

TOWN OF GLEN ECHO
SPECIAL COUNCIL MEETING
JULY 16, 2013

ATTENDANCE: Debbie Beers, Mayor
Nancy Long, Councilmember
Steve Matney, Councilmember
Matt Stiglitz, Councilmember
Nicole Fraser, Clerk-Treasurer

VISITORS:
Nick Lambert, resident
Eve Arber, resident
Brent Agnew, resident
Jim McGunnigle, resident
Leah Hertz, resident
John Barrett, resident
Jerry & Elaine Bodlander, residents
Renny & Edie Springuel, residents
Speke Wilson, resident
Gloria Levin, resident
Beth Rockwell & Jim Ford, residents
Ellen Leary Edelman, resident
Dawn Fox & Emily Siegel, residents
Phyllis Fordham, resident and Echo reporter
Raya Bodnarchuk, resident
Aaron Hirsch, owner of the Baptist Annex
Robert Glidewell, WG¹
Jack Higgins, WG

Mayor Beers called the meeting to at 8:00 p.m.

WASHINGTON GAS

Councilmember Stiglitz clarified that the \$25,000 already allocated for the survey was already included in the \$209,877 figure quoted by WG for gas installation in GE. Mr. Higgins said that was correct and payment was due with the letter of intent (LOI). Councilmember Stiglitz asked what kind of assurance is there that the roads will be restored. Mr. Higgins said that as the Town issues the permit for gas installation, the Town may also outline what specifications are required to restore roads and sidewalks in Town. Mr. Higgins noted that the map with the gas installation lines was a preliminary system planning plot and that construction drawings will be issued. Councilmember Stiglitz asked if the Town's Right-of-Way (old street car track area) could be used to avoid damaging roads and sidewalks. Mayor Beers said that it was not economical to use

¹ Abbreviations in this document include LOI (Letter of Intent), HOA (Home Owner Association) and WG (Washington Gas).

the Right-of-Way. Mr. Higgins noted that the gas main will be installed under the sidewalks instead of the relatively new roads.

Councilmember Long asked if the Army Corps of Engineers had approved the project. Mr. Higgins said that WG will be applying for a permit from the Army Corps of Engineers; initial response from Corps indicates that WG will meet their guidelines. At present, the Corps has no objection to the project. If the Corps, reviews the project and objects to the gas installation, Mr. Higgins said that the Town will get their money back.

Gloria Levin asked if 73 residents was the absolute maximum to receive connection to the gas main. Mr. Higgins said that WG did their valuation on 73. If a resident applies after this project, the resident will apply directly to WG for access to the main. The price will be based on the location of the home (which side of the street relative to the gas main), obstacles that could block access and the proposed load (size of home and type of appliances proposed). The cost would be none or relatively low (\$400-\$500) for a relatively simple installation and a large load or more (~\$2500) for a difficult installation and a small appliance.

Mr. Higgins said that installation crews are about 6-8 weeks out at present, and completion time is about 3-4 months within the Town itself. Mayor Beers confirmed that residents should keep their current heating systems through this upcoming winter.

Councilmember Long asked for a description of the trenching. Mr. Higgins said that the main trench is about 6 inches wide and about 3-4 feet deep. The gas main lays 3 feet in the ground, a marking tape is laid at about 1 foot deep and more soil is placed on top.

Mr. Higgins said that the cost of gas is expected to lower; WG buys the gas and distributes the gas. Mr. Glidewell noted that 83% of the consumer's bill is the cost of the gas; roughly ~18% of the bill is the distribution. A recent rate increase is on the distribution. Councilmember Stiglitz asked how frequently the price of gas is adjusted. Mr. Higgins said the price is adjusted monthly.

Councilmember Long asked if WG is involved in "fracking" (*i.e.* hydraulic fracturing of shale deposits to extract natural gas). Mr. Glidewell said that WG does not produce or extract natural gas; WG buys its gas from interstate pipelines. Raya Bodnarchuk asked if WG was worried about proposed limits on fracking. Mr. Glidewell said that Maryland has issued a moratorium on fracking until 2015 but WG was not concerned about the supply of natural gas.

Brent Agnew asked how residents could be reassured about the integrity of their retaining walls and walks on their property during the installation of natural gas. Mr. Higgins said that WG will try to avoid walks on your property and will choose the path of least resistance. The homeowner will know where the piping will be. Zoning requires that the gas line needs to enter the home a foot and a half away from a window and cannot be in a garage or a car port. Each homeowner will have to pass an inspection and proof-tagged

to be ready for WG to supply gas service to the home. Licensed HVAC contractors will be knowledgeable about the requirements for the placement of natural gas. Corner lots can have service brought to almost anywhere a resident wants. The least expensive way will be the shortest run.

Phyllis Fordham asked if a furnace was the minimum requirement to be included in the 73 homes. Mr. Higgins said yes; however, after the first year or the 73 is met the contract is null. If a resident wishes to install a small appliance (*e.g.* gas log fireplace), then that resident may pay for that as an individual. Ms. Fordham urged Council to adopt a policy if more than 73 agree to install a furnace within the proposed WG contract cycle, that the Town should expend the cost to grant them access. Mayor Beers said that this is a benefit for the community at large and that Council will try to ameliorate the cost for everyone in Town.

Mr. Higgins noted that Miss Utility only controls the public utility lines; individual homeowners are responsible for other underground lines (*e.g.* sprinklers or invisible fence). Rene Springuel and Leah Hertz expressed concern about WSSC lines that might not be properly marked. Mr. Higgins said that if the line is properly marked and WG damages it, then WG is responsible for repair. If it is a WSSC line, not properly marked and then damaged by WG during installation, then WSSC is responsible for repair. Mr. Higgins said that since this is an old neighborhood, it is highly likely that not all underground features are accounted for.

Gloria Levin asked about the last 3-5 communities that have gone through this process. Mr. Higgins said that the Glen Echo situation is unique. Recently, 10 homes were converted on Brickyard Road and another cul-de-sac community as well. WG is going on good faith that this is a good project, *i.e.* that the Town is paying for it, therefore they are not making a requirement that each homeowner writes a check.

Mr. Higgins said that twenty years ago was the last time that natural gas was installed under MacArthur Boulevard. WG will have to shoot elevations and test all across MacArthur Boulevard and will have to drill the pipe to the level indicated by the tests.

Mssrs. Higgins and Glidewell left the meeting.

Motion 2013-17 Council approved the LOI with Washington Gas to install natural gas in Glen Echo for \$209,877 for up to 73 homes installing gas-based furnaces.

Councilmember McCaffrey proposed the motion; motion failed as there was no second.

Councilmember Stiglitz discussed the proposed permitting fee ordinance as it was a consideration to be included when agreeing to the LOI. The implementation of the permitting fee would help to restore the Town's cash reserves which would be depleted considerably by the proposed gas project. The cost of repaving the roads (the largest recent expenditure) in 2010 was underestimated and the gas installation will hasten the

need for repairs to the roads. Mayor Beers said that the Town can apply a slurry to lengthen the time needed between road repaving. Councilmember Stiglitz said that his primary concern is looking out for the Town's finances and it is not unreasonable to ask for more in the proposed permit. His second concern is that every resident be treated fairly; once the permitting fee is settled upon that should be the fee for all.

Rene Springuel noted that a \$500 permit fee to access natural gas will be cost-prohibitive for those that are not in the first 73. Ms. Bodnarchuk noted that she already paid her taxes and she wants the Town to pay for the natural gas; she does not wish to pay anymore.

Mayor Beers said that approximately \$30,000-\$50,000 is added to the Town reserves every year. In a few short years, the surplus will return. Councilmember Long said that it is reasonable to set the permitting fee for financial reserve concerns not the opportunity of residents to access natural gas. Councilmember Long noted that she wants to make sure that the Town is on firm legal ground in signing the LOI and any other documents associated with this project. Mayor Beers said that she will have the Town attorney write the permit for WG. Norman Knopf, the Town attorney, has approved the LOI with WG.

Motion 2013-17 Council approved the LOI with Washington Gas to install natural gas in Glen Echo for \$209,877 for up to 73 homes installing gas-based furnaces.

Councilmember McCaffrey reintroduced the motion; Councilmember Stiglitz seconded. Motion passed unanimously.

The meeting was adjourned at 9:55 pm.

Respectfully submitted,
Nicole Fraser
Clerk-Treasurer

Deborah Beers, Mayor

Date

Attachments: Letter of Intent with WG