

**Joint Sewer IMA Review Committee  
October 28, 2013**

**Open Session**

**Present:** Mark Jamieson, IMA Review Committee  
John Stone, IMA Review Committee  
Andrew Burbine, IMA Review Committee  
David Norton, City of Brockton, DPW  
Michael Thoreson, City of Brockton, DPW  
Larry Rowley, City of Brockton, DPW

**Also Present:** Philip Nessralla, City Solicitor, City of Brockton  
Caitlin Leach, Assistant City Solicitor, City of Brockton  
John Condon, CFO, City of Brockton  
Jeanne White, Executive Assistant, Abington  
Christopher Petrini, Special Counsel, Abington

The meeting began with Mr. Condon providing an explanation of the sewer revenue collection process in Brockton. Mr. Condon stated that Brockton was willing to accord an appropriate discount or credit to Abington based on the annual commitment. Mr. Condon stated that Brockton was allowed by the law and under the terms of the IMA to recover Abington's share of its cost from Brockton.

Mr. Condon explained that a small percentage of certain sewer department revenue was collected through the tax title process and such revenue is deposited into the General Fund. Mr. Condon stated that within two years 90-95% of outstanding sewer bills are collected by the City and that such monies collected are transferred back to the Sewer Enterprise Fund for appropriate crediting. Mr. Condon stated that 2-3% of revenues ultimately collected by Brockton are not credited to the Sewer Enterprise Fund and this was the reason he had offered a credit at the last meeting.

The parties then discussed that there certain "indirect costs" of the Brockton Wastewater Treatment Plant were charged to the Abington treatment rate. Mr. Petrini stated that Brockton WWTP indirect costs should be charged as part of the treatment rate and not as part of the Abington transport rate. Mr. Condon stated that this billing practice was a historic methodology that was developed in connection with the negotiation of Amendment No. 3 in 1998, for the convenience of the parties.

The committee members then discussed whether or not Brockton's initial offer to allow a direct connection in exchange for a buyout fee of \$7.5 million paid over time was or was not back on the table. After discussion between and among the parties, Brockton asked to caucus at approximately 10:30 am. The meeting recessed.

The meeting resumed at approximately 10:45 am. Upon resumption of the meeting, Mr. Nessralla stated that the proposed deal put in front of Abington was a fair deal. Mr. Nessralla further stated that the dedicated pipeline option was off the table, and that Amendment No. 3 was a bargained-for contract that in his opinion was binding upon the Town of Abington. At most, Abington may be able to obtain a reduction in the number of years of the IMA, but that in his opinion no Court would order Brockton to allow Abington to install a direct connection through Brockton. Mr. Nessralla restated Brockton's offer to increase Abington's capacity to 1.5 MGD and to provide Abington with a reduced transport fee.

Ms. Leach stated that the City's withdrawal of the \$7.5 million buyout option was taken off the table due to how little Abington offered in response to the City's initial proposal, (\$1.5 million paid over time).

Discussion ensued regarding the technical feasibility of allowing Abington an increase from 1 MGD to 1.5 MGD without a direct connection. Mr. Norton stated that Brockton's system had the capacity to handle the additional Abington flow.

Mr. Petrini then proceeded to make a further counter offer on behalf of Abington. Namely, Mr. Petrini increased Abington's offer of the buyout from \$1.5 million to \$4.5 million paid over time, in exchange for Brockton's agreement to allow a direct connect from the Abington town line to the Brockton WWTP.

The parties then further discussed technical capacity issues and whether or not the Brockton system could accommodate the additional flow offered by Brockton. Brockton then asked to caucus to consider Abington's latest counter offer. The meeting recessed at approximately 11:10 am

At approximately 11:40 am the meeting resumed. Mr. Nessralla said that the \$4.5 million counter offer by Abington was not going to fly. Brockton restated its \$7.5 million buyout proposal and said that the offer was "off the table" based on what Abington had offered. Mr. Condon noted that he was not sure that a direct connection with a buy out could be sold to City Council.

The Committee Members agreed by consensus to continue discussions at the next meeting.

Motion to adjourn was made by Mr. Burbine. Seconded by Mr. Norton. Vote 6-0 unanimous. The meeting concluded at approximately 11:45 am.