suicide road now. Go out there when it is really busy. I have sat in the road there for twenty minutes at a time to get home. It is impossible to get around; people fight and argue with you. It was a very big mistake and it was all for the Oakdale and not for the people of Wallingford. The people that do go to the Oakdale do not even know that we exist; there are no signs.

Mr. Parisi stated, we are doing the best we can with this.

Ms. Sousa replied, you have to do better. (Applause)

PUBLIC UTILITIES COMMISSION AGENDA ITEM #1A

waiver of Bid to Allow Contractor (Under State Bid) to Perform Work for the Town

Chairman Gessert explained, this would be the extension of the water line, Washington Street to the railroad station.

Motion was made by P.U.C. Commissioner Papale, seconded by Commissioner Cooke.

VOTE: Cooke, Gessert and Papale, aye; motion duly carried.

PUBLIC UTILITIES COMMISSION AGENDA ITEM #1B

Appropriation of \$200,000 for Water Division Improvements in Quinnipiac Street - Water Division

Motion was made by Commissioner Cooke, seconded by Commissioner Papale.

Mr. Gessert stated, technically we will, if you look at our budget we will increase the appropriation from cash by \$200,00 and we will increase \$200,000 to New Distribution Lines Acct. #343-098.

VOTE: All ayes; motion duly carried.

Mr. Zandri asked for a point of order stating, I would like to make a motion associated with the underground wires and depending on how that motion ends up, I could potentially vote on this item differently. If I may, I would like to make the motion first dealing with the underground utilities.

Mr. Parisi stated, we have to do this by parliamentary procedure because it is an agenda item. We have to put this item on first for discussion. If you want to amend this item you can do that if you want.

Mr. Zandri replied, I can't amend the item if there is going to be a motion on a particular item on the agenda. But I requested that this item be put on the agenda and you told me that I would not have any problem making this motion.

Mr. Parisi stated, that you would have no problem making this motion.....

Mr. Zandri replied, that is right. I specifically requested an item be put on the agenda dealing with the overhead lines and you said it was all encompassing with this item. Now, if I have to I will make a motion that we waive Rule V.

Mr. Parisi stated, that would be the only way you really could do it.

Mr. Zappala stated, in discussing the \$600,000 from Colony Street to Washington Street; that has not been voted upon by them (P.U.C.) yet. Don't you think they should be voting on it first so that we could decide what we are going to do?

Mr. Cooke explained, this is for the Water Division's addition to Route 5 from Washington and from Bull Avenue to the new bridge. That is what this \$200,000 is for.

Mayor Dickinson explained, the P.U.C. is in the position to want to know where the Town is going on the project. The P.U.C. has stated that they can do the Route 5 to Washington Street. They have said that they don't believe that they can do the Washington Street down to Bull Avenue part. They would be back to appropriate funds perhaps but they want to know what the direction for the Town is. It would be appropriate for any motion regarding the project and it certainly can be part of any direction regarding a bid waiver as to what portion or portions are to be included in the work for the contractor.

Mr. Cooke explained, the contractor cannot do electrical work; he is not licensed.

Mr. Zandri made a motion to Waive Rule V of the Town Council Meeting Procedures for the Purpose of Making a Motion Dealing with the Underground Utilities Associated with the Quinnipiac Street Corridor Project, seconded by Ms. Papale.



OTE TO WAIVE RULE V: Renda, Rys and Parisi, no; all others, aye; motion duly carried.

Motion was made by Mr. Zandri that All Overhead Utilities Associated with the Quinnipiac Street Project from Bull Avenue to Colony Road be Placed Underground, seconded by Ms. Papale.

Ms. Papale stated, I, myself, would like to see nothing more than all the lights from wherever we were discussing overhead but I also have a concern as far as losing the contract if we delay this. Can we lose the funds? Can it happen? I have to be told one more time that if this is passed for the entire route that we are talking about, are we going to lose the contract with the ISTEPA funds? Yes or no?

Mr. Gessert replied, I cannot answer that directly but my understanding of the project so far is the Electric Division would have no problem meeting the time frame and what is required from the Route 5 to Washington Street section; we know we could accomplish that and get it done regardless of the outside vendors. The question is, could we do the rest of the project because of the other vendors that are involved on the poles and I cannot guarantee you that we could do it in a timely fashion because of the other people that are there using the poles.

Papale stated, what you are saying is, the other people involved; it may come down to the bottom that if we don't start at a certain time we could lose this contract?

Mr. Thompson replied, that is exactly correct. The State has been unwavering in their position on this that if we don't go ahead we run the risk of losing all the project monies and suffering a penalty in the range of \$200,000 to \$500,000 for.....

Mr. Cooke asked, what do we have legislators for?

Mr. Zandri pointed out that Mr. Thompson said, "we run the risk.." it is not a definite; there is a possibility. I still think there is a way around it if we put our heads together.

Mr. Zappala asked, do we have a place to put the three pad-mounted transformers if we go underground in that area where the park is?

Mr. Thompson explained, at the outset of this project, we were told as a design specific criteria, we could do nothing within the limits of the park. The back of the walk was the limits that work could be done on this project. Are there locations for those electric transformer boxes? Absolutely! We may require property easements/acquisitions, there is always a way to find a location to put these transformers. Those mechanisms are always going to take time and effort to negotiate with the impacted property owners. It can be done, it has been done in the past and will be done in the future. In this

situation we are more constrained because it limits our rights-of-way. We could find locations but it is a time consideration that we just don't have the luxury of going back and pursuing at this point.

Motion was made by Mr. Centner to Amend the Motion to Underground the Utilities from Route 5 to Washington Street at an Estimated Cost of \$600,000., seconded by Mr. Farrell.

Mr. Thompson stated, for reasons of clarification I want the Council to know, if you elect to pursue the undergrounding of utilities on Quinnipiac Street between Washington and Route 5, that work by advisement from the other utility companies in all likelihood is not going to be accomplished as an extension of the current Quinnipiac Street Corridor Project. The timing is not going to work out. I have to leave this meeting tonight and advise the D.O.T. tomorrow of the direction in which we are going; it is either going to be in or out. If you say you want underground utilities between Washington and Route 5 in Quinnipiac Street, that is absolutely perfect guidance to us. I just want you to understand that it won't be done now and not as part of the current contract because that work, by its very nature, extend the time frame which the State is not going to accept. It could be a three year time frame. SNET is telling us that it is going to take them eighteen months just to design it; we will simultaneously prepare design documents. That work will subsequently be advertised for bids, a contract awarded and construction will take place after that. The road and sidewalk work will be deferred and done simultaneously with the undergrounding of utilities.

Knigh stated, the earlier understanding we had was that this was considered part of the project. The understanding we were getting is that the utilities were not going to be undergrounded from Washington to Route 5 and I was told that is not true, it is part of that project. I asked the question specifically. That is what I was told an hour and God knows how long ago.

Mr. Smith explained, there was never any plans to underground any of the utilities in that area as far as the Electric Division was concerned. We would not have re-built that overhead area had we intended to do so. We have an ability to underground the electric in that area at a cost of \$600,000 which probably not impede the project. Again, specific for the Electric Division, not addressing the telephone, I-SNET and cable T.V.

Mayor Dickinson asked Mr. Thompson, are you referring to a hold up coming from SNET and cable?

Mr. Thompson answered, yes.

Mayor Dickinson asked, is it possible that the work done by the Wallingford Electric could move ahead, the lines may continue out there for cable and SNET but the rest of it could all occur?

Mr. Cooke replied, if you don't accommodate the underground for the other two at the time you are going to do the initial work, you will end up ripping up the pavement. If you go in and put a sub base

down and leave it that way until you finish with the phone company and TCI you may be able to get electric in earlier. You are not going to finish the job until they come to the table unless you rip something that is uncalled for and that is cost-prohibitive to me.

Mr. Rys asked, being that portion of the road, Route 5 to Cherry Street, is owned by the State of Connecticut, are they going to have any problem with a three year waiting time?

Mr. Thompson stated, it is not part of the original project so what ever time frame we discuss is a matter purely between the Town of Wallingford and what ever involved utilities we are discussing.

Office Rick Doll informed Mr. Thompson that the Town owns the portion of the road from Route 5 to Cherry Street.

Mr. Rys asked, where does Route 150 go through the center of town?

Officer Doll responded, Route 150 ends at the intersection of Hall and Cherry Streets and starts again on the east side of Route 5. There is a void in that route. Back in 1988 or 1989 the Town Engineer and myself attempted to negotiate with the State to try and turn it over to them but they would not accept it back. We still own it.

Mr. Knight asked, earlier this evening it was indicated that the density of the SNET and cable utilities along that overhead cables weren't as intensive as the rest of the areas and that possibly that might negate the amount of time it would take for SNET to design their portion of the project.

Mr. Smith explained, what I said was, there is a lesser plant out there; lesser facilities in my observation via SNET and cable T.V. Does that change their ability to design and change what has to happen out there? Does that accelerate it? I can't speak to that. If they are booked up with design work for the next eighteen months, maybe that is what is triggering the delay to Mr. Thompson. Whether it is this little bit or the entire piece, it may not be initiated as a result of that; not necessarily because there are less lines available.

Mr. Parisi asked, are we now saying that from Route 5 to Washington Street would take three years if we go underground? Did someone say that?

Mr. Thompson replied, using the time frame that SNET provided to me, dated yesterday, was an eighteen month schedule and this was specifically worded.

Mr. Parisi asked, can we do from Route 5 to Washington Street? We aren't going to be able to do it within the time of this contract period?

Thompson answered, it doesn't appear as though we can.

Mr. Parisi stated, so that is a "yes, you're right, we can't do it"?

Mr. Thompson answered, correct.

Mr. Parisi next asked, supposing we said, fine, then we are not going underground but we wanted to continue the rest of the project, would that be then that the brick work would still be included and the period lights would still be included and the road and the sidewalks and everything else that was proposed?

Mr. Thompson asked, in the section between Washington and Route 5?

Mr. Parisi stated, I guess I am going down to Bull Avenue. Isn't that what you were talking about originally? You wanted to finish to the bottom of the park?

Mayor Dickinson answered, that is correct.

Thompson stated, if the Council said that all they want to see as an addition to the existing project is the ornamental lights, there would be no change in the schedule for the existing State contract. The other work would be done on a schedule as quickly as possible based on the schedules of the utility companies. We could move as fast as possible so that the design plans could be done immediately and by this contractor. It is the utility companies that are holding us up.

Mr. Parisi asked, that problem still exists no matter what we do if we go underground?

Mr. Thompson answered, that is correct.

Mr. Knight asked, if we were to pass this amendment then there is no point in even voting on the waiver of bid?

Mr. Thompson stated, I would still request that you grant the waiver of bid because we are also currently requesting that the Council approve the installation of ornamental lights within the existing contract area. That work is estimated at \$138,000. That, we would like to have done as a change order to the existing contract.

Mr. Knight asked, all the rest of the aspects of the project from Washington to Route 5 would be shot in terms of having this contractor do it under this existing State bid?

Mr. Thompson answered, that is correct.

Mr. Cooke stated, in this \$200,000 that the P.U.C. is asking you to vote on for Route 5 to Washington Street, there is also the tie-in of the new water lines in the ISTEA program from Bull Avenue to the bridge where all new water lines have been installed. While he is there this gentleman can do that; this contractor; for approximately \$90,000 for that section and we would be crazy to put in all new pipe and then stop with a bunch of 1880 pipes up against it; we would waste our time. I would appreciate you putting that appropriation through and at a later date they can fight over the rest of it.

Mr. Parisi stated, my concern is that, on the waiver of bid, on Item #2a, I would like a clarification as to what specifically will be done within that motion.

Mayor Dickinson explained, the contractor, under the waiver of bid would deal with the water project, road & sidewalk improvements and the period lighting. Any undergrounding would be done by our utilities or other utilities.

Mr. Parisi asked that the proposed amendment to the main motion be restated.

Motion was made by Mr. Centner to Amend the Motion to Underground the Utilities from Route 5 to Washington Street at an Estimated Cost of \$600,000., seconded by Mr. Farrell.

Mr. Zandri stated, to me that is a separate motion completely. I have a motion on the floor right now dealing with.....the point that I am trying to make is that my motion encompasses that whole thing so why is that an amendment? I don't understand it. My motion already covered from Bull Avenue to Colony Street so I don't understand why you have to amend it to include a portion that I already included? It makes no sense to me.

Mr. Farrell responded, to change the geography.

Mr. Parisi stated, it does make a change.

Mr. Zandri asked, if you don't want to do the entire project then you vote my motion down and then you make your own motion.

Mr. Parisi stated, if he chooses to amend it he can, whether or not you don't agree with it is something else but he has the right to make an amendment.

VOTE ON AMENDMENT: Centner, Farrell, Papale, Zappala and Parisi, aye; all others, no; motion carried.

At this time Chairman Parisi asked that his vote be changed to "no". Motion failed.

VOTE ON ORIGINAL MOTION: Papale, Zandri and Zappala, aye; all others, no; motion failed.

EM #2a Consider and Approve a Waiver of Bid to Allow Contractor (Under State Bid) on the Quinnipiac Corridor State Project to Perform Work for the Town

Mr. Rys stated, this work includes water/road improvements, sidewalks and period lighting.

Motion was made by Mr. Rys that Period Lighting be Placed in the Work Area of Route 5 to Washington Street and to Also Include Period Lighting Around the Park and that Sidewalk, Road Improvements and Water Main Work be Included in Said Area, seconded by Mr. Centner.

Mayor Dickinson stated, for clarification once again, this involves the water, roadway, sidewalk, period lights and what section of road regarding period lights?

Mr. Rys responded, the period lighting that you just explained to us previously.

Mayor Dickinson explained, you mentioned around the park but around the park is already in the project.

Mr. Rys stated, this goes from Washington Street up to Route 5 then. That is the \$130,000., correct?

Mayor Dickinson stated, no. The \$130,000 runs from Washington down to the park.

VOTE: Papale, Zandri and Zappala, no; all others, aye; motion duly carried.

ITEM #2b Consider and Approve an Appropriation of \$200,000 for Water Division Improvements in Quinnipiac Street - Water Division

Motion was made by Mr. Rys to Improve the Section of Water Main from Washington Street to Route 5 and Bull Avenue to the Bridge, seconded by Mr. Knight.

Roger Dann, General Manager of the Water and Sewer Divisions explained, my \$200,000 includes both the section of water main from Washington Street to Route 5 and the section from Bull Avenue to the bridge. If it was your intent to exclude the section from Bull Avenue to the bridge then this can be amended downward.

Mayor Dickinson stated, we need a bid waiver from Bull Avenue to the bridge in order to do the road and water work there.

Mr. Gessert recommended amending the original motion.

Mr. Parisi stated that he was very disappointed that an incomplete motion was brought to the Council to begin with.

Mayor Dickinson stated, the motion as it appears on the agenda would include all the work. The motion made was from Route 5 to Washington so that limited the extent of it. If we want to include Bull Avenue to the bridge, that has to be added.

Mr. Parisi stated to the Mayor, you know the procedure and we are taking the motion that we were given. If we have to start questioning them, that is what we have to do but they are not appropriate at this time.

Mayor Dickinson pointed out, the motion made was already different from the one on the agenda.

Motion was amended by Mr. Farrell to Include a Waiver of Bid for the Work, seconded by Mr. Centner.

VOTE ON AMENDMENT: Zandri, no; all others, aye; motion duly carried.

VOTE ON MOTION AS AMENDED: Zandri, no; all others, aye; motion duly carried.

PUBLIC UTILITIES COMMISSION AGENDA ITEM #2 - Discussion regarding selection of a developer for determining viability of a Power Generating Project at the Pierce Plant site - Director of Public Utilities

Mr. Gessert called for a motion for Discussion on Selection of a Developer for the Pierce Site.

Motion was made by Commissioner Papale, seconded by Commissioner Cooke.

Raymond F. Smith, Director of Public Utilities explained, we have been talking about the Pierce site for a number of years. We even came to the Council with a proposal back in the late 1980s and early '90s for a generation project and when that was not approved, I always said that on a future date something would go into that site. There have been changes in the electric utility business not only in the restructuring of it but even before that there have been changes in the wholesale marketing. New suppliers have come into the business and part of restructuring or deregulation requires the utility invest themselves of generation units. The treatment of generation in the future will be done differently and different merchants and developers are coming into the forefront in developing these new projects. Not only competition is driving this change but also improvements in the technology

Because with gas-fired combined cycle units you are able to produce energy at prices cheaper than you could several years ago. Some of these units have heat rates at half of what it takes to produce a kilowatt hour of energy at the Pierce Station. We've always said that the Pierce site would have a lot of valuable attributes to it; it has existing generation, transmission, load and it has been an operating facility for forty-five or more years. It is a lot easier to retro-fit a plant such as Pierce rather than start from scratch developing sites on new parcels. Back in August of 1997, CMEEC put together a Request for Proposal (R.F.P.) on behalf of Groton, Wallingford and Norwich to see whether there was any interest in developing power plant projects at a number of sites throughout those areas. A number of people came back to us. R.F.P.s were sent out to over thirty parties and we had approximately twenty different entities come down and visit our site. It turned out that six people submitted proposals on the Pierce site. A project of this magnitude would be too costly for Wallingford to build on its own; hundreds of millions of dollars. What we sought was a developer who would be willing to come in, bring benefit to the community in different ways and bring economic value out of the entire project. A similar project is currently underway in Bridgeport adjacent to the Bridgeport Harbor Station. It is a five hundred plus megawatt unit that is being built by an outside developer. The reason we chose to utilize CMEEC as a mechanism to seek these proposals is, one, they coordinated on behalf of the three communities. They did not lock in any of the systems for these were open proposals. Proposals were made and they had different ideas as to how to best use the site. Some people wanted to take down the Pierce station and utilize the whole site; others wanted to keep the building but take down the cooling towers and stack and some of the ancillary facilities. The proposals were received in October and myself, along with Bill Cominos and Gabe Stern of CMEEC coordinated this and spent a lot of time in evaluating the various proposals. We met with each of the developers at least two times in addition to holding several telephone conversations. By late January we evaluated the proposals and narrowed it down to two which were verified as superior or better than the other four that were in the running. The recommended developer had provided a more detail proposal than any of the others and better defined benefits that were available to Wallingford. The Town would not be committing any of its dollars in this project. We want an option at some future date to maybe take an equity position or take an option but we are not going to be the financiers or the owners or operators of this unit. Some of the issues that present problems; we have transmission limitations on the site; we have a finite supply of water in Wallingford. We did not want to come forward and say that we are going to supply this project with two or three million gallons of water per day with a system that only currently provides four to five million gallons per day. We would be back before the Council looking for development of new water resources. We thought that was too expensive and unfair to saddle the residents for the sake of this project. Another issue is, is there adequate gas supply in the area? We are fortunate in that there are a couple of major transmission gas mains in the vicinity and not too far from the site; yet another attractive element to Pierce's location. All of the developers essentially asked for an exclusivity agreement and we will go forward with this. People are reluctant to go in and fully commit to spend the kind of dollars that it is going to take to do the transmission studies; the water issue studies, the air



pollution studies that are going to be needed in order to make sure that the plant is viable at that location. Exclusivity agreement is an acceptance, if you will, by the Town that they believe that it is worthy of going forward; that the potential benefits to be derived by the community in the form of tax payments, jobs, lease payments on the property, all bring value to the community. You could look at this as an economic development project. Somebody may be too willing to come in here and spend \$200, \$250 to \$300 million dollars on a complex that will pay taxes, provide jobs and improve reliability on our electric system. We are recommending that this is the best developer. We should go forward and execute an exclusivity agreement to allow them to go out and spend several hundred thousand dollars with no dollar commitment that the Town is putting forward today. The agreement is expected to run approximately three months at which time they will perform the study on the transmission system, water supply, whether it be drinking water or effluent, go to gas pipeline and suppliers to see if they are willing to enter into long term contracts and at what price.

At this time Mr. Smith introduced Duncan Moody of Stone & Webster, spokesman for this joint venture being Stone & Webster, Inc. and Pennsylvania Power and Light (PPL) Global, a subsidiary of Pennsylvania Power and Light who have agreed to come together and tackle this project.

Mr. Moody spoke of the opportunities, benefits and issues that the firms will deal with and gave a computer-generated presentation of what the plant will look like.

Listed below is an outline of the points covered in each topic of discussion:

#### **Project Success Factors**

- Equity with merchant risk
- Project development/finance experience
- Transmission/power pool experience
- Operation and maintenance experience
- Efficient design
- Fixed cost engineering and construction
- Environmental impact mitigation
- Power marketing
- Fuel Management

#### **Proposal Success Factors**

- Recognize site value
- Bring value to Town of Wallingford Dept. Of Public Utilities (DPU)
- Consideration of employment for DPU personnel
- Cooperate with DPU

**Proposed Success Factors (cont.)**

- Will not compete with DPU
- Preserve/Improve power supply reliability

**Project Goals**

- Be a good neighbor
- Maximize Wallingford benefits
- Minimize Wallingford impacts
- Improve Wallingford power supply reliability
- Provide employment opportunities
- Design facility for clean, safe, reliable operation
- Build/Own/Operate profitable facility
- Provide low cost wholesale power in New England
- Join Wallingford business community

**Characteristics**

- Combustion turbine combined cycle
- Natural gas fuel
- Nominal 250MW OR 500 MW
- State-of-the-art technology
- Energy sold through Independent System Operator

**Revenues to Town/Department of Public Utilities**

- Property taxes
- Lease Payments
- Water/sewer services
- Back-up power
- Spin-offs to other businesses

**Environmental Impacts/Mitigation**

<u>Issues</u>	<u>Mitigation</u>
Water Use	Municipal Study Treatment plant effluent Wet/dry cooling
Visual	Retain brick structure Low profile design Building materials/colors
Construction	Site arrangement (laydown) Control plan for traffic

**Operations Employment**

- Staffing Plan (estimated)
  - Management & Supervision           6
  - Operators                               16
  - Maintenance                           6
  - Engineering                            2
  - Administration                        5
- Current employee preference
  - Identify possible job categories for each person
  - Interview each person: Needs & Goals
  - Make offers as appropriate
  - Training program anticipated

The next topic of discussion centered around the exclusivity period, those activities that will take place during said period and the anticipated results of those activities.

Mr. Centner stated, one of my biggest concerns will be the gas turbines. I understand there will be noise mitigation and things like that but, will we get an actual db (decibel) reading in the neighborhood around there?

Mr. Smith replied, we took some measurements back in the early '90s. One of the first tasks will be go into the site and get the current noise levels and measure day and night since there are two distinct levels that are acceptable in the State of Connecticut. That is their starting point.

Mr. Centner stated, I am more interested in staying closer to the noise level we have now, not just to stay under what the limits may allow. What you have in there is a jet engine cranking up full tilt. It is a noisy animal.

Mr. Smith responded, there will be noise, there is no way about it. The jet engines can be addressed with noise mitigation cooling tower fans. There are different noise generators throughout the water treatment process. There are specific requirements to which they will have to adhere to, that is part of the exclusivity period at which time they will develop what the existing limits are and what the new noise limits will be calculated to be. There are different type and frequencies of sound. It is also a concern of ours because they are our neighbor as well. The Pierce Plant produces noise when it runs. I am sure that twenty years ago when the Pierce Plant was running on a daily basis, people got used to it.

Mr. Centner stated, I would expect that they do a sweep of the band of frequencies in the human range and then try to limit that. It is not going to be in the same frequency band of the noise that you are going on there. I would look at the overall decibel level across the band a human being might hear so as to minimize the shock on it. The size of the proposed plant is pretty grand. The last big structure we had come into town, being the Bristol-Myers building, we ended up buying fire apparatus and things. Do we expect to be able to service this building for emergencies with the current level of equipment we have on hand in town?

Mr. Smith pointed out, the highest structure outside of the stacks remains the Pierce building. The stacks depicted there are 185' feet and that ultimately would be determined by D.E.P. and their emissions modeling. The current stack is 130' so there will be a much noticeable difference. Generally, you don't need fire apparatus to fight fires up there. I have not discussed the issue with the Fire Chief. I will look into it.

Mr. Centner asked, what happens with the payment we receive by CMEEC to be a standby power provider?

Mr. Smith replied, we are still a wholesale buyer for the next six years, nine months. We still have that contractual commitment. Once the Pierce Plant in its current configuration stops producing, CMEEC is no longer obliged to continue those payments. One of the things that we can do during the process of negotiations is perhaps to get an option of fifteen megawatts to replace our CMEEC credit. Besides the exclusivity agreement is a long term agreement which describes what are the

benefits in dollars and revenues and commitments that each party will make to each other. We will expect that in the negotiating "mix" if you will.

Mr. Centner asked, at a couple of points in the presentation, it was illustrated that there would be an increase in reliability for Wallingford in terms of our users. With the State having so much trouble in the last couple of years, does that mean that we may be able to get something out of that for the Town in the event that they do the rolling blackouts and things?

Mr. Smith replied, one of the problems we have now is that there is not a lot of generation in the immediate area. If there are problems within the State, this plant will flow and feed into the grid because we are electrically connected. The reason we say that reliability will improve is that we anticipate better connections into the transmission system at either 115 kv and/or 345 kv. We want the developer to provide a ring bus for us at Pierce which brings in another third line into our substation. The third line would be a totally-separate source. The chance of all three lines going down should be lessened than just having two lines to rely on. If the State got into a bind this plant could still be producing as long as they can produce and supply us and get out into the system; it could help the reliability issue. This is not going to be an emergency generator. The fact that it has minimum operating requirements, let's say it is a 550mw system, it can't run at 50mw, it would shut down because it is trying to produce more and it can't get out into the grid. If the grid falls apart this unit will probably kick out and there will be nothing in Wallingford either. Steam would kick out first, you may be able to survive with a gas turbine at probably 170mw or something like that. This will not assure anyone that the lights will never go out but will increase the chances that they won't.

Mr. Farrell stated, I know one of the reasons we are pursuing this is for the income stream that it would provide. Given that this has not been our traditional municipal purpose of leasing out property to a non-municipality and getting money back; have you looked at whether there are tax implications to that? Do we somehow start becoming liable for state and federal tax on that income stream that is coming in to us since it is outside, I would guess, our municipal codes?

Mr. Smith replied, I don't believe that we are liable for any tax. We are leasing a piece of property; somebody else is using it for profit-making purposes. If we were to issue tax-exempt bonds on the project then those bonds would not likely be tax-exempt. We are not even contemplating that concept. I assure you that we will further review that with tax experts. We don't want to have income and then have to turn around and pay taxes and diminish the value coming to the community. The tax payments are the tax payments but a lease payment is based on a fixed value on some fixed number plus an arrangement for profit-sharing and the details of that has been described vaguely but details have to be worked out. What has been offered to us is an opportunity to share if the plant is successfully run and they believe it will, then we will gain more in lease payments from that.

Mr. Farrell responded, it is something good to pin down because, obviously, in our judgment of how worthwhile this is to the town, if we are going to have to pay out a chunk of that money, it makes it more valuable. The post office was pretty surprised when they had to pay money to the little ol' Town of Wallingford on property tax. Some of those things crop up in unusual ways.

Mr. Gessert stated, Mr. Moody has indicated a tax stream of somewhere in the neighborhood of \$3.7 million on a 500mw plant. If you explored the 500mw and it was not feasible and 250mw was more feasible, what kind of tax revenue do you see from a plant that size?

Mr. Moody replied, using the same kind of formulation for a plant that is about half the capacity, we estimate that the first year tax bill would be approximately \$1.9 million using current millage rates and assessment formulations.

Mr. Knight asked for more detail on the exclusivity agreement. From what I have read here, if you, indeed, after your studies find that the project is feasible, what we are signing up for tonight is a long term agreement with this joint venture. Am I understanding this? Once we sign on this and they determine that the project is feasible, we are in it for the long haul.

Mr. Smith responded, no. This is not making that long term commitment. We may get down to the point where they find it feasible and we cannot agree on terms and conditions of a contract. It is very important that you understand that you are not committing to any long term project and you are not committing any dollars to the Town.

Mr. Knight asked, in the preliminary discussions that you did have, however, you got far enough so that this partnership is comfortable coming this far and investing whatever resources are required to see if this project has economic liability. You must have, in some respects, outlined the terms that you would be requesting in a more formal agreement, no?

Mr. Smith answered, we have. We have got the conceptual outline and what the agreement might be. Don't forget we have lawyers on both sides that have to become involved in this and sometimes they have a way of breaking it up too. The exclusivity period says that you are committing to this group only; they are the only people you are going to be dealing with for at least the next ninety days and a good faith effort that we mean business. If this comes back that this is not just a waste of their time and our time, we don't want to say that although it looks good we just want to walk away; we're teasing them.

Mr. Knight asked, if the project is viable, what factors would enter into the signing of a long term agreement?

Mr. Parisi stated, that is farther down the line.

. Smith answered, it is farther down the line. But it would be some of the things already described; the commitment for the tax payments. It is farther than where we are going.

Mr. Knight stated, the only thing I am aiming at right now is to understand what this exclusivity agreement is about; why these ladies and gentlemen are so interested as to come and commit several hundred thousand dollars to further explore this possibility that this arrangement is viable. That is important to understand where we are heading even if we can't agree and we walk away. Companies like that don't make those kinds of investments unless they have a sense that we are going to come to an agreement.

Mr. Gessert stated, they did look at a number of sites around Connecticut under the CMEEC proposal and one of the things they looked at was available fuel supply because if there is none for ten miles that will put you right out of the thing. The available land space is another critical factor; the fact that it is an existing site which makes siting a plant a lot easier than if it were a green pasture somewhere; a water supply. Those are the factors that made it very attractive.

Mr. Parisi asked, on this exclusivity, at the end of ninety days, what happens if you like the deal and don't? Are we committed or not? What if the P.U.C. recommends a deal and for some reason the Council doesn't?

Mr. Smith stated, I think you have the ultimate say.

Mr. Parisi stated, I want to make that very clear. My point is, if we don't like this and we tell you that we would like you to talk to some other company, you would have an obligation to seek that company out?

Mr. Gessert responded, you (the Council) have complete oversight. We recognize and understand that.

Mr. Knight asked, will there be any additional transmission lines required for a plant this size?

Mr. Smith answered, yes.

Mr. Knight asked, where will they be?

. Smith answered, in the same corridor that currently exists. If there is only an additional line to run out to the tap; there is definitely a limitation. In order to build a 550mw, you cannot do it with the

5kv system even with a third line. You would have to tap into the 345kv system which is across I-95 in the vicinity of Pilgrim's Harbor. That has got to be explored. Maybe one option is you build both lines. There is a transmission corridor along there. Would it be over the top or adjacent to the line, I don't know. That is going to be explored during the exclusivity agreement. It may be the deciding factor that says that the 550mw is not feasible. A 550mw plant would take 3.3 million of water each day. Our average distribution system usage for the entire town is 4.5 million per day. The only likely place we are going to get that volume of water is probably from the effluent from the Wastewater Treatment Plant. That requires us to go through the D.E.P. and there is another study for them. Another option is to combine some effluent use and drinking water use or maybe even an interconnection with South Central Water Authority over in Cheshire. There is a hefty price tag that goes along with that too. Those are the details we have not fully explored.

Mr. Knight stated, I wanted to clarify that if you do go with a larger plant that there is going to be other land acquisition and construction away from the site in Wallingford. You are confirming that?

Mr. Smith replied, yes, could be. There is an existing transmission corridor and CL&P (Ct. Light and Power) does have enough right-of-way that goes across there that I think another line could be sited there. It is going to have a visual impact. There are new residents that have been located there within the past several years. I don't know what their reaction is going to be to that.

Mr. Zappala stated, I personally feel that an important issue like this, the people of Wallingford should see what is transpiring right now. Why is CMEEC so interested in bringing us a company that is going to generate electricity to compete with them?

Mr. Smith answered, CMEEC was a facilitator for us. We and Groton and Norwich said that it made more sense to develop one specification and put it out to bid. CMEEC may or may not buy from this plant. They have no obligation either. They have supported us. Gabe Stern put many, many hours in and helped us in the evaluation process. He did a lot of leg work and was invaluable in this whole process. They may choose not to buy; they may choose to buy some of this output. They will be out looking in the market in the future of where to buy additional power if they do not have enough power for their future needs or our future needs depending on how things go. They may take an option; we may take an option beyond the year when our CMEEC contract expires. We may say, in the seventh year we may want to buy direct from them. Again, all of those details need to be worked out. CMEEC is really for us as our agent in this and some work with Groton and Norwich in the same role. They are not pushing the project. They said that they would flush out who's interested and you go on your own. If you want to sign up a deal, that is your deal. They don't get anything out of it. They do not get taxes or power supply commitments; they may ask for some.



. Zappala stated, I find it hard to accept the fact that we invite someone to compete with power sources. Did the P.U.C. decide to hire a consultant or was it a decision made by the P.U.C. to go to CMEEC? We do hire consultants for many issues in Wallingford. Everytime we look around we hire someone to advise us on what is the best thing to do for the Town. I thought in a case like this that a consultant would probably advise us in a more unbiased way on the decision.

Mr. Gessert stated, I have confidence in Bill Cominos' ability and Ray Smith's ability and Gabe Stern's ability to analyze the various proposals and provide us satisfactory input. If we were looking at Wallingford being at greater risk and sharing a major proportion of the investment capital of this type of plant I might even go for a fourth opinion beyond theirs. We are not being asked to step up to the plate and put Wallingford money down. We will make a commitment to time and effort but at this stage the people putting up the money is not Wallingford.

Mr. Zappala stated, by all means I was not questioning Mr. Cominos' or Mr. Smith's judgment on the decisions. A plant the size of 500mw, is it advisable to be in the middle of Town? Is it customary to locate it in the center of the community without risk of liability to the residents?

Smith responded, in some respects, it is not an ideal site. You want plenty of cooling water. Cooling water is generally an overriding factor. That is why you will find most plants located on a river or bay or Long Island Sound. There are plants all over the place; downtown Hartford has a couple. It is not unreasonable. A 500mw plant is going to be massive.

Mr. Zappala stated, I am mainly concerned with noise and for the people who live on East Street and close by. I think we should be very concerned about that. We should not jeopardize anyone's way of life because we are going to be doing a little bit better. I do like the idea of tax revenue but I hope that we have explored all possibilities for us to get the best deal.

Mr. Zandri stated, everyone here knows where I stand on this particular project because I am the one that kind of introduced this concept a couple of years ago to the Town. One concern I have is the way we got to this point. With the Council up here who ultimately has to make the decision on this facility, we were left out of the loop on this final step on choosing partners to go through these final stages with. I think that we could make a better decision up here if we were part of the process in getting to this stage of the game. That disappoints me that the decision has already been made for us and we were, in my opinion, left out of the process. That is the only part of this that concerns me. The concept has been supported by me; the presentation tonight was excellent; it is what I would consider the way to go but, unfortunately, I have not had the advantage of seeing what the other options were before us. That concerns me a bit.

Mr. Smith responded, we have professionals; I consider myself a professional licensed engineer and Bill (Cominos) is certainly a professional in this area and Gabe Stern has a lot of experience. Not that you folks (Council) don't bring anything to the table but I think that is what our role is. We have done all the leg work and brought you back a recommendation that I am very very comfortable with in saying that the offers presented to us appears to have the best benefit to the Town in total, the best benefit to the ratepayers and taxpayers. In looking at it globally, does it bring benefits to other departments such as Water and Sewer divisions as a potential tax revenue stream? Does it enhance reliability? One of the requirements early on in the process is that each of the developers signing the exclusivity agreement asked that we would not share with any of the competing parties any of the information we had available to us. One of the shortcomings in dealing with municipal governments is that you are subject to F.O.I. as opposed to dealing with private entities where you can go in and negotiate and keep everything under wrap until the information is available. I assure you that Bill (Cominos) and I and Gabe Stern treated this with the integrity and commitment that was necessary to thoroughly evaluate it; understand things and you always have a right to contest my judgment but I would hope that you recognize our experience and abilities when presenting to you the package that is in the best interest of the Town.

Mr. Zandri acknowledged Mr. Smith's expertise in this field but ultimately we (Council) have to make the final decision and decisions I make up here, I try to make knowing as many of the facts that I could possibly have. If we want to keep things private we have the ability to go into executive session to keep those things under wrap, so to speak.

Mr. Smith stated, I am willing to do that with you. This was described to, and talked through with, the Mayor on how to deal with this. I have given you a summary of all the developers offerings, obviously not the detail for I could give you reams of information. If you feel it necessary, I am not opposed to that (going into executive session), I would be willing to do that to fully discuss all those details if you think that is important. I don't want you to feel pressured to make a decision on this tonight. I am hoping to get a sense or direction to say, yes, it is worthwhile to go forward and glad to hear your support in the concept of the project. There is a limited window of opportunity I still believe. The first in is going to have the best chance of success. There is 12,000 megawatts that have been signed up for. Not all will make it and if we dally and be late, we may get another opportunity, it does not mean that we will be shut out permanently. I said numerous years ago that at the turn of the century we would probably be building a power plant at that site. This is a good opportunity and we should take advantage of it.

Mr. Zandri agreed stating that he would not have pushed for this a while back if he did not think it is a good move for the town. Again, my only concern was being semi-short circuited out of the process when the Council has to ultimately make that decision. It was an excellent presentation and I am sure that the firms picked by Mr. Smith are the ones that the Town should go with. It would have been nice to compare at least the top two or three proposals before making the decision. I don't

know how the rest of the Councilors feel on this issue. If you feel strongly....we called a special meeting tonight. I am prepared to do what ever we have to do to make the proper judgment. If we have to call another special meeting, that is fine with me. I ultimately would like to see this thing work. I would like to be able to at least compare the top two if not three proposals so we can make a judgment call on this.

Mr. Gessert stated, some of the other proposals did call for major capital investment by the Town or utility. They were not well entertained at the P.U.C. table, I can assure you. We did not want to expose the Town to any risk and that was a consideration that eliminated some of the contenders because they wanted us to shell out an awful lot of money and put our ratepayers and taxpayers at risk and we would not do that.

Mr. Zandri responded, I totally agree with you but when someone on the street asks me how can I vote on that with only one proposal, I would at least like to be able to explain the reason I picked this company is exactly for the statements that you just made. I agree, if another group required us to put up dollars and these gentlemen do not, it is easy to make a decision on those facts. But it is nice to have the facts to be able to make the proper judgment.

Andy Kapi, 6 Deme Road asked, when did we become corporate Wallingford? It is very difficult to get to this since I, like everyone else, am hearing about this for the first time today. I have a bit of the sensation that it is kind of an inevitability, kind of a slippery slope. It begins with exclusivity; it begins when people start asking half-questions taking for granted that it will be attended to and taken care of. All of those points can be addressed in this proposal. It may, in fact, happen but I would hope that our Councilpeople do not, in this instance with something this big, be the deer in the middle of the middle of the road blinded by the headlights. This comes on to us pretty fast and I suppose to get a proposal on the table a ninety day commitment like that is not unreasonable except if it is taken with the implication that it just has to happen immediately after that. I would hope that we go through some public hearings and have people come up and talk from that neighborhood. Have some medical people been consulted about the amount of electricity in the air and its effect on health? I would hope that our Fire personnel would come here and talk about what would happen in a major event there; what would happen in the case of a gas leak/explosion. I would hope that we have all of that. I am going to keep asking for that. Last of all, in that presentation I heard at least three references to jobs for DPU personnel. Thirty-five permanent positions to staff a plant, with six in management is not a strong selling point. The tax issue is something you can talk about but short term construction, some folks would benefit from that; there is probably going to be some sophisticated high-level construction there that some of our local firms won't get in on. I don't know how much that is going to be a benefit but this is a chamber of the people of Wallingford; all the people. When somebody comes here to make a presentation to the people of Wallingford, I don't want to hear about a few high paying jobs to DPU personnel. I am offended by that, I am sorry if that irritates somebody. That is

an inappropriate presentation in this chamber for the people of Wallingford. When you people go to executive session to talk about the little things, don't forget about us people out here.

Mr. Gessert asked to address the issue of personnel. He stated, we have a number of employees in the Pierce Plant who are not high-paid executive positions. They are good workers; they are blue-collared workers and we are very proud of the efforts that they put out. We are concerned that the future development at this site.....some would lose their positions and we asked that any developer give them consideration when a new plant is built for employment opportunities.

Mr. Kapi stated, if anyone recommending this project is being offered a job, I would like to know that too.

Mr. Parisi ruled Mr. Kapi out of order.

Joel Canino, Glastonbury Connecticut, stated, we submitted a proposal on behalf of Wallingford Power Ventures for this project. I would like to thank Mr. Smith, Mr. Cominos and Mr. Stern for the benefits and respect they have shown during the proposal stage. You are at a unique threshold and it is not like a marriage between a bride and a groom because you will probably not get a second chance at this wedding. The exclusivity period that you talked about is critical to a developer moving forward with the project but it is one opportunity for this project to get in line and derive the benefits for the community of Wallingford that it should provide. From our viewpoint those benefits on a 250 or 265mw project in our case are substantial. I would be hesitant if I were in your shoes to proceed without understanding the order and magnitude of those benefits on that size project range. The 500mw project size was something that we reviewed in the beginning, discarded based on the infrastructure issue you have heard talked about from a electric interconnect standpoint of 115kw versus having to go through the 345 kv, the different time cycles in terms of permitting that and the right-of-way issues involved. We also believe that water is a commodity in central Connecticut that should not be used to evaporate into the air. Two million gallons a day for a 250mw plant; almost four million gallons a day at a 500mw plant that is simply evaporated in clouds. We have to have better ways to use the water that is available to us in the state for other industry and industry that needs water to survive and operate. Our proposal from day one was based on air-cooled condensers because of that fact. We each stated our benefits a little differently, obviously, we had a different involvement on behalf of the Town and CMEEC but those involvements were non-recourse to the Town and non-recourse to CMEEC in terms of those positions so while we may be one of the proposers that people are saying we had to put up money to play in their game, I would like you to think about in terms that we were asking you to raise money, the money that was raised, you were not liable for under any circumstances. It was non-recourse to the Town and only recourse against the project. The benefits we had from a tax standpoint were \$1.5 million levelized for the first ten years increasing beyond that point at the C.P.I. inflation rate. We picked the levelized piece rather than the

depreciating piece which reduced the value to the Town over time and then we pick a point in time when the project could afford to pay more and increase that payment stream.

Mr. Parisi asked the gentleman, are you making a presentation?

Mr. Canino responded, I am trying to highlight a series of points that I heard for the first time tonight and respond to those. If I am too long, shut me off.

Mr. Centner asked, will you please repeat who you are representing?

Mr. Canino answered, Wallingfor Power Ventures was the name of the joint venture. It included Equitable Resources which is a major gas company out of Pittsburgh, Pennsylvania and ourselves and another firm W.G. Carter and Associates as local developers.

Mr. Parisi asked, were you a bidder who was not selected?

Mr. Canino responded, that is correct and I don't want what I say to sound like sour grapes for that is not the purpose.

Parisi stated, I don't have a problem with you listing everything you are trying to say but I just don't know that it is going to accomplish anything at this point where we are with our business.

Mr. Canino stated, I will boil it down to two sets of facts; if the exclusivity agreement for a ninety day period is fine, you should consider it but don't view it in the world that in signing up for ninety days is all you got because if the project is real, as we believe it is real, provides you the kind of benefits that we believe it provides you, it is your one time chance to have the project. The window of opportunity that Mr. Smith cited is real and if it doesn't get in line and has to come out because it changes developers, you will lose the opportunity. The benefit stream that you should be looking for out of a 500mw project is somewhere just south of \$10 million a year. I will leave you with those thoughts.

Mr. Parisi stated, if you have any further opinions that you would like to submit in writing to the Council, I would be happy to have you do that.

Mr. Canino stated, I appreciate that and will take advantage of that.

Reginald Knight, 21 Audette Drive asked, as a consumer, where would my primary source of energy be from?

Mr. Gessert answered, Wallingford Electric Division.

Reginald Knight stated, but these (PPL) are the people who will be running it?

Mr. Gessert explained, they will have nothing to do with it. They will lease our property; they will be taxpayers in the Town and will be a user of our utilities. They will be a private entity selling a product. We may or may not decide to be one of the purchasers of that product but they are a private business operating selling a product. We would lease the property; they would pay taxes and we would sell them utility services.

Mr. Parisi stated, we have an option of whether or not we will buy power from them even if they came here.

Reginald Knight asked, would we have to use their power after they built the plant?

Mr. Smith answered, no. We have a contractual commitment to buy all of our power needs from CMEEC for at least another six or seven years. They will sell their power into the wholesale market; they will sell it to the ISO, New England. We will bid into the marketplace and large aggregators or large buyers will secure that energy or CMEEC may buy it on our behalf. That is during the first six or nine months, beyond that we might decide to have an option on buying some of our needs from CMEEC. They will not be a supplier to you, you will still get your bill from Wallingford Electric Division.

Reginald Knight stated, when you get a little older and hear a lot of promises and presentations, you get a little leery of people from out of state promising you everything and then when you are locked in your rates start going up. Will the Town hold the value of the rates or will they dominate?

Mr. Smith answered, we will still be the supplier of electricity to the residents of the community. Under deregulation in some future year, you may have a choice to buy from somebody else and that is what the State is grappling with now. For the current time, even if they built this plant and started tomorrow, they just sell it wholesale into the grid. People like Northeast or Boston Edison or New York State Electric and Gas may buy the output of that.

Reginald Knight asked, you can jump around and give us the best deal?

Mr. Smith responded, we can't because we have signed a ten (10) year contract with CMEEC which has six years left. At the end of that contract we might be able to do something. We may not want to do anything on this plant by itself though. We would probably get a portfolio of different plants or resources.

Reginald Knight stated, a tremendous amount of water will be used to cool the turbines. What happens to that hot water? Where does it go?

Mr. Smith replied, evaporation; it evaporates into the air.

Reginald Knight asked, is this an environmental problem?

Mr. Smith answered, it will produce plumes at times in cold weather. You will see steam as you see coming off of other cooling towers around town or when we operate now we have cooling towers that let off steam.

Reginald Knight asked, then it won't be an environmental problem at all?

Mr. Smith answered, I don't believe so.

Vincent Avallone, 1 Ashford Court stated, when I close my eyes I start thinking about the trash plant a few years ago; this is a similar setting here. My question is, it looks like this partnership that you are talking about right now in possibly granting an exclusivity agreement or entering into that type of an agreement has two feet in the door. If you grant them this ninety day period and they come back and say, yes, this project is feasible; again, a trash plant term; how do you determine the value of this agreement? How do you compare it? Have you already done that in your request for proposals because you are going to be dealing with one company or one partnership? You don't know if they are going to be giving you all that this is worth. It must be hard to determine the value of this. It would be a lot easier to be playing one against another if you had two companies involved. How do you determine the value?

Mr. Smith responded, you are right, it is difficult. During the process we have been through we have done that. Everybody came forward with pro formas, different mechanisms of how they bring value to the community. Some wanted to pay a minimal tax fee, some wanted to provide profit-sharing mechanisms, they are all different. That is part of the problem in the evaluation process is bringing them down to the same level and seeing how the revenue stream came to the Town. One of the reasons the developers are in this is to make money. There is no reason for them to come to the table unless they anticipate that they are going to make money but on the other hand there is a lot of risk.

Mr. Avallone added, so are we (going to make money) though?

Mr. Smith replied, as far as I am concerned, I would rather have a pretty secure revenue stream knowing what it is, whether or not they make money. If we extract too much the project may not be viable or we may not get anything out of it because you would kill it. You would tax it to death and of a sudden they say there is no sense in going ahead with this project because we can't compete in the marketplace. Everyone is trying to anticipate what future electricity prices are going to be.

Mr. Avallone stated, I would imagine that different providers have different estimates of the value of such a project.

Mr. Smith replied, they have different outlooks on it, yes.

Mr. Avallone stated, what I am saying is, if you have a couple of people that you are dealing with, you have a better chance of enhancing the value of your deal versus giving someone a ninety day exclusivity agreement. They are going to come back and let's assume they say it is feasible, then you will say, O.K., now we are going to go out and start talking to other people about what they are willing to give on this project? I think you are really committing yourself, not legally for it is not a contract, if you want to call it an engagement, that is fine. What is this Council going to be presented with after ninety days? This partnership's findings that the project is feasible, you have picked them to come and give a presentation here, it seems to me that that is where we are going and what they have suggested the value of this project is, that is what we are going to be stuck with. I am not saying that I am for it because I think that there are some environmental issues clearly that some of the other speakers before me and Councilors have addressed but, business-wise, I think you are tying the hands of the Council because they are not going to have much to choose from.

Mr. Cooke stated, this proposal has been looked at in great depth by the staff of the Wallingford Electric Division and Mr. Smith has been the director of that for a great many years. Wallingford has had the best electric rate probably in New England but at least thirty percent lower than Northeast Utilities and forty percent lower than United Illuminating for quite a good many years. We have put our confidence in the ability of him and his staff and I think that we have reached the conclusion that it is giving the best opportunity to the ratepayer. I would appreciate it if you look at the issue from that side.

Wes Lube, 15 Montowese Trail stated, Mr. Smith and Mr. Cominos are worthy of our words of appreciation for bringing a very prominent name to the table. Stone & Webster has an international reputation; they are not fly-by-night by any means. But I think that a lot of the reservations that have been voiced are real and there are some things that I don't understand. Even if it goes with the lower scale construction, the feasibility decides that is the route to go, this still consumes a heck of a lot of water. Where will that water come from and how will it be transported to the plant?

Mr. Smith replied, there is a number of options that we have looked at at this point. One is to use the effluent from the Wastewater Treatment Plant before it goes back into the Quinnipiac River. That could sustain and we have talked to the State and whether or not they would allow us to withdraw that volume of water without concerns. They have indicated that they would but it would require a study. We talked to South Central Regional Water Authority about the idea of an interconnection with them. It is a very expensive process because pressures are inappropriate, the locations are not quite ideal. We could bring that into our system through Cheshire but we would have to re-build part



our distribution system to make sure that enough water could get down to the power plant. Another routing could be through North Haven where they would have more ample supply. That would probably end up as an isolated system delivered directly to the plant.

Mr. Lubee asked, two of those three options would require substantial investment on the part of the Town would they not?

Mr. Smith answered, no, not by the town but by the developer.

Mr. Lubee stated, I can understand why the Council would want to have some information on unsuccessful competitors but why is it necessary to put the confidentiality cape over those who were unsuccessful? Why would it have to be done in executive session?

Mr. Zandri explained, the bidders submit their bids under the stipulation that the details of their proposals were kept confidential. The only way the Council can extract that information to make a judgment call on this side of the bench would be to honor that right and discuss the matter in executive session.

George Sharpe, 15 Mettlor Drive stated, in California they are in a competitive power market just about now as we speak, I think as of midnight tonight. I read that there are two hundred twenty-nine (229) companies that signed up to sell electricity in California. It is important for the Council to know that there are a lot of people who are interested in building power plants and supplying electricity in a competitive market. It is important for the Council to be in a position to evaluate different proposals, not just look at one proposal. I have worked in perhaps two dozen power plants in the last twenty years and I think the presentation was of the fly-by and drive-by was really impressive but it may be worth it for the Council to visit a 500mw power plant to get an idea of scale of it.

Mr. Parisi asked, does PPL have a power plant in its system that is of the capacity that we are talking about?

Mr. Moody responded, there are a number of such combined cycle facilities in operation around the country in this size range. There is one in Rhode Island. The issue with that particular plant is that it uses twice as much equipment and takes about twice as much space as the plant envisioned in our proposal. The reason being that we have moved to another level of technology. The packaging of these facilities, a huge plant in such a small area really in a very congested area. That is accurate.

The packaging now becomes so efficient with these machines, that kind of thing can be accomplished. You need to go and look at the facility and perhaps partition it.

Mr. Zappala asked, six years and nine months from now when we negotiate that contract with any company, would we be at a disadvantage to negotiate since we are leasing our permit to a different company? We will no longer have the right because we can no longer generate our own electricity? Are we giving up the right to generate electricity?

Mr. Smith answered, to sell into the wholesale market, not retail. They will be selling it out to large, bulk buyers.

Mr. Zappala asked, will it effect our permit?

Mr. Smith answered, it does not effect our franchise. We will no longer be in the generating business any longer. What the next contract will look like is hard to predict but it will be another source or opportunity to negotiate with.

Mr. Zappala asked, will our position be changing six years from now or is it not going to change?

Mr. Smith responded, we won't have the ability to say that we are going to generate our own electricity because someone else will be generating on our site but they may be the supplier that we buy from in the future. I don't think it will change our negotiating ability.

Zandri stated, the way I understand the deregulation laws, the distribution company which is what the town is, is not going to be allowed to generate under the same umbrella.

Mr. Smith agreed.

Philip Wright, Sr., 160 Cedar Street stated, you, the Council, are the fiscal body of the Town. I think you should be in a position to say, we don't want to spend any money, we don't want to invest anything in this or maybe, if we invested \$10, \$20, \$50 million in it we could get a better deal then if we stand aside. I don't know that that is a possibility but it very well could be so I think you should be looking at what ever proposals there are out there, not just this one. I realize the exclusivity clause does not prevent you from looking at another one three months from now but you start down a road and it is kind of hard to look from the left to the right. You should have the right to have the opportunity to see some of these other proposals. One of the things that has occurred to me is, have we evaluated what would happen to that whole site if our supplier went belly up? I hope that we have something in the contract that says that you will level the site and return it to its pristine state as it is now if that is possible.

Orney Janis Small stated, I want to make it clear that in that agreement, if, within the ninety days the developer finds that the site is suitable you have committed to negotiating with them for a long term contract for a maximum of six months from the execution of the agreement. You are not

obligated to agree but you have made that commitment in this agreement and I want to make sure you've all seen that paragraph.

Bill Choti, 44 Lincoln Avenue stated, we saw the presentation and a whole list of expectations and the parameters that the contractor PP&G and Stone & Webster are willing to live with and I am not too sure but I am sure in the business world they will look at the bottom line to decide how far of a margin they are willing to move left to right. My concern would be, how far is the Town willing to move on the aspects of whether or not the site is feasible? If it is a little noisy are we going to let it go? If we have to pull another water line down there is that going to let it go? Have we determined what we are willing to do or give up or add to the project to make the project feasible to us?

Mr. Parisi stated, we don't know the project yet.

Mr. Gessert replied, we have not made that determination yet but through this feasibility process we should be better prepared to know what things would have to be done on either side to make it a viable project.

Mr. Avallone thanked Atty. Small for the information stating, it is totally contrary to what was sent to this Council.

Mr. Zappala asked, are we committing ourselves to negotiating with this company?

Atty. Small responded, when they do their study in which they are investing all their money into and they find the site is suitable, they will notify the Town and you are committing to negotiating a long term contract. You don't have to agree in the end but you are committing to negotiate six months from the point of signing this agreement so it would actually include those first ninety days. It is a good faith commitment that you are going to negotiate a contract.

Mr. Zappala stated, I would like to take a trip to Rhode Island to see that there is not an excessive amount of noise. Do you think we should investigate this further, Mr. Chairman? My main concern is the problems that we may be facing with the neighbors and the people in the area.

Mr. Smith stated, there are not any similar plants nearby. I would not be opposed if you wanted to do that, you are entitled. It is not an easy decision and I don't want you to feel rushed into this. It is on the floor, on the table, we have brought forth a responsible offer, it is a big deal, a big commitment. It will be a lot different than what you are used to down there at Pierce. It will be a generating plant that runs day and night and brings in revenue. It will have steam plumes.

Mr. Zappala stated, my concern is the noise and the neighbors. I don't want any problems. Once we commit ourselves it looks like we will be committed to negotiate. I have to lure them and then say at the end that we don't want it.

Mr. Zandri stated, again, I will go back to my concern about listening to the other options. It is a major decision we will be undertaking here. I know that there is a time frame here and I don't want to lose the window and I am committed to do what I have to do as far as having another meeting and if it has to be in executive session then so be it. Before we make a final vote on this I would ask my colleagues to give me a sense of whether they agree or disagree.

Mr. Parisi stated, when they vote they will be telling you that.

Mr. Zandri asked, if you want I can make a motion for I don't believe there is a motion on the floor.

Mr. Smith stated, the Council has not made a motion, the P.U.C. has.

Mr. Parisi stated, the P.U.C. have to vote on their items first.

Mr. Papale stated, I am hearing mixed feelings on both sides of me. Whenever we decide on a project of this size, we always seem to have visited a site. I remember getting into a helicopter with Ed Polanski to see the Water Treatment Plant before we did it here. I remember going to see garbage burning plants. What would be the difference of another week or two? Mr. Smith did say that it did not have to be done this evening and this would give everyone the chance to feel a little more comfortable if we could see a plant and, at the same time, meet with at least the top three candidates who bid on this large project. Would anyone be receptive to these suggestions?

Mr. Parisi stated, the Council is ready to vote.

P.U.C. AGENDA ITEM #2A - Consider and Approve a Waiver of Public Bidding and Acceptance of the Proposal from Stone & Webster and Pennsylvania Power & Light.

Motion was made by Commissioner Papale to Waive the Public Bidding and Accept the Proposal from Stone & Webster and Pennsylvania Power & Light, seconded by Commissioner Cooke.

VOTE: All ayes; motion duly carried.

J.C. AGENDA ITEM #2B Consider and Approve Authorization to Execute Exclusivity Agreement with Stone & Webster and Pennsylvania Power & Light

Motion was made by Commissioner Cooke, seconded by Commissioner Papale.

TE: All ayes; motion duly carried.

TOWN COUNCIL AGENDA ITEM #3A - Consider and Approve a Waiver of Bid and Acceptance of the Proposal from Stone & Webster and Pennsylvania Power and Light

Motion was made by Mr. Rys, seconded by Mr. Centner.

Motion was made by Mr. Zandri to Table the Item to Set Up Another Meeting to Discuss Other Options, seconded by Ms. Papale.

VOTE TO TABLE: Zandri, aye; all others, no. Motion failed.

VOTE ON ORIGINAL MOTION: Zandri, no; all others, aye; motion duly carried.

TOWN COUNCIL AGENDA ITEM #3B Consider and Approve Authorization to Execute Exclusivity Agreement with Stone & Webster and Pennsylvania Power & Light

Motion was made by Mr. Rys, seconded by Mr. Centner.

VOTE: Zandri, no; all others, aye; motion duly carried.

Motion was made by Commissioner Papale to Adjourn the P.U.C. Meeting, seconded by Commissioner Cooke.

VOTE: All ayes; motion duly carried.

ITEM #4 Executive Session Pursuant to Section 1-18a(e)(4) of the CT. General Statutes Pertaining to the Purchase, Sale and/or Lease of Property - Mayor's Office

Motion was made by Mr. Rys to Enter Into Executive Session, seconded by Mr. Farrell.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Rys to Exit the Executive Session, seconded by Mr. Farrell.

TE: All ayes; motion duly carried.

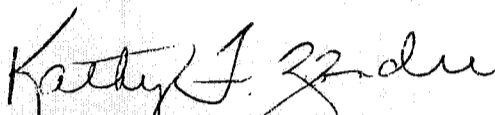
ITEM #5 Withdrawn

Motion was made by Mr. Rys to Adjourn the Meeting, seconded by Mr. Knight.

JTE: All ayes; motion duly carried.

There being no further business the meeting adjourned at 12:55 A.M.

Meeting recorded and transcribed by:



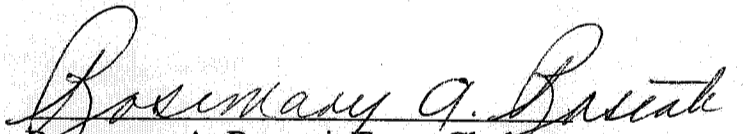
Kathryn F. Zandri  
Town Council Secretary

Approved by:

  
Robert F. Parisi, Chairman

7-21-98

Date

  
Rosemary A. Rascati, Town Clerk

7-22-98

Date

## AGREEMENT

THIS AGREEMENT is between the TOWN OF WALLINGFORD, Connecticut ("Town") acting on behalf of, and with the knowledge and recommendation of, the Town of Wallingford Department of Public Utilities ("Utility") and STONE & WEBSTER DEVELOPMENT CORPORATION and PMDC USA, INCORPORATED (a subsidiary of PP&L Global) (collectively "the Developer"). Pursuant to this Agreement, the Developer has been selected for development of a merchant power plant in Wallingford as described in a proposal submitted to the Connecticut Municipal Electric Energy Cooperative ("CMEEC") acting on behalf of Town and Utility by the Developer on October 31, 1997 and as further detailed in a letter dated January 15, 1998 (hereinafter "Proposal") and establishes a period of exclusive activity and discussions among the above-named parties. The parties recognize that by establishing the period of exclusivity, the Developer is prepared to and shall initiate certain priority activities as described herein, the intent of which is to confirm the technical and economic feasibility and to provide a baseline for detailed development of a combined cycle merchant power plant at the Alfred Pierce site in Wallingford, Connecticut. The parties acknowledge that such detailed development of a merchant plant shall be subject to approval of their appropriate boards of directors and/or municipal commissions and Town Council.

1. The period of exclusivity shall commence on the date of execution of this Agreement and shall extend for a period of 90 calendar days except as follows:

(a) If the Developer determines that the site is not suitable for Developer's intended purpose within the 90 days, Town (Utility) shall be advised in writing promptly and no further exclusivity shall apply to the site.

(b) If the Developer determines that the site is suitable, but for a generation facility which is materially different from the Proposal, Town (Utility) shall be advised in writing promptly and the parties shall meet to decide whether the exclusive relationship shall continue. Neither party is obligated to agree to continue this Agreement under these conditions.

(c) If the Developer determines that the site is suitable, Town (Utility) shall be advised promptly in writing and the exclusivity among the parties shall automatically continue into a detailed development agreement between the community and the Developer. It is anticipated that the terms and conditions of the detailed development agreement will be negotiated during the 90 day exclusivity period. However, in no event shall the parties be obligated to negotiate beyond six months from the execution of this Agreement.

(d) If the Developer is unable to confirm suitability (or unsuitability) of the site within 90 calendar days, and requests extension of the period of exclusivity, Town (Utility) shall, in its sole discretion, grant or deny the requested extension.

2. During the period of exclusivity, the Developer shall undertake the following specific priority tasks:



**(a) Plant Configuration**

- i. define alternative plant outputs and arrangements (nominal 250 MW vs. nominal 500 MW)
- ii. consider development and implementation schedule
- iii. compare economics, including any impacts from other priority tasks
- iv. finalize output and arrangement

**(b) Power Transmission**

- i. assess adequacy of existing 115 kv system vs. 345 kv system
- ii. determine need for reinforcement and estimated costs
- iii. define interconnect concept and estimated cost (including ring bus at Wallingford)
- iv. discuss transmission issues (especially contingency criteria) with ISO-NE and assist with interconnection study

**(c) Water Supply**

- i. define available fresh water from community and projected rates
- ii. define new pipeline and interconnections and estimated costs
- iii. review plant costs and performance based upon available supplies
- iv. assess use of wastewater treatment plant effluents for plant cooling water system and estimated costs as applicable

**(d) Fuel Supply and Transportation**

- i. initiate discussions with potential fuel suppliers to determine estimated costs and supply terms
- ii. initiate discussions with interstate pipeline companies to determine available capacities, required upgrades, and estimated delivery costs
- iii. evaluate supply, transportation, and local delivery impacts on project economics

**(e) Noise Mitigation**

- i. conduct ambient noise survey at and around plant site
- ii. confirm applicable local and state regulations
- iii. determine facility positioning on the site
- iv. determine noise control measures and estimated costs

**(f) Land Use**

- i. determine any needs for additional land at the site and estimated costs
- ii. discuss availability with owner(s)

3. The Developer will maintain regular communication with Town (Utility) officials during the exclusivity period regarding the progress of the above activities. A report of progress shall be made at least weekly by teleconference. It is anticipated that Town (Utility) participation will be requested for discussions with agencies such as ISO-NE and other Connecticut agencies and that Town (Utility) will make staff available, as needed.

for discussions with the Developer. In the event that the Developer determines that the site is unsuitable for the intended use and abandons further work, the Developer will transmit to Town (Utility) any of its relevant work product regarding the site, including but not limited to items such as test reports, drawings, calculations, published documentation, permit application and permits. Any cost of transferring permits or application for permits shall be the Town's responsibility.

The Developer agrees to undertake the activities during the exclusivity period at no charge to Town (Utility). The parties also agree that the terms of the non-disclosure agreement signed on August 21, 1997 by CMEEC and SWDC shall govern the confidentiality of the activities and discussions during the period of exclusivity.

4. The Developer will indemnify and hold harmless the Town, its officers, agents, servants and employees from and against any and all loss, cost, expense, liability, damage for injury, including legal fees and disbursements, that the Town, its officers, agents, servants and employees may directly or indirectly sustain, suffer or incur as a result of any and all damage or injury of any kind or nature (including death resulting therefrom) to all persons, whether employees of Developer or otherwise, and to all property caused by, resulting from or arising out of Developer's negligent performance of its obligations under this Agreement.

Prior to commencing activity pursuant to this Agreement and as long as this Agreement is in effect, the Developer will secure and pay for insurance and submit for

review evidence thereof to the Town, in accord form or a form with the same format and including a 30-day notice of cancellation provision as follows:

(a) Occurrence form Commercial General Liability Insurance (Broad Form) to cover Developer's obligation to indemnify the Town as set forth in this Agreement, although the existence of insurance shall not be construed as limiting the liability of Developer under this Agreement. Such insurance shall name the Town as an additional or named insured, as appropriate, with respect to activity performed under or incident to this Agreement, including coverage for contractual liability and products/completed operations coverage issued by an insurance company licensed to conduct business in the State of Connecticut with limits for each occurrence of \$1,000,000 combined single limit for bodily injury and property damage liability. Such commercial general liability insurance must be endorsed as Primary/Non-Contributory as to any insurance maintained by the additional named insureds and have a severability of interests clause. The Developer expressly agrees to waive its rights, benefits and entitlements under the "other insurance" clause of its commercial general liability insurance policy with respect to the Town. All deductibles and retentions are the sole responsibility of the Developer to pay and/or indemnify the Town. With respect to such insurance, the Developer will be the primary named insured with sole responsibility for fulfillment of the conditions of the policy, including but not limited to reporting of claims.

(b) An Excess Liability Policy providing the same coverage as set forth above in Subsection (a) with the same additional insureds as the basic policy in the additional amount of \$5,000,000.

The Developer will provide their own Workers' Compensation coverage at the statutory limit, including Employer's Liability with limits of \$100,000 for each accident, \$100,000 for disease for each employee, and \$500,000 for each disease/policy limit.

The Developer will provide their own Automobile Liability Insurance coverage.

In no event shall the Developer be liable for any indirect or consequential loss or damage, whether at contract, tort or otherwise.

5. Developer shall be solely responsible for all testing and other activities on Town property and shall be responsible for restoring the Town property to its original condition upon completion of said testing and activity.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals and to a duplicate of the same tenor and effect this \_\_\_\_\_ day of \_\_\_\_\_, 1998.

*Signed, Sealed and Delivered  
In Presence Of:*

TOWN OF WALLINGFORD

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

BY: \_\_\_\_\_  
WILLIAM W. DICKINSON, JR.  
Its Mayor, Duly Authorized

STONE & WEBSTER DEVELOPMENT CORPORATION

BY: \_\_\_\_\_

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\_\_\_\_\_

PMDC USA, INCORPORATED

BY: \_\_\_\_\_

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### PROPOSAL SUMMARY

In response to a solicitation issued by the Connecticut Municipal Electric Energy Cooperative (CMEEC) on August 29, 1997, Stone & Webster Development Corporation (SWDC), a wholly-owned subsidiary of Stone & Webster, Incorporated, and PPL Global USA, Incorporated (PPLG), a wholly-owned subsidiary of PP&L Resources, Incorporated, proposed to develop, build, own, and operate a merchant power plant on the site of the Alfred L. Pierce Station in Wallingford.

The plant as originally proposed, will be a nominal 500 MW natural gas-fired, combined cycle facility. The plant will use advanced gas turbine technology which is sufficiently mature to achieve the operating reliability required for long-term operation. In addition, the chosen technology provides the highest efficiency available today as required by the competitive, deregulated electric power marketplace. Based upon subsequent discussions with CMEEC and the Wallingford Department of Public Utilities (DPU) as well as further assessment of site-related issues, SWDC and PPLG proposed to assess a nominal 250 MW facility in addition to the 500 MW plant.

The SWDC/PPLG team is prepared to supply all of the equity required for the proposed project and has the combined skills and experience to arrange for non-recourse debt financing. The proposal is stand-alone with regard to financial structure and does not rely upon contributions or support from CMEEC or the Town of Wallingford. The possibility of using tax-exempt financing, as may be available through CMEEC for a portion of the overall funding is recognized and will be explored in depth. Equity participation by CMEEC and/or the Town of Wallingford will also be welcomed by the sponsoring team.

Successful development of generating facilities at the site will require a wide range of technical and financial skills. Both the Stone & Webster and the PP&L organizations have long histories in the U.S. electric power industry and bring to this effort a complete range and depth of complementary skills. The importance of environmental permitting is fully recognized, and the team has substantial, current experience to accomplish this task in Connecticut.

SWDC and PPLG understand the significance of community benefits as part of the development activity. The proposal offers to the community the opportunity to be a part of the project by realizing an annually recurring payment stream from project income. The estimated value of this stream of variable payments for a 500 MW plant at the site over a 20-year term exceeds \$16,000,000. The sponsors also propose a fixed site lease payment of \$100,000 annually. In addition, tangible benefits will be realized by purchase of makeup water. Operation and maintenance plans will include the hiring of existing utility staff as may be appropriate. Property taxes will be a source of significant revenue for the Town of Wallingford. SWDC and PPLG are not seeking any concessions with regard to property taxes. Based upon existing tax rate and assessment formulas, the first year taxes for the larger plant will be approximately \$3.7 million and approximately \$1.9 million for the smaller plant.

CMEEC is offered the opportunity to purchase capacity and energy from the project, but without having to tie such purchase to operation of the specific facility. Instead, capacity and energy can be made available at competitive prices through a wider power trading portfolio.

Major fuel suppliers have been contacted and have expressed active interest in supplying fuel to the project. These discussions will be conducted at much greater detail, as well as from a stronger negotiating position, after selection of the SWDC/PPLG team as developer.

The SWDC/PPLG team has provided clarifications to the original proposal in response to a request from the Wallingford DPU. The following matters are included in the clarifications.

- SWDC and PPLG confirm that the proposed project has been brought to the attention of the senior executives in both companies and has received enthusiastic approval to proceed with further development.
- If the team concludes that the project is not feasible during the initial evaluation period, all relevant work products will be transferred to the Wallingford DPU.
- The anticipated site lease will include provision for a first refusal of purchase by the Town of Wallingford as well as for restoration of the site if continued operation is not desired at the end of the lease term.
- A ring bus will be provided at the Wallingford substation.
- SWDC and PPLG are not developing the project as a means for any competition with the Wallingford DPU. In addition, both companies confirm that their posture toward public power is one of mutual cooperation and respect.