

City of Marlborough Public Meeting Posting

Meeting Name: City Council Finance Committee
Date: December 13, 2021
Time: 7:00PM
Location: City Council Chamber, 2nd Floor, City Hall, 140 Main Street

RECEIVED
CITY CLERK'S OFFICE
CITY OF MARLBOROUGH
2021 DEC -9 P 3:34

This meeting will be held in the City Council Chamber. Public attendance is permitted. The meeting will be televised on WMCT-TV (Comcast Channel 8) or Verizon/Fios Channel 34) or you can view the meeting using the link under the Meeting Videos tab on the city's website, home page (www.marlborough-ma.gov).

1. 9/22/21: Order No.21-1008449: Communication from Mayor Vigeant together with Proposed Ordinance, City Code, Chapter 608, "Water" s.11, "Entrance Fees" and Chapter 510 "Sewer" s.4, "Building Sewer Connections" to increase both water and sewer entrance fees based on significant demand on the system.
2. 12/06/21: Order No.21-1008468: That the Finance Committee review Condition #6 and #7 in Order No.19-1007762B (Green District Housing) to determine the fund where the payments shall be deposited. This information shall be forwarded to the Mayor/Auditor to establish the account and submit transfers from the FY22 Undesignated account into the account "designated" by the City Council.

THE LISTING OF TOPICS THAT THE CHAIR REASONABLY ANTICIPATES WILL BE DISCUSSED AT THE MEETING IS NOT INTENDED AS A GUARANTEE OF THE TOPICS THAT WILL HAVE BEEN DISCUSSED. NOT ALL TOPICS LISTED MAY IN FACT BE DISCUSSED, AND OTHER TOPICS NOT LISTED MAY ALSO BE BROUGHT UP FOR DISCUSSION TO THE EXTENT PERMITTED BY LAW.

The public should take due notice that the Marlborough City Council may have a quorum in attendance due to Standing Committees of the City Council consisting of both voting and non-voting members. However, members attending this duly posted meeting are participating and deliberating only in conjunction with the business of the Standing Committee.

Electronic devices, including laptops, cell phones, pagers, and PDAs must be turned off or put in silent mode upon entering the City Council Chamber, and any person violating this rule shall be asked to leave the chamber. Express authorization to utilize such devices may be granted by the President for recordkeeping purposes.



IN CITY COUNCIL

Marlborough, Mass., NOVEMBER 22, 2021

ORDERED:

PAGE 1

That the: Proposed Amendment to the Code of the City of Marlborough, Chapter 608 “Water” §11 “Entrance Fees” and Chapter 510 “Sewer” §4 “Building Sewer Connections” to adjust both water and sewer entrance fees based on significant demand on the system as submitted by the Mayor, be and is herewith referred to the **FINANCE COMMITTEE** and **CARRIED OVER TO THE 2022/2023 LEGISLATIVE SESSION.**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MARLBOROUGH THAT THE CITY CODE OF THE CITY OF MARLBOROUGH, AS AMENDED, BE FURTHER AMENDED AS FOLLOWS:

- I. By amending Chapter 608 (“Water”), Section 608-11 (“Entrance Fees”) by **inserting a new A(2)(c)** to read as follows:

(c) Entrance fee for non-residential use with demonstrated or expected significant flows (greater than 5,000 gallons per day), or for buildings designed for uses with expected significant flows such as Good Manufacturing Practice (GMP) Buildings, shall also be subject to an additional fee of \$1.00 per square foot of building area.

- II. By **amending** Section 608-11(B)(3) to read as follows (new text shown as underlined):

Commercial or industrial subdivision or development. The entrance fee shall be \$3,000 for each connection of the secondary or branch mains or mains to the City main, plus the nonresidential entrance fee listed in § 608-11A for each service connected to the branch or secondary main, and, if applicable, the significant flow fee listed in §608-11(A)(2)(c).

- III. By amending Chapter 510 (“Sewer”), Section 510-4 (“Building Sewer Connections”) by **inserting a new A(1)(c)[3]** to read as follows:

Entrance fee for non-residential use with demonstrated or expected significant flows (greater than 5,000 gallons per day), or for buildings designed for uses with expected significant flows such as Good Manufacturing Practice (GMP) Buildings, shall also be subject to an additional fee of \$1.67 per square foot of building area.

- IV. By **amending** Section 510-4(A)(6)(c) to read as follows (new text shown as underlined):

(c) Commercial or industrial subdivision or development. The entrance fee shall be \$5,000 for each connection of the secondary or branch main or mains to the City main, plus the nonresidential entrance fee listed in Subsection A(1)(c) for each service connected to the branch or secondary main, and, if applicable, the significant flow fee listed in §510-4(A)(1)(c)[3].



IN CITY COUNCIL

Marlborough, Mass., NOVEMBER 22, 2021

PAGE 2

ORDERED:

- V. Effective Date. These amendments shall take effect upon passage and shall apply to connections for nonresidential uses that have not received a building permit as of the effective date of these amendments.

ADOPTED

ORDER NO. 21-1008449



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RECEIVED
CITY CLERK'S OFFICE
OF MARLBOROUGH
2021 NOV 18 A 11:40

City of Marlborough
Office of the Mayor

Arthur G. Vigeant
MAYOR

Patricia M. Bernard
EXECUTIVE AIDE

140 Main Street
Marlborough, Massachusetts 01752
508.460.3770 Fax 508.460.3698 TDD 508.460.3610
www.marlborough-ma.gov

Ryan P. Egan
EXECUTIVE SECRETARY

November 18, 2021

Council President Ossing
Marlborough City Council
140 Main Street
Marlborough, MA 01752

AC
Hold

RE: Proposed Ordinance change for water/sewer entrance fees

Honorable President Ossing and Councilors:

Enclosed for your review and approval is an amended draft ordinance to Ch. 608, Sec. 11, and Ch. 510 Sec. 4 to adjust water entrance fees and building sewer connection fees based on significant demand on the water and sewer systems.

As outlined in City Engineer Tom DiPersio's memo, there is a current trend toward bio-manufacturing that will put a demand on our water and sewer systems. This proposed increase of fees will be held in the Water and Sewer Revolving Fund to be expended for future mitigation for necessary improvements, upgrades, and maintenance due to new customers.

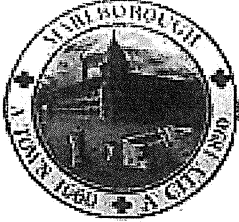
Commissioner Sean Divoll and City Engineer Tom DiPersio will be available to answer any questions at a future meeting.

Thank you in advance for your cooperation.

Sincerely,

Arthur G. Vigeant
Mayor

Enclosures



City of Marlborough
Department of Public Works

135 NEIL STREET
MARLBOROUGH, MASSACHUSETTS 01752
TEL. 508-624-6910
*TDD 508-460-3610

SEAN M. DIVOLL, P.E.
COMMISSIONER

Date: November 16, 2021
To: Mayor Vigeant
From: Thomas DiPersio, Jr., City Engineer
Copy: Sean Divoll, DPW Commissioner
Chris LaFreniere, Assistant Commissioner-Utilities
Re: Proposed Amendments to Entrance Fee Ordinance

The DPW is requesting that the City Council consider amendments to the City Code related to water and sewer entrance fees. The proposed amendments are meant to increase the fees for certain uses which are expected to contribute significant demand on the water and sewer systems. The proposed amendments are attached.

The City's current entrance fee ordinance sets a varying fee structure, which is based on the size of the water connection (and therefore the amount of demand on the water and sewer systems). The ordinance also includes an additional "per-unit" fee for multi-family residential projects, as residential use is typically the most demanding of water.

There is currently a trend toward "bio-manufacturing" in new development projects. There are several such projects being proposed in the City. This type of manufacturing can use much more water than traditional office or other types of manufacturing, and can be as demanding as multi-family residential on a per-square-foot of building footprint (p.s.f.b.) basis.

The proposed amendment to the entrance fee ordinance would add an additional "significant user" fee for new bio-manufacturing buildings, to bring the fees in line with the fees paid for multi-family residential projects on a p.s.f.b. basis. The proposed new significant user fees are \$1.00 p.s.f.b. for water and \$1.67 p.s.f.b. for sewer (total \$2.67 p.s.f.b.). For comparison, the per-unit entrance fees paid for three recent residential projects were: "Avalon II", \$123,000; "Talia", \$225,000; and "Green District Phase 1", \$235,000. Based on the area of buildings on each project the fees were: \$1.56 p.s.f.b.; \$3.20 p.s.f.b.; and \$4.58 p.s.f.b. respectively.

The new fees would also be in the range of entrance and infiltration & inflow fees charged by other area municipalities.

Entrance fees are deposited to the Water and Sewer Revolving Fund, which is used to perform infrastructure projects which will mitigate the demand of new user connections, such as the construction of larger water mains or the removal of infiltration from the sewer system. The new fees would ensure sufficient funding to allow the City to continue to welcome these new bio-manufacturing projects.

Please contact me with any questions.

ORDERED:

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III. By amending Chapter 510 (“Sewer”), Section 510-4 (“Building Sewer Connections”) by **inserting a new A(1)(c)[3]** to read as follows:

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IV. By **amending** Section 510-4(A)(6)(c) to read as follows (new text shown as underlined):

(c) Commercial or industrial subdivision or development. The entrance fee shall be \$5,000 for each connection of the secondary or branch main or mains to the City main, plus the nonresidential entrance fee listed in Subsection A(1)(c) for each service connected to the branch or secondary main, and, if applicable, the significant flow fee listed in §510-4(A)(1)(c)[3].

V. **Effective Date.** These amendments shall take effect upon passage, and shall apply to connections for nonresidential uses that have not received a building permit as of the effective date of these amendments.

ADOPTED

In City Council
Order No. 21-
Adopted

Approved by Mayor
Arthur G. Vigeant
Date:

A TRUE COPY
ATTEST:



IN CITY COUNCIL

Marlborough, Mass., DECEMBER 6, 2021

ORDERED:

Suspension of the Rules requested – granted.

That the Finance Committee review Conditions #6 and #7 in Order 19-1007762B (Green District Housing) to determine the fund where the payments shall be deposited. This information shall be forwarded to the Mayor/Auditor to establish the account and submit transfers from the FY22 Undesignated account into the account “designated by the City Council.”, be and is herewith refer to **FINANCE COMMITTEE.**

(Submitted by Councilors Robey & Ossing)

Background: The City Council approved the Special Permit for the Green District (475 housing units) on December 2, 2019, Council Order 19-1007762C. There were two conditions in the special permit that required the developer to submit “payable to a fund or funds designated by the City council prior to submission of each payment.”

Condition 6: Requires a payment to the city of \$50,000 per dwelling unit that would have been required under Section 650-26 of the Zoning Ordinance. For both Site 1 and 2, the number of applicable units is twelve which means both sites have a \$600,000 payment to be submitted prior to the building permit being issued for each site. The Site 1 building permit was issued in February 2021. The \$600,000 for Site 1 was deposited in the General Fund and is now part of the FY22 Undesignated Fund. As the money was deposited, but no fund was established, the Council should designate the fund for this payment.

Condition 7: To mitigate any impacts associated with the Use, the special permit language requires the developer to provide a payment of \$3,500.00 for each unit. For Site 1 a payment of \$822,500 (235 units x \$3500) was received in February 2021 and deposited in the General Fund. These funds are now part of the FY22 Undesignated account. Again, as the money was deposited, but no fund was established, the Council needs to designate the fund for this payment.

It should be noted that work on Site 2 has begun and a building permit is anticipated in early 2022 so another payment of \$600,000 for Site 1 and one for Site 2 of \$840,000 (240 units x \$3500) will be issued prior to the building permit being issued.

ADOPTED

ORDER NO. 21-1008468

ORDERED: That the Finance Committee review Conditions #6 and #7 in Order 19-1007762B (Green District Housing) to determine the fund where the payments shall be deposited. This information shall be forwarded to the Mayor/Auditor to establish the account and submit transfers from the FY22 Undesignated account into the account “designated by the City Council.” Refer to Finance Committee.

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The City Council approved the Special Permit for the Green District (475 housing units) on December 2, 2019, Council Order 19-1007762C. There were two conditions in the special permit that required the developer to submit “payable to a fund or funds designated by the City council prior to submission of each payment.”

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Submitted by Councilors Robey and Ossing

F/C

8468