

Selectboard Executive Session
Via Zoom
Tuesday, September 21, 2020
8:15 PM

RE: Executive Session in accordance with G.L. C. 30A, §21(a)(6), to consider the possible purchase, exchange, lease or value of real property – First Light Power, votes may be taken

Present: Selectpersons Richard Kuklewicz, Christopher Boutwell, and Michael Nelson, Town Administrator Steve Ellis, Executive Assistant Wendy Bogusz

Documents:

- September 17, 2021 Letter from Donald E. Traester, FirstLight Power Services LLC re: Easement Swap and Compensation for First Light Portion of Utilities Relocation Project
- FirstLight Power Resources: Rough Order of Magnitude cost to run sewer and water from Strathmore Pedestrian Bridge to 5th Street

Discussion regarding September 17, 2021 letter received from FirstLight Power
Ellis:

- FirstLight maintains interest in getting our utilities and the easement for the utilities over the Strathmore foot bridge off the books so they can take that bridge down.
- It has not been discussed if this will be done in the long term or short term
- It was difficult for our engineers without being able to do a full engineering study to come up with cost estimates that FirstLight fully embraces.
- FirstLight made a specific proposal (sent earlier today) it essentially reflects some of the items previously discussed that would be of interest and concern
- The cost of having their full support and expediting the granting of the easement & FERC approval is contingent on their long term plan to remove the Strathmore foot bridge.
- They are proposing a set of benefits to the Town

Kuklewicz:

- FirstLight has wanted to rid themselves of the former IP bridge & Strathmore Foot Bridge for some time and they see this as an opportunity to do that.
- Would like to see us retain the ability to get another bridge there someday in case we need it. The proposal we have is a good first step

Ramsey:

- I was encouraged by this proposal as it gives us a path to use the MassWorks grant & getting the money appropriately spent and the project done.
- This proposal does not include any future rights to redevelop the Strathmore bridge by the Town or future owner of the Strathmore mill complex.
- Likes how they are proposing some cash that could be used to leverage some future infrastructure grants or help to attract private investment as it would make the site more attractive.

Ellis:

- The Town needs to be open to whatever opportunity presents itself. We want to flexibility to deploy money to purpose to redevelopment. More suitably some improvements or enhancement to infrastructure of the canal district. We want to make sure the language isn't narrowly written in whatever final agreement we come up with that we can't use it for whatever the opportunity may be.

Ramsey:

Everything (including water main) going over the new pedestrian bridge is designed to accommodate any potential growth in the canal district.

Items not mentioned in the letter:

- Rights to place another bridge in that air space should it become a possibility and a value to the Town. Referring to those as "air rights" at that particular location which might facilitate any future redevelopment project because we are always going to have the same problem of getting people onto that island.
- If the bridge is removed that they have to stabilize the Strathmore structure since it comes in on second floor of the building.
- Granting the Town a sum of cash that will kick start a project where we could replace the utilities underground along Canal Road. We are unsure if that can be done without going on their land and if there is no reference to any easement or right of way, we might not have access to their land.
- Pipes will have to go over their land and it's not clear if we have the legal right to do so or not.
- The right for the public to use the canal access road for the length of Fifth St. to the IP Bridge or for the potential public improvement in that area.

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- Air rights are the most critical, maybe ask for them for 5 – 10 years
 - The rights to set the pipes in the ground have to be non-negotiable. We need to make sure this project happens.
 - Ellis doesn't want to exchange easement rights and the project not realized.

Boutwell makes the motion to grant Steve Ellis the authority to bring the counter offer to FirstLight that includes a figure not to be negotiated below \$250,000 for infrastructure improvements and that prioritizes the easements for utility replacement along Canal Road as well as, the stabilization of the Strathmore building at such time that the Strathmore foot bridge may be removed and as a somewhat lesser consideration, the air rights to the present Strathmore foot bridge location deferring action on the access road rights up towards Indeck and the IP Bridge for a future conversation. Our initial request will be \$325,000. Seconded by Nelson, approved unanimously. Nelson – Aye, Boutwell – Aye, Kuklewicz – Aye

Ramsey states there is a mechanism in place for the historical commission to be advised. First light files the project notification form with the Secretary of State, Mass Historic and at that point the Historic Commission gets notified of the project and they can offer comments. The Selectboard then has the opportunity to take a crack at this. The Board would be signing away rights to the utilities on the bridge, not necessarily signing away the destruction of the bridge; that is going to come through future permitting process.

Kuklewicz wants us to ask our attorneys what First Lights comment means: "The Town will concurrently relinquish all rights". We should start broaching the subject with the Historic Commission to see if they are going to be an impediment to this.

Boutwell makes the motion to adjourn Executive Session at 8:48 PM. Seconded by Nelson, unanimously approved. Boutwell - Aye, Nelson - Aye, Kuklewicz - Aye

Approved:

☒ Boutwell

☒ Kuklewicz

☒ Nelson

Release to the Public:

☒ Yes

☐ Not Yet

8/23/21 Date

Date Released to the Public: 9/15/21



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Donald.Traester@firstlightpower.com
Donald E. Traester, P.E.
Regulatory Compliance Manager

VIA ELECTRONIC FILING

September 17, 2020

Mr. Steven Ellis
Montague Town Administrator
1 Avenue A
Turners Falls, MA 01376

Re: Easement Swap and Compensation for FirstLight Portion of Utilities Relocation Project

Dear Administrator Ellis:

Thank you for meeting with FirstLight on July 14th, August 13th, and September 14th, 2020, regarding the Town's planned 5th Street Bridge project ("Project"). We appreciate Walter Ramsey and you taking the time to review your scope of work and rough estimate of the project costs. This letter follows up on our discussion of this mutually beneficial Project.

To recap our understanding of the overall project currently under discussion:

- The Town has received a funding commitment from the state which, among other things, will replace the current pedestrian bridge at 5th Street and bring adequate utilities across the new pedestrian bridge to serve the Town's future development plans for the area. It has asked FirstLight for an easement modification to accommodate this project.
- The Town also owns two currently unused water and sewer lines across FirstLight's Strathmore pedestrian bridge, for which the Town claims an easement to convey the pipes. In our conversations, both parties agreed that, due to the advanced age of both the Town's infrastructure located on FirstLight's pedestrian bridge and the advanced age of the pedestrian bridge itself, the relocation of these lines to cross at 5th Street would benefit both parties. FirstLight has therefore asked for the Town to relieve it of its obligations at the Strathmore pedestrian bridge. This relocation would obviously require the Town to add scope and cost to its work in the area, and FirstLight has offered a payment to cover the incremental construction costs to the Town.
- Such a relocation, which FirstLight has agreed to pay for, would provide the Town with additional flexibility for future upgrades, repairs, and replacements. This would in turn reduce costs for future projects and would decrease project time constraints by lessening the need to consult or interact with FirstLight, which we view as a mutually beneficial arrangement.

Cost Estimate, additional scope of work due to relocation of Strathmore footbridge water and sewer

Based on our July 14th discussion, and per our meeting with you on August 13th, FirstLight engineers have prepared an estimate of those tasks that are specifically related to relieving FirstLight of its obligation to support the Town's utility lines. This estimate is attached both to this letter and as an Excel file with this electronic communication. A few notes on the estimate:



- The estimate includes only that additional scope of work that would add to the Town's costs. This estimate differs from the Town's in that it only covers the portion of the utilities relocation from their current site to the new pedestrian bridge, and does not include any additional features related to the Town's overall economic development project that were included in the Town's estimate, such as an additional gravity sewer or increased pipe size.
- FirstLight's estimate is based on MassDOT weighted bid prices received in responsive bids for MassDOT District 2 projects over the past 24 months. A list of hyperlinks back to the state source data is included in the estimate for your convenience.
- FirstLight's estimate does not include FirstLight's own costs for FERC permitting, engineering, or legal work, etc., only those parts of the project costs that would be undertaken by the Town if we proceed as proposed.
- Based on the information above, FirstLight calculates that the incremental construction cost to relocate the utility lines from the Strathmore Footbridge to the new pedestrian bridge location is \$151,112.50.

Offer:

FirstLight proposes that FirstLight and the Town enter an agreement that incorporates the proposed financial arrangement set forth above and that also describes the remaining tasks required to complete the proposed relocation of the lines:

1. Upon execution of the agreement, FirstLight will apply to the FERC for approval to obtain a new easement for the proposed new pedestrian bridge location as requested by the Town. Upon FERC approval, FirstLight will grant the requested easement to the Town.
2. The Town will concurrently relinquish all rights regarding the Strathmore Pedestrian bridge.
3. The Town will construct and maintain the new pedestrian bridge so that it does not impact FirstLight's project operations.
4. Upon successful completion of the above, FirstLight shall pay \$151,112.50 to the Town to cover the incremental project costs of utility relocation.
5. Upon payment, FirstLight shall be relieved of all obligations to maintain either pedestrian bridge and shall have no further obligations, and all other aspects of this matter shall be finally settled.

Next Steps: Form of Agreement

FirstLight understands that the Town is anxious to proceed with construction of the new pedestrian bridge, and FirstLight's intent in putting forth this proposal is to be responsive to those constraints and aid the Town in streamlining and simplifying its Project process. FirstLight has some ideas about a possible form of agreement that we believe would meet the Town's needs and Project constraints. If it is agreeable, I will contact you next week to have a preliminary conversation about such an agreement.

FirstLight looks forward to continuing to work collaboratively with all parties on this mutually beneficial Project. FirstLight invites the Town to review our proposal, including the calculations, and to let us know if



you have any questions for FirstLight engineers as a preliminary next step toward developing an agreement that works for both parties.

Thank you for the opportunity to give FirstLight's initial thoughts on this exciting Project. FirstLight looks forward to our next discussion and to working with the Town of Montague going forward.

Sincerely,

A handwritten signature in black ink that reads "Donald E. Traester".

Donald E. Traester, P.E.
Manager, Regulatory Compliance
FirstLight Power Services LLC

Attachment

Rough Order of Magnitude cost to run sewer and water from Strathmore Pedestrian Bridge to 5th Street

EWH

Description	MassDOT Item #	Quantity	Units
Water			
6-inch Ductile Iron - gasketed	302.06	850	FEET
6 inch gate valve and gate box	350.06	2	EACH
Fittings - Bends and tie-ins	309	750	lbs
Thrust blocks	903	5	CY
Gravel Borrow for backfilling structures and pipes	151.2	260	CY
Sewer - Force main			
4-inch Ductile Iron - gasketed	302.04	850	FEET
Fittings - Bends and tie-ins	309	500	lbs
Thrust blocks	903	5	CY
Gravel Borrow for backfilling structures and pipes	151.2	260	CY
Paving			
HMA pavement - replacement (assume 850ft x 15ft x 4 inches)	450.42	320	TON
Saw cutting Asphalt pavement	482.3	900	FT
Gravel borrow - Type C (assume 850ft x 15ft x 1ft)	151.01	480	CY
Fine grading	170	1450	SY

GRAND TOTAL:

\$151,112.50

Notes:

Unit pricing based on MassDOT Weighted Bid Prices for District 2 in the last 24 months (8/2018 - 8/2020)

MassDOT source information

<https://hwy.massdot.state.ma.us/CPE/WeightedAverageCriteria.aspx><https://www.mass.gov/doc/bid-item-nomenclature-list/download><https://www.mass.gov/doc/2020-standard-specifications-for-highways-and-bridges/download>

Unit cost Based on MassDOT Min pricing	Total cost Based on MassDOT Min pricing
\$45.50	\$38,675.00
\$900.00	\$1,800.00
\$4.00	\$3,000.00
\$220.00	\$1,100.00
\$25.00	\$6,500.00
Water Total:	\$51,075.00
\$57.50	\$48,875.00
\$4.00	\$2,000.00
\$220.00	\$1,100.00
\$25.00	\$6,500.00
Sewer Total:	\$58,475.00
\$82.50	\$26,400.00
\$1.75	\$1,575.00
\$20.00	\$9,600.00
\$2.75	\$3,987.50
Paving Total:	\$41,562.50
GRAND TOTAL:	\$151,112.50

Unit cost Based on MassDOT Avg pricing	Total cost Based on MassDOT Avg pricing
\$89.00	\$75,650.00
\$1,878.95	\$3,757.90
\$7.36	\$5,520.00
\$383.42	\$1,917.10
\$49.33	\$12,825.80
Water Total:	\$99,670.80
\$104.00	\$88,400.00
\$7.36	\$3,680.00
\$383.42	\$1,917.10
\$49.33	\$12,825.80
Sewer Total:	\$106,822.90
\$146.66	\$46,931.20
\$3.34	\$3,006.00
\$38.19	\$18,331.20
\$5.04	\$7,308.00
Paving Total:	\$75,576.40
GRAND TOTAL:	\$282,070.10

Unit cost Based on MassDOT Max pricing	Total cost Based on MassDOT Max pricing
\$136.50	\$116,025.00
\$3,000.00	\$6,000.00
\$12.00	\$9,000.00
\$660.00	\$3,300.00
\$75.00	\$19,500.00
Water Total:	\$153,825.00
\$172.50	\$146,625.00
\$12.00	\$6,000.00
\$660.00	\$3,300.00
\$75.00	\$19,500.00
Sewer Total:	\$175,425.00
\$247.50	\$79,200.00
\$5.25	\$4,725.00
\$60.00	\$28,800.00
\$8.25	\$11,962.50
Paving Total:	\$124,687.50
GRAND TOTAL:	\$453,937.50

FirstLight Power Resources

Rough Order of Magnitude cost to run sewer and water from Strathmore Pedestrian Bridge to 5th Street

Description	MassDOT	Quantity	Units
Item #	Quantity	Units	
Water			
6-inch Ductile Iron - gasketed	302.06	850	FEET
6 inch gate valve and gate box	350.06	2	EACH
Fittings - Bends and tie-ins	309	750	lbs
Thrust blocks	903	5	CY
Gravel Borrow for backfilling structures and pipes	151.2	260	CY
Sewer - Force main			
4-inch Ductile Iron - gasketed	302.04	850	FEET
Fittings - Bends and tie-ins	309	500	lbs
Thrust blocks	903	5	CY
Gravel Borrow for backfilling structures and pipes	151.2	260	CY
Paving			
HMA pavement - replacement (assume 850ft x 15ft x 4 inches)	450.42	320	TON
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8/11/2020

EWH

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