

DRAFT MINUTES OF
CRCOG Concrete Foundations Issues Meeting
December 1, 2016 12:05 p.m.

ATTENDANCE

Name

Dennis Milanovich
Tom Delnicki
Kurt Vail
John Elsesser
John Ward
Sam Belsito
Alex Saylor
Kevin Alvarez
John Filchak
Christina Mailhos
John Ward
Lisa Pellegrini
Steve Werbner
Lyle Wray
Scott Shanley
Andy Goodhall
Kim Bechard
Jeff Currey
Evan Johnson
Frank Forzano
Jim Mahoney
Michael C. Santoro
Ralph H. Tulis, P.E.
Gaia McDermott
Lena Holleran
Christopher Davis
Tim Ackert
Maureen Goulet
Pauline Yoder
Brad Drazen
Kerensa Konesni
Brenda Draghi
Cathy Osten
Steve Cassano

Town

Stafford
South Windsor
State Rep. 52nd District
Coventry
Vernon
State Rep. 53rd District
House Republican Office
U.S. Congressman Joseph Courtney
NECCOG
Willington
Vernon
Somers
Tolland
CRCOG
Manchester
Union
Ellington
State Representative 11th District
Sen. Murphy's Office
CCACB
UCONN – CTI
Dept. of Housing
Structures Consulting
Aid to Sen. Larson
Aide to Sen. Guglielmo, 35th District
State Representative 57th District
State Representative 8th District
CRCOG
CRCOG
NBC
State Senate Staff
Law Offices of Brenda Draghi
State Senator
State Senator

Co-Chair Steve Werbner called the meeting to order at 12:05 p.m.

Due to the large number of guests, Mr. Werbner asked everyone to introduce themselves.

Andover / Avon / Berlin / Bloomfield / Bolton / Canton / Columbia / Coventry / East Granby / East Hartford / East Windsor / Ellington / Enfield / Farmington
Glastonbury / Granby / Hartford / Hebron / Manchester / Mansfield / Marlborough / New Britain / Newington / Plainville / Rocky Hill / Simsbury / Somers
South Windsor / Southington / Stafford / Suffield / Tolland / Vernon / West Hartford / Wethersfield / Willington / Windsor / Windsor Locks

A voluntary Council of Governments formed to initiate and implement regional programs of benefit to the towns and the region

- **Adoption of Minutes**

Action: Mr. Shanley made a motion for the adoption of the minutes; Mr. Filchak seconded; all voted in favor of the motion.

- **Funding Pool Template Committee Update**

Mr. Werbner updated the committee on the work on condominiums and Planned Unit Developments. The attorneys from Vernon and Manchester met to discuss draft templates and are still finalizing work before they can be presented to the committee.

- **Legislative Draft Agenda**

The legislative draft agenda for the committee was submitted to the committee. CRCOG Policy Board will be adopting the agenda and Mr. Werbner encouraged the towns to individually adopt the agenda as well. Mr. Filchak mentioned that North East Council of Governments (NECOG) would also submit the Committee's legislative agenda to NECOG for endorsement.

There was a discussion regarding the cut-off date for aid (if aid were to be available) and a consensus of the date of the bill implementation was reached.

Action: Mr. Shanley made a motion for the adoption of the agenda; Mr. Elsesser seconded; all voted in favor of the motion.

- **Housing Commissioner Meeting Update**

Mr. Shanley gave an update regarding the sub-committees meeting with Department of Housing Commissioner Klein. The packet had a detailed memo regarding the meeting. The request from the sub-committee to the Commissioner was consideration for use of Community Development Block Grant (CDBG) funding for testing purposes. Mr. Werbner asked about whether Program Income funds, which is difficult to use for approved projects because the small amounts, could be used for individual testing. This was a one of the requests that was made to the Commissioner.

Senator Osten proposed use of the CDBG line of credit of \$60MM, which the state of Connecticut has not accessed in the passed be used for aid purposes. She stated the line of credit would be for 20 years, would not be counted towards state bonds and could be repaid using a combination of CDBG funding, individual owners and municipalities. She proposed that municipalities forgive tax assessments by 100% for applicable homes for 5 years and that money be used for part of the payments. She stressed the importance of each one having "skin in the game." Mr. Werbner stated that municipalities already have "skin in the game" through building waivers, and reduced tax assessments and expect increases in those consequences. Mr. Werbner also expressed a concern regarding income limits or restrictions that would hinder access to this funding.

Sen. Osten stated that Planning and Development Committee could work to define blight to assist in overcoming income limits as CDBG goal of slum and blight removal does not have income limitations. She also stated that this would be a comprehensive package with multiple pieces all needing to come together.

Senator Cassano stated that there should be a committee of reps, senators, municipal officials and commissioners to work out solutions to this problem, including outside of the box thinking. He stressed the importance of working jointly.

Mr. Werbner stated that the representatives and senators present at the previous meeting agreed to work with the committee once the election had been completed and committees within the house and senate had been defined. Mr. Werbner further stressed that the committee stands ready to work with the senators and representatives. If the senators and representatives have a few that are appointed or put forward to work in such a group, the Ad-hoc working committee can put easily put together a sub-committee who could be part of such a group.

Sen. Osten stated that committee assignments were not yet complete but would be soon.

Mr. Shanley expressed that perhaps Housing and Urban Development (HUD) at the federal level should be asked to give an opinion regarding the CDBG funding. Sen. Osten stated that she has a contact within HUD.

Mr. Shanley stated that part of the Commissioner's concern was the way her office would be evaluated at the federal level and loss of funding for future programs or simply budget cuts at the federal level that may hinder aid (or debt service) that might be placed on the program.

Mr. Elsesser asked about the possibility of conducting an economic impact study that could be taken to the legislators regarding the potential impact on the entire state economy. This was something that was asked of the state but has not been done. Would this be something that can be requested of the UCONN economics department?

Mr. Mahoney from UCONN stated that he can take it back to UCONN and explore possibilities of an economic impact study. Dr. Wray stated that a small honorarium could potentially be made available, if necessary. Mr. Mahoney also said that Connecticut Academy of Science and Engineering (CASE) and UCONN's Department of Engineering are developing a proposal to research alternative testing methods, to see if a less expensive and intrusive test can be developed to determine the presence of pyrrhotite. Dr. Wray will be the single point of contact for the economic impact study.

Mr. Werbner asked if Small Towns Economic Assistance Program (STEAP) funds could be used for this purpose. As a program that is already in place, it may be easier to access. Sen. Osten stated that this could be an eligible use but STEAP funds have not been bonded yet.

- **Request for Qualifications Update**

Ms. Goulet reported that the evaluation committee for the three RFQs met on Tuesday, November 29. She thanked the towns of Bolton, Columbia, Manchester, Somers, Tolland and Willington for offering their staff to participate on the evaluation committee. Six respondents for Structural Engineering and three respondents for Remediation Services were approved at the meeting. Questions on two other responses on the remediation services RFQ are being researched before being approved. We only received one response to the Materials Testing/Laboratory Services. CRCOG will be putting out all of the RFQs again, as there have been several contractors who contacted us after the fact to inquire, and we do not want to limit the number of qualified vendors for these services. One of the evaluation committee participants raised an ethical concern, which is that some of the same people who responded to the remediation services RFQ are also buying property, he believes there is an appearance of impropriety and he is concerned that their pricing might be negatively impacted if they are also buying up property that has been devalued because of the crumbling concrete foundation issue.

The evaluation committee also suggests that when we release the lists of qualified vendors, we include

some information for using homeowners, including the best practices for remediation as we currently understand them, and recommendations to contact a minimum of three vendors before making a decision.

Lastly, the evaluation committee suggested that we have a process in place to remove non-performing vendors. We would likely be relying on building officials to let us know if a vendor is not performing.

- **Checklist for Towns**

Ms. Pellegrini presented a draft of a checklist that could be used as a resource for municipalities for information regarding this issue. Mr. Elsesser requested the description include “Central and Eastern Connecticut.”

- **CCACB Request Regarding Mailings**

Ms. Yoder stated that CRCOG staff had met with members of the Connecticut Coalition against Crumbling Basements and they had requested assistance from municipalities for mailings – possible inserts into mailings the towns may already be doing.

Mr. Werbner stated that the problem was an issue of free speech. If one group is allowed to insert into the town mailing, another group would also have to be allowed.

Ms. Pellegrini stated that it would be possible for the towns to add generic or town generated content in whatever mailings they desire to get the information out as much as possible.

Staff will work to develop those for committee approval and distribution to towns.

- **Revenue Impact Worksheet**

Ms. Mailhos presented a worksheet she developed regarding the total cost of replacing foundations on affected homes. The worksheet includes a number of variables but produces estimated number of homes affected, expected tax assessment reductions over the next 15 years as well as the total cost to replace the foundations in those homes (if a municipal bonding proposal were to move forward).

She stated that for Willington, the total required bond amount would be over \$46MM and Willington’s current bonding limit is \$25MM and the town doesn’t go near that limit.

Each affected municipality will be sent this worksheet to fill out and send back to Ms. Yoder to compile. It will become something we can bring to the legislator to show the damage.

Mr. Elsesser shared some of Coventry numbers and they would be looking at \$101MM to replace the foundations and almost 600 homes affected. 1/3 of the homes in Coventry were built in that time period.

- **Information Items**

Mr. Werbner stated there is a scheduled meeting with the Lieutenant Governor where information from the committee will be shared and request to convene a working group that includes legislators, municipalities and state officials.

Dr. Wray stated that each group can work independently, or in parallel with each other but should convene regularly to coordinate.

The letter from the Federal Emergency Management Agency (FEMA) rejecting the governor's request for FEMA intervention was shared.

An updated map was in the packet and the total number of towns is now 37 towns with the inclusion of Griswold.

- **Other Business**

Rep. Vail stressed the importance of testifying on behalf of whatever comes to fruition as a result of our efforts.

Sen. Osten stated that any bills in order to have success should be ready by the end of December.

Dr. Wray stated that there is a need to involve the realtor community as well.

Mr. Filchak stated the need to meet with potential lobby groups: realtor association, insurance industry and others in order to understand any opposition and overcome those.

- **Future Agenda Items and Next Meetings**

Mr. Werbner said that in order to set a schedule the first Thursday of every month at noon has been proposed for the committee meeting, with the exception of January, which will be the 2nd Thursday. Mr. Shanley requested a larger meeting space and Dr. Wray said MIRA may be the best location, given the large room and the abundance of free parking.

Mr. Werbner also requested any suggested agenda items be forwarded to staff.

Action: Mr. Shanley made a motion to adjourn the meeting; Mr. Elsesser seconded. All voted in favor of the motion and the meeting adjourned at 1:27 p.m.