

**JOINT MEETING OF THE
MONTAGUE SELECTBOARD
FINANCE COMMITTEE
CAPITAL IMPROVEMENTS COMMITTEE
PARTICIPATION VIA ZOOM ONLY**

Tuesday, October 12, 2021 at 5:30pm

Login: <https://us02web.zoom.us/j/83481114000>

Meeting ID: 834 8111 4000 Password: 838617 Dial in Option: (646) 558-8656

Topics may start earlier than specified, unless there is a hearing scheduled

Meeting Being Taped

Votes May Be Taken

1. 5:30 PM Selectboard Chair opens the meeting, including announcing that the meeting is being recorded and roll call taken

2. 5:31 Public Comment Period: Individuals will be limited to two (2) minutes each and the Selectboard will strictly adhere to time allotted for public comment

3. 5:33 Finance and Capital Improvements Committee Chairs Open their Meetings

4. 5:35 Results of 5th Street Pedestrian Bridge Bidding (Ramsey and Ellis)
 - Review bid results
 - Outline funding shortfall and available options
 - Discuss eligibility for ARPA funding
 - Consider any votes regarding a funding strategy for the project
 - Consider any recommendations to Special Town Meeting relative to the current 5th Street Bridge article

5. 6:00 Town Administrator's Report
 - Update on Montague COVID case counts
 - Update regarding General Pierce Bridge construction schedule
 - Preview: Montague composting study and possible regional collaboration

- Other: Special Town Meeting to be held outdoors, under a tent, on Saturday, October 16, at the Franklin County Technical School. 82 Industrial Boulevard, Turners Falls, MA.

Next Regular Meeting Date: Monday, October 18, 2021 at 6:30pm

5th Street Pedestrian Bridge and Intersection Improvements Bid Results, Budget, and Alternate Sources

The Town is working to complete a project that would remove and replace the failed 5th Street Pedestrian Bridge and make various other improvements in its immediate vicinity. The project is supported by a \$2,163,000 MassWorks grant and construction bids were opened on October 5, 2021.

The following tables outline bids received, base bid project costs relative to the grant budget, and sources of funding that could be used to enable award of the base bid. Note that the bid must be awarded within 60 days of opening and that the contract still retains a right to withdraw that bid.

With regard to available sources, those sources labeled “available now” are contingent on votes of the STM (\$200,000 special article) and the Selectboard (ARPA funds). Other sources would generally need to be appropriated at a future STM, with the exception of additional Chapter 90 funding, which we understand is proposed but still highly speculative.

Bids Results

Company	Base Bid	Alt 1	Alt 2
<i>David G Roach and Sons</i>	\$2,338,664.50	\$512,000.00	\$159,953.50
Baltazar Contractors, Inc	\$2,549,831.00	\$325,000.00	\$146,680.00
MIG Corporation, Inc.	\$2,797,664.00	\$455,000.00	\$299,442.00
Northern Construction Service, LLC	\$3,526,929.00	\$500,000.00	\$135,889.00
New England Infrastructure, Inc	\$3,955,295.00	\$320,000.00	\$211,642.00

Alt 1: Canal Street Area Sidewalks and Related

Alt 2: Canal Street and Bridge Pedestrian Illumination

Overview of Project Budget, Costs, and Shortfall

MassWorks Grant Value	\$2,163,000
Engineering and Construction Oversight	\$360,000
Construction: Apparent Low Bid Base Bid Only	\$2,338,665
Balance - No Contingency	(\$535,665)
Balance - Recommended Contingency	(\$769,531)

Alternative Funding Strategies to Allow Base Bid Award

Recommended Sources	→ Gap Figure	(\$769,531)
Available Now		
October STM Appropriation (Pending Vote)	\$200,000	
ARPA Eligible Project Component	\$491,493	
<i>Sub-total</i>	\$691,493	
<i>Balance</i>		\$78,038
Available Later		
FirstLight Funds (from bridge agreement)	\$250,000	
Receipts Reserved: Sale of Real Estate	\$446,706	
Town Capital Stabilization	\$1,130,136	
Supplemental Chapter 90 (if received)	TBD	

Review of ARPA-Eligible Expenses Associated with the 5th Street Pedestrian Bridge Replacement Project

Item	Description	Roach Bid
141.1	TEST PIT FOR EXPLORATION	\$10,400
142	CLASS B TRENCH EXCAVATION	\$1,200
146	DRAINAGE STRUCTURE REMOVED	\$1,282
151	GRAVEL BORROW	\$26,250
156	CRUSHED STONE	\$1,200
201	CATCH BASIN	\$15,250
202	MANHOLE	\$14,840
210	SANITARY SEWER MANHOLE	\$9,710
220	DRAINAGE STRUCTURE ADJUSTED	\$1,700
220.2	DRAINAGE STRUCTURE REBUILT	\$2,505
220.3	DRAINAGE STRUCTURE CHANGE IN TYPE	\$3,360
220.5	DRAINAGE STRUCTURE REMODELED	\$1,682
221	FRAME AND COVER	\$7,659
222.1	FRAME AND GRATE - MASSDOT CASCADE TYPE	\$3,624
223	FRAME AND GRATE (OR COVER) REMOVED AND RESET	\$3,411
223.1	FRAME AND GRATE (OR COVER) REMOVED AND STACKED	\$247
227.3	REMOVAL OF DRAINAGE STRUCTURE SEDIMEN	\$1,630
227.31	REMOVAL OF DRAINAGE PIPE SEDIMENT	\$350
241.12	12 INCH REINFORCED CONCRETE PIPE	\$14,195
224.12	12 INCH HOOD	\$1,670
303.041	4 INCH DUCTILE IRON SEWER FORCE MAIN (MECHANICAL JOINT)	\$65,100
303.06	6 INCH DUCTILE IRON WATER PIPE (MECHANICAL JOINT)	\$16,830
303.12	12 INCH DUCTILE IRON WATER PIPE (MECHANICAL JOINT)	\$80,700
309	DUCTILE IRON FITTINGS FOR WATER PIPE	\$1,860
309.1	AIR CORP. VALVE ASSEMBLY	\$1,869
350.06	6 INCH GATE AND GATE BOX	\$2,550
350.12	12 INCH GATE AND GATE BOX	\$5,670
367.12	12 INCH CAST IRON PLUG	\$567
369.06	6 X 6 INCH TAPPING SLEEVE, VALVE AND BOX	\$5,990
371.12	12 INCH COUPLING	\$9,500
373.041	4 INCH SEWER FORCE MAIN INSULATION	\$26,775
373.12	12 INCH WATER PIPE INSULATION	\$33,775
376	HYDRANT	\$6,010
376.3	HYDRANT - REMOVED & STACKED	\$3,070
451	HMA FOR PATCHING	\$32,550
472	TEMPORARY ASPHALT PATCHING	\$24,900
482.3	SAWCUTTING ASPHALT PAVEMENT	\$440
748	MOBILIZATION	\$16,600
751	LOAM BORROW	\$10,275
765	SEEDING	\$1,470
853.2	TEMPORARY BARRIER	\$2,300
856	ARROW BOARD	\$7,587
856.12	PORTABLE CHANGEABLE MESSAGE SIGN	\$2,940
999.9	Police Officer Control Allowance	10,000
		\$491,493

US Treasury Department Guidance Relative to Use of Coronavirus State and Local Fiscal Recovery Funds for Water and Wastewater Infrastructure Projects

October 6, 2021

Proposed Use

Expend a portion of CLFRF funds to pay for costs related to the installation of new water and sewer utilities over the proposed new 5th Street Pedestrian Bridge.

Key Questions

- Are the infrastructure to be removed and installed CLFRF eligible expenses?
- Can CLFRF funding be used to cover only a component of a larger project, for which some expenses would not be CLFRF-eligible?

Determination

Yes, to the extent the expense is directly related to installation of water and wastewater infrastructure, replacement of these main utility lines and work directly related thereto appears to be eligible.

The basis for this finding derives from the US Treasury's Interim Final Rule (May 17, 2021) and CLFRF Frequently Asked Questions (July 19, 2021), and referenced EPA guides to eligible uses for State Revolving Funds (SRFs) related to clean water (CW-SRF) and drinking water (DW-SRF). See further below for direct citations/excerpts.

Preliminary Assessment of Eligible Expense

The cost of water and wastewater utility expenses for the 5th Street Pedestrian Bridge Replacement Project is currently estimated to be \$491,493. This is based on preliminary review of the apparent low bid submitted by David G Roach & Sons, Inc. on October 5, 2021.

- The Town's total ARPA allocation is \$2,454,623.
- \$49,000 has been committed by contract to an EPA-mandated "Updated Long Term Control Plan for CSOs."
- Up to \$100,000 in local match is required for an anticipated MA DEP Asset Management Planning grant that will fund deeper investigation of issues in the Millers Falls and main Montague collection systems. End result will be a more comprehensive awareness of system issues and best options for resolving them.

1. Eligibility of Water and Wastewater Infrastructure Projects (including Collection Systems)

Source: US TREASURY FAQ GUIDANCE AS OF JULY 19, 2021, pp 27-28

6. Eligible Uses – Water, Sewer, and Broadband Infrastructure 6.1. What types of water and sewer projects are eligible uses of funds?

The Interim Final Rule generally aligns eligible uses of the Funds with the wide range of types or categories of projects that would be eligible to receive financial assistance through the Environmental Protection Agency’s Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF).

Under the DWSRF, categories of [eligible projects](#) include: treatment, transmission and distribution (including lead service line replacement), source rehabilitation and decontamination, storage, consolidation, and new systems development.

Under the CWSRF, categories of [eligible projects](#) include: construction of publicly-owned treatment works, nonpoint source pollution management, national estuary program projects, decentralized wastewater treatment systems, stormwater systems, water conservation, efficiency, and reuse measures, watershed pilot projects, energy efficiency measures for publicly-owned treatment works, water reuse projects, security measures at publicly-owned treatment works, and technical assistance to ensure compliance with the Clean Water Act.

As mentioned in the Interim Final Rule, eligible projects under the DWSRF and CWSRF support efforts to address climate change, as well as to meet cybersecurity needs to protect water and sewer infrastructure. Given the lifelong impacts of lead exposure for children, and the widespread nature of lead service lines, Treasury also encourages recipients to consider projects to replace lead service lines.

2. Eligible Projects: Centralized Wastewater Treatment

Source: EPA Overview of Clean Water State Revolving Fund Eligibilities. May 2016, pp. 8-9.

Eligible centralized wastewater treatment projects include: primary and secondary treatment, advanced treatment, sewer system, CSO correction, climate resilience³, and security. Eligibilities related to energy and water conservation (e.g., cogeneration systems) are addressed in other sections of the paper (see Energy Conservation and Water Conservation).

³ Projects throughout the paper may be considered climate resilience projects (e.g., green infrastructure, water conservation, etc.). The projects listed in this section are specific to treatment works.

Primary/Secondary	Advanced	Sewer System	CSO Correction
<ul style="list-style-type: none"> • Upgrade, repair, replacement, or installation/construction of new: <ul style="list-style-type: none"> ○ Headworks ○ Screening systems ○ Grit chambers ○ Clarifiers ○ Biological treatment systems ○ Biosolids dewatering and residuals handling equipment • Pro rata share of capital costs of off-site co-digestion facilities that receive residuals from a treatment works 	<ul style="list-style-type: none"> • Upgrade, repair, replacement, or installation/construction of new: <ul style="list-style-type: none"> ○ Nutrient removal processes ○ Filtration systems ○ Disinfection processes 	<ul style="list-style-type: none"> • Upgrade, repair, replacement, or installation/construction of new: <ul style="list-style-type: none"> ○ Pipes ○ Pump stations ○ Force mains 	<ul style="list-style-type: none"> • Installation of separate sanitary and storm sewers • Downspout disconnection

Source: EPA Drinking Water State Revolving Fund Eligibility Handbook. 2017, pp. 9-10.

Eligible Projects

The SDWA provides that DWSRF financial assistance may be used by an eligible public water system only for expenditures of a type or category which the EPA Administrator has determined will facilitate compliance with national primary drinking water regulations or otherwise significantly further the health protection objectives of the Act. The DWSRF Interim Final Regulation identifies six broad categories of eligible projects. The following tables identify these categories of projects and offer examples of projects that could be funded under each. These lists are not intended to represent all types of projects.

TABLE 3.2: Category 2 – Transmission and Distribution
<i>Example Projects</i>
<ul style="list-style-type: none"> • Installation, replacement or rehabilitation of infrastructure to improve water pressure to safe levels or to prevent contamination caused by non-potable liquids entering the system through leaks or pipe breaks <ul style="list-style-type: none"> ○ Transmission mains ○ Distribution mains ○ Meters (e.g., flow meters, customer meters, master meters) ○ Appurtenances (e.g., valves, hydrants, pipe restraints) ○ Pump stations • Service line replacements, regardless of pipe material and ownership of the property on which the service line is located⁶ (service line can be replaced up to premise plumbing⁷) • New water main extensions to serve existing residents not served by a safe supply of potable water (this includes installation of the service line up to premise plumbing) • Reclaimed wastewater effluent and water reuse infrastructure and distribution systems (aka “purple pipe”) where such infrastructure mitigates the need for additional potable supply

3. Blending of Funding for Water and Wastewater Infrastructure Projects

Source: US TREASURY FAQ GUIDANCE AS OF JULY 19, 2021, pp 24-25

4.10. May recipients fund a project with both ARP funds and other sources of funding (e.g., blending, braiding, or other pairing funding sources), including in conjunction with financing provided through a debt issuance? [7/14]

Cost sharing or matching funds are not required under CSFRF/CLFRF. Funds may be used in conjunction with other funding sources, provided that the costs are eligible costs under each source program and are compliant with all other related statutory and regulatory requirements and policies. The recipient must comply with applicable reporting requirements for all sources of funds supporting the CSFRF/CLFRF projects, and with any requirements and restrictions on the use of funds from the supplemental funding sources and the CSFRF/CLFRF program. Specifically,

- All funds provided under the CSFRF/CLFRF program must be used for projects, investments, or services that are eligible under the CSFRF/CLFRF statute, Treasury’s Interim Final Rule, and guidance. See 31 CFR 35.6-8; FAQ 4.6. CSFRF/CLFRF funds may not be used to fund an activity that is not, in its entirety, an eligible use under the CSFRF/CLFRF statute, Treasury’s Interim Final Rule, and guidance. For example,
 - CSFRF/CLFRF funds may be used in conjunction with other sources of funds to make an investment in water infrastructure, which is eligible under the CSLFRF statute, and Treasury’s Interim Final Rule.
 - CSFRF/CLFRF funds could not be used to fund the entirety of a water infrastructure project that was partially, although not entirely, an eligible use under Treasury’s Interim Final Rule. However, the recipient could use CSFRF/CLFRF funds only for a smaller component project that does constitute an eligible use, while using other funds for the remaining portions of the larger planned water infrastructure project that do not constitute an eligible use. In this case, the “project” under this program would be only the eligible use component of the larger project.

- In addition, because CSFRF/CLFRF funds must be obligated by December 31, 2024, and expended by December 31, 2026, recipients must be able to, at a minimum, determine and report to Treasury on the amount of CSFRF/CLFRF funds obligated and expended and when such funds were obligated and expended.