

MINUTES OF THE CHESHIRE TOWN COUNCIL SPECIAL MEETING HELD ON
WEDNESDAY, JULY 17, 2013, AT 7:00 P.M. IN ROOM 207, TOWN HALL, 84 SOUTH
MAIN STREET, CHESHIRE CT 06410

Present

Chairman Tim Slocum, Vice Chairman David Schrumm, Michael Ecke, Andrew Falvey, Thomas Ruocco, Peter Talbot. Absent: Patti Flynn-Harris, Sylvia Nichols, James Sima
Staff: Michael A. Milone, Town Manager; James Jaskot, Finance Director, Gina DeFilio, Deputy Finance Director, Michelle Piccerillo, Human Services Director, Robert Ceccolini, Parks and Recreation Director

1. ROLL CALL

The clerk called the roll and a quorum was determined to be present.

2. PLEDGE OF ALLEGIANCE

The group Pledged Allegiance to the Flag.

3. DISCUSSION RE: 2013-2014 CAPITAL EXPENDITURE BUDGET

Overview

Town Manager Milone referred to page 10 of the CEP budget book – The Five Year Capital Expenditure Plan, 2013-2014 to 2017-2018 Program Element Summary. The total five year CEP is \$50,339,000, which was reduced by \$17 million (from \$67,457,000). Some of the projects taken out of the CEP were those related to the performance contracting energy audit contract. Year #1 was reduced by about \$3 million; the net capital plan for the five years is just over \$38 million, under \$10.5 million for year #1. Comparison of the first four years of this plan to the four years of last year's plan, this budget is about \$50,000 higher in terms of gross dollars, but \$1 million less in net dollars.

When the debt analysis was done, it was projected it would go down by \$127,000 from this year to next year. In FY 2015-16 the reduction would be \$363,000, and it is not expected this will change. There is nothing in the CEP for the community pool, and the numbers for this project will impact the budget. All the energy projects were taken out of the CEP. A significant impact is the effect of the WWTP upgrade project. It was approved last year, and Mr. Jaskot and Mr. Milone tried to be prudent as possible with the numbers, especially in years #2 and #3. Year #3 is when the Town starts making repayments on the grant and loan.

Debt Analysis – there is preservation of the debt service reserve fund of \$5.3 million because there is no need for the use of LoCIP money. Another positive development relates to the phosphorous grant of 30% of \$7.2 million, and now the Town is, possibly, eligible for the 50% grant on the phosphorous portion of the WWTP project. The State will award three communities that are doing phosphorous 50% grant, and is hoped Cheshire will get this funding of another \$1.4 to \$1.5 million off the total project cost.

Cheshire submitted a letter to the State on why the town should be considered for the grant increase as the town has a shovel in the ground in 6 months.

Negotiations have been started with the State on amending the agreement with the Dept. of Corrections (DOC), and Mr. Milone advised that there is still work going on regarding the resolution of the back billing from DOC. WWTP project bid responses are due in mid-August. If the Town gets what it wants from DOC including the resolution of the retroactive billing, there is possibility of the lawsuit not going forward. The Town is asking DOC to pay for its proportionate share of the treatment plant upgrade, which is about 18% to 24%. This would have a major and dramatic effect on the Town's cost of the project.

CEP Year #1 2013-2014 Public Hearing Handout 8/20/13 – Mr. Milone reviewed this information with the Council. The total proposed appropriation is \$13,428,000; the bonded amount is \$12,326,000. He highlighted the following items in the CEP.

1. Capital Planning Account - \$175,000
This funding would be used to hire an engineering firm to conduct an assessment of all Town and BOE buildings.
3. Technology Reserve Fund - \$651,000
This program is in year #3; \$1.1 million has been appropriated; \$651,000 is for continued funding of the technology upgrade; Apex Technology will give a presentation to the Council on the status of the upgrade.
7. Open Space Land Management - \$110,000-
This funding would be for development of an over-arching policy for management of open space. There are management plans in place for individual parcels, but there should be coordination of activities of all departments to develop ongoing management plans and public safety plan. These funds would not be appropriated until an overall policy is in place, in 6 to 9 months.
8. Land Acquisition - \$1,250,000
There is \$1,076,000 left in this account; \$350,000 is outstanding for the Pulchaski property.
11. Replace Truck #1 Snorkel Aerial Apparatus - amount changed to \$980,000
12. Public Works Vehicles/Equipment - \$150,000
Purchase of a \$150,000 backhoe.
13. Blacks Road Bridge - \$850,000
14. Creamery Road Bridge - \$850,000
These two bridges are projects to be done this year.
15. Road Repavement program - \$1,750,000

This item has an increase of \$250,000; the PW manpower and time is available to do the work on more roads, but financial resources are needed; next year there will be an update to the pavement management index numbers.

16. Public Works Dump Trucks - \$382,000

This request is for a large tandem truck.

17. Linear Trail Expansion - \$1,102,000

This requested funding is to supplement the \$2.3 million approved last year; the extension is the trail going north and the parking lot.

18. Mixville Dredging Project - \$300,000

Parks and Rec Director Ceccolini will comment on this project during the department's budget presentation.

19. Pool Building Repairs - \$110,000

80% of the building roof was done 3 years ago; this money would fund replacement of the barrel section of the roof.

20 to 25 – BOE \$3.5 million in projects. Item #25 is \$336,000 for Smart Boards – with one board in each classroom in the district.

26 to 30 – BOE district wide improvements.

31. Various School Building Improvements - \$150,000

The original BOE appropriation request was \$300,000 in the operating budget for a facilities study; Town Manager Milone reduced it to \$150,000.

CEP Budget Book, page 11 – Mr. Jaskot reviewed the summary of various grants; grant reimbursement and other funding is \$1.837 million; LoCIP money for the roads is about \$185,000, and this will not change going forward; Two bridges, Blacks Road and Creamery Road, will get a DOT 30% grant; East Johnson Road Bridge has 30% in grant funds; the Linear Trail extension has an 80% grant. Educational grants are between 10% and 30% for various projects. All of the grants will reduce borrowing and bonding.

Page 12 – CNR Projects (5 years) \$1,012 million; these projects are more repair and maintenance, and are smaller projects.

Page 13 – Five year bonded projects. Mr. Jaskot noted that the last bond sale was \$10.5 million; and this is done every two years.

In the debt analysis, Mr. Jaskot informed the Council he would be scaling back the interest rate from 4.25% to 4%; and in Spring 2014 the issue will use 3.25%.

CNR will continue to be funded at \$1.1 million.

Mr. Milone stated that there will be use of the capital CNR money as a safety net, and with a fiscal problem, some of the projects could be stopped. The Town has \$180,000 more in revenue from the State. The W.S. Development project will generate fee revenue before June 2014 for the commercial portion of the project. The Town will have some expenses related to the W.S. project. Mr. Milone will be responding to the fiscal impact analysis for the June 22nd PZC meeting, with a copy to the Town Council.

SOCIAL SERVICES DEPARTMENT (PAGE 67) – MICELLE PICCERILLO

Mr. Milone noted the request from Social Services Department for \$220,000 for renovation of the Senior Center basement.

Ms. Piccerillo reviewed the department request with the Council, stating that there is maximum use of the first floor multi-purpose room at the Senior Center, with poor climate control, high noise levels, and requirement for staff to set up and break down the room for larger events. The project will take the upstairs large room for exercise classes, move the billiard tables to the basement, and create another meeting room in the basement.

Elevator project – this elevator will go to the basement, and project will start in the Fall. The Senior Center furnace will be part of the energy audit.

PARKS AND RECREATION DEPARTMENT (PAGE 71) – ROBERT CECCOLINI

In year #1 the Parks and Rec projects total \$1.512 million recommended by the Town Manager.

Linear Trail Expansion - \$1,102 million.

Mr. Ceccolini noted that Cheshire was the first town with a trail, and we have been waiting for the next extension to the trail in Cheshire. Support has been received from the State of Connecticut to complete the trail from New Haven to Southington and beyond. The total project request is \$3.4 million; some of the money has already been appropriated, and there have been some grants. This year the extension is West Main to Jarvis and the small parking lot. There is a pending grant of \$250,000; the Town has received a grant of \$562,000; the project cost is \$2,839,800 after these grants; and Cheshire is responsible for \$567,960 after the State's 80% reimbursement.

With regard to a referendum number, over or under, Mr. Ceccolini said this depends on the \$250,000 grant.

If Cheshire gets the \$250,000 grant, Mr. Milone advised that the Town's total project cost would be about \$317,960, and this is under the referendum number. DEEP has informed the Town they will have an answer on this grant soon, and has been supportive of this project. Mr. Jaskot and Mr. Milone will be working with bond counsel on what projects must go to referendum.

Mr. Milone commented on the State appropriation of \$2.3 million last year, and the State wanting the parking lot built into the trail, with a path way built. Milone and McBroom

has put together line item sheets which show how they came up with the cost estimates. The State took the sub total, added 25% and then a 10% contingency. West Main to Jarvis is \$1.738 million plus \$434,000 added for incidentals and the State added \$174,000 for contingency. Milone and MacBroom will give the Council an updated report on the trail project. The changes could bring down the gross number and the referendum number.

Mixville Dam - \$250,000 (year #2 FY 14-15)

Mr. Ceccolini explained that this project is to take care of a 500 year flood; it will entail work on both sides of the spill way; there must be provision for the water to get around; and the State will be mandating this and it cannot be ignored.

Mixville Dredging - \$300,000 (year #1 FY 13-14)

It has been 20 years since the pond was dredged and if it is not done the area would turn into a swamp. The fish population has decreased in the pond. The dredging will make the park a nicer place to be for recreation such as canoeing and fishing.

Park Improvements - \$120,000 (year #2 FY 14-15)

These improvements would include organic fertilizer and compost, renovation of fields, drainage work, and other things needed in the next five years.

Pool Building Improvements - \$110,000 (year #1 FY 13-14)

The roofing over the mechanical rooms at the pool has been inspected and a new roof is required. There are concerns about staff safety in this area of the building, air quality issues, and it is a health issue to be addressed.

Playground Equipment \$160,000 (year #2, FY 14-15)

The request is for new playground equipment at Cheshire Park, McNamara Park, and Quinipiac Park; the current equipment is over 20 years old; and it does not meet current code for playground equipment.

Tennis Courts - \$190,000 (year #4, FY 16-17)

The tennis courts at Cheshire Park need to be totally rebuilt as they are 30+ years old. The courts have been patched at a cost of \$15,000, and this should last about 5 years.

Youth Center Courts - \$230,000 (year #3, FY 15-16)

These courts are 30+ years old; they are home to the CHS varsity teams; and they are the only lit courts in Town. It is hoped to move these courts to Bartlem Park; the courts would then become parking for high school student vehicles; and this would alleviate the problems and issues for the Route 10 crossing in the morning and afternoon.

FINANCE DEPARTMENT – PAGE 17 – JAMES JASKOT

Capital Planning Account - \$175,000 – Mr. Jaskot explained that the Town wants to hire an engineering consulting firm to conduct an assessment of Town and BOE buildings,

and determine what must be done to maintain the physical plant over 10 years. There is \$150,000 in year #3 to replenish this account.

Revaluation - \$100,000 – This funding will complete the revaluation program, and is for legal costs. October 2013 is the first physical revaluation, and the last one was in 1996.

Mr. Milone told the Council that for the last revaluation the Town was hit hard with commercial revaluations and high assessments. This time a peer review group will look at the largest commercial accounts, analyze them, and this will fortify the Town's case for appeals and possible court cases.

\$440,000 in FY 16-17 is for the next revaluation which is not a physical valuation. There is a five year pattern. Mr. Milone noted that Cheshire's equalized grant list numbers are at 71%.

Technology Reserve Fund - \$651,000 year #1; \$295,000 year #3; \$670,000 year #3. The Town and BOE have had limited financial commitment for technology, and in FY 12-13 was the beginning of appropriations to enhance and upgrade technology. Apex Technology Group will give a detailed presentation on the technology initiative to the Council On August 1st.

21. General Services – this is for vehicle and equipment replacement funding.

#23. Park and Rec vehicle replacement is for a pickup truck and small pieces of equipment for snow plowing.

Ameresco project list will be submitted to the Council.

August 15th – the Pool Committee (CCP) will give a presentation to the Council on its recommended option for the pool cover; miscellaneous CEP items will also be discussed.

4. ADJOURNMENT

MOTION by Mr. Ruocco; seconded by Mr. Talbot.

MOVED to adjourn the special meeting at 8:35 p.m.

VOTE The motion passed unanimously by those present.

Attest:

Marilyn W. Milton, Clerk

