

MINUTES OF THE CHESHIRE TOWN COUNCIL SPECIAL MEETING AND BUDGET COMMITTEE MEETING HELD ON WEDNESDAY, JULY 20, 2011 IN ROOM 207, TOWN HALL, 84 SOUTH MAIN STREET, CHESHIRE CT 06410

Present

Budget Committee Chairman David Schrumm; Committee Members Thomas Ruocco. Council Members: Tim Slocum, Stephen Carroll, Patti Flynn-Harris, Sylvia Nichols.

Absent: Michael Ecke, Andrew Falvey, James Sima.

Staff: Michael A. Milone, Town Manager; James Jaskot, Finance Director; Ramona Burkey, Library Director; Joseph Michaelangelo, PW Director; George Noewatne, Deputy PW Director; Rich Kaczer, PW Garage Manager.

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. DISCUSSIONS RE: FISCAL YEAR 2011-2012 FIVE YEAR CAPITAL EXPENDITURE PLAN AND ANNUAL CAPITAL EXPENDITURE BUDGET.

LIBRARY

Pages 71 and 72.

For the Library RFID Conversion, Mr. Milone approved \$130,000 in FY 11-12. In FY 10-11 there was money appropriated for the reconfiguration of the Library.

Ms. Burkey submitted photographs of the sections of the Library as they are now, and renderings of the Library following its reconfiguration. She also submitted the plans for the project and information on the self-check system, mobile work station, RFID work station, ISO RFID tags.

According to Ms. Burkey the project is ready to go forward, and is divided into two parts. When the Library applied for State funding, it was a Category II Reconfiguration Grant, without any technological purchases included or in-kind services. The grant provides money for furnishings, architect and other things. This grant was originally approved by the State Library Board in November 2009, but needed State Bond Commission approval which was not received until March 2011. In order to start the reconfiguration project, there was a requirement for the contract with the State, and this is done through submission of the architectural drawings in the next few weeks. After this point, the Town can begin purchasing furnishings and equipment. Nothing can be started without the grant contract in hand, and the Town cannot even spend its own money on the project without this contract.

The Council was informed by Ms. Burkey that there are increasing demands on the Library programs and services, and this is the reason why the RFID reconfiguration projects are being undertaken. Staffing levels are not increasing while demand continues to increase. With the RFID patrons will be able to handle the clerical work of taking out Library materials, freeing up staff to handle other duties and services. Cheshire is the 7<sup>th</sup> busiest library in the State of Connecticut for the number of items per hour loans, and is ranked #14 out of 169 libraries in the State for total loaned items. Circulation has increased 71% since 2000. Cheshire is in the middle of the ranking for book budget per capita and the number of staff members per capita.

Project Time Frame – once the funding is approved, the Library can order the RFID tags, begin tagging 130,000 items in the collection, and this will take much time depending on how many conversion units are rented. For safety reasons, the Library may have some closure times, and this will depend on the final scope of the project. 3M is the vendor for the RFID project. The quotes for purchases have been obtained from LCI. Over the last few years the cost of RFID equipment has decreased. Tags are now 20 cents each; 3 self checkout kiosks now cost \$29,000 (from \$60,000); and the Library receives LCI competitive pricing on other things to be purchased.

The Council was informed by Mr. Milone that Ms. Burkey wanted to delay this project because the technology was not at a point where she was comfortable. The prices have been coming down once the market reacted to the response of the RFID, and there was better planning for the project. Also, all the major vendor tags are now inter-operable. The tags are guaranteed for the life of the object.

The architectural plans will be submitted by the architect to the State Library. The plans will define where the walls will be, how much space will be given to teens, preschoolers and other changes. The State wants to know if everything stated in the grant application will be accomplished. Ms. Burkey is confident in the plans, noting they might change slightly as the project goes forward.

The total project cost is \$290,000. This is offset by \$100,000 in grants and gifts, with the net cost to the Town of \$190,000.

With regard to the reconstruction and reconfiguration, Ms. Flynn-Harris spoke in support of the project at the Library. She commented, in particular, about the teen room and the many students who visit this area, and their working collaboratively on homework projects, book clubs, activities, and as volunteers.

The plans were reviewed with the Council, and Ms. Burkey pointed out where the changes, including walls, in the Library would be made to enhance customer service.

With regard to reading the RFID tag, Ms. Burkey said it should be considered as an overlay...just a different way of reading the bar codes. All the information goes into the computers as is done now, with no extra load on the infrastructure.

Mr. Carroll stated that technology either services customers or saves money, and he asked how this would be answered for the Library.

In response, Ms. Burkey said there would be better customer service because staff will be connecting more with people and books, a side by side service model. There will be savings with reduction of staff, having just one person at the desk to assist people with library needs. Ms. Burkey wants to purchase the mobile staff work stations so staff can assist patrons more readily and easily. The useful life of the 3M equipment is 6 to 8 years.

Ms. Burkey commented on 3M having a leasing program with a library paying a certain amount each year with guaranteed updates to the equipment. She will provide the Council information on the leasing program. Also, there should be some insurance available for purchase for lost or damaged equipment.

#### PUBLIC WORKS DEPARTMENT

Page 53. PW Director Michaelangelo, Mr. Noewatne, and Mr. Kaczer.

Dump Truck - \$145,000 in each of the years was increased to \$200,000 in year #1, and Mr. Milone is recommending purchase of a tandem dump truck. The tandem truck owned by the Town died and was replaced with a regular dump truck. Year #2 the recommended appropriation is \$300,000 for acquisition of 2 dump trucks, and this will enable the PW Department to get on a regular replacement cycle of dump trucks each year.

Page 64 – shows the complete list of current dump trucks and proposed replacement schedule.

Mr. Michaelangelo explained that these dump trucks do all the snow plowing of roads and are involved in every Town project. Another truck is to be added to the fleet in the near future, and truck #23 will be traded in for \$5,000.

With regard to mileage on these trucks, Mr. Kaczer explained that a better reflection of the trucks is the number of hours they are used. In the industry trucks are serviced by hours not mileage. For example, a bucket truck could drive 2 miles to a job site, but run for 8 hours on the job, which equates to about 30-60 miles per hour. Cheshire bases its truck hours on the low end. For truck #15, there are 75,791 miles on the truck, but only about 7,000 hours on it.

Mr. Milone cited the importance of keeping on an annual replacement schedule. Without such a schedule there is cluster acquisition, while spending \$20,000 to keep a truck on the road that is not worth \$20,000. You cannot max the

efficiency of the equipment. With purchase of a new truck it takes about 8 to 9 months to get a truck to Cheshire.

There was a brief discussion about a leasing program for these trucks, and Mr. Kaczer said the past problem has been the ability to appropriate money for a five year lease. There is some talk about one year truck leases with the municipality or leasing company able to pull out of the contract after one year.

Every maintainer has a truck which is used for plowing and their direct work each day. During a heavy snow storm each truck plows 150 miles or more for a one time cleanup.

Page 56 – Mr. Michaelangelo reviewed the equipment noted for replacement. The drainage truck is a utility truck which has all tools and equipment necessary for drainage work. The current truck is a 1989, and is a shop on wheels to get the work done. The sidewalk truck has all the mason's tools stored in the truck for this type of work. The vactor truck is used for tank and suction type systems. The Town rents sweepers to handle the fall clean up work.

The rolling stock of the Town, except for the large fire trucks, is taken care of by the men at the PW garage, and Mr. Milone commented on their doing an incredible job keeping the equipment safe and operable, and saving lots of money. In the past the Town traded in its vehicles, but Mr. Kaczer started auctioning off the vehicles, realizing more money than with a trade-in. This has generated more money towards the acquisition of new vehicles.

The Council recessed for 10 minutes to the parking lot to look at a PW dump truck which must be replaced.

Sidewalks, page 53, FY 2012-13, \$200,000. The existing CEP has about \$140,000 for sidewalks, and a number of projects scheduled for this year will deplete this funding.

Brick pavers, \$120,000. There will be brick pavers in the Town Center surrounding a concrete sidewalk. The bids are out now for the sidewalk project. The parklet sidewalk and landscaping is paid by Yankee Gas, \$15,000.

Mr. Milone commented on the very poor condition of the brick pavers in the center of Town, but said they would not be replaced with brick pavers. The replacement will be a variation of a concrete sidewalk with brick pavers on the outside of the concrete area. The same concept will be done around Town Hall and the entire town. There are brick pavers on West Main Street. Using this type of cement and brick pavers addresses the concerns about costs, and they will hold up better than pavers. This variation is about 2/3rds of the cost originally requested for the sidewalk program.

Mr. Michaelangelo said that pavers are about one square foot. The cost of a brick paver is about \$20 per square foot. With the hybrid version there is a better cost per square foot. This addresses the price concerns, need for aesthetics in the center of Town, and the concrete will hold up better than the brick pavers.

Ms. Flynn-Harris commented on having seen this type of varied sidewalk in another town, and the width of the bricks changing while trying to keep the cement portion consistent. She asked about this factor as part of the Cheshire sidewalk project.

The sidewalk would be 5 feet wide, with 8 inches of pavers around the concrete span. Mr. Michaelangelo said this work will be done next summer. He will have samples of the pavers available for the Council to see before adoption of the CEP. This work has received approval from the Historic District Commission.

Mr. Milone commented on people in Town having an adjustment to the varied sidewalk of concrete and brick pavers, as they have been used to the brick pavers for the sidewalks. However, there will be reduced costs using the new concept.

Bridge Work – Country Club Road Bridge is completed. The Creamery Road and Blacks Road bridges need to be reconstructed. The Blacks Road Bridge is a rubble stone foundation; there are more holes than rubble; and the construction has been pushed out one year. The design has not been done yet, and once approvals are received they will be ready for bid for next year's appropriation. Country Club Road and Wiese Road designs are done. The East Johnson Avenue Bridge has been voted on and approved for work.

Road Replacement and Repairs - \$1.5 million is in each year of the CEP. Some roads were badly damaged due to the winter storms. There is \$200,000 to \$300,000 for chip sealing for some of the roads. Some portion of the \$1.5 million must be used to address some of the roads rated 70-75, with the rest directed at the very bad roads. Mr. Milone said the Town has the Pavement Management Index which is helpful, and made for a more rational approach, but the Town is not keeping up with the road work.

Mr. Slocum commented on this study, stating that on the web site you cannot flip the pages and follow the line. He asked that this be looked at and see what can be done.

The road rating study was done in Fall 2009, and Mr. Carroll questioned how often these ratings would be reviewed and redone.

Mr. Michaelangelo explained that the initial ratings are good for 4 years. As roads are updated this is entered into the system. The good way to do it is to

divide the town in quarters, doing one quadrant a year for updating. The template has been prepared by the professionals and it is followed by all towns which use the system. The P.C.I. rating is a real industry number. The updating was not built into the original appropriation, but this could be discussed with the Council to be funded with road repavement funds. The re-rating costs about \$10,000 per year and it is done by professionals in the industry.

With the \$1.5 million, 5.5 miles per year can be paved, and 5 miles can be chip sealed per year. Every five years the Town should get each road off the system and paved. Last year 9 miles of road was done. By August 1<sup>st</sup>, the work on the roads which were discussed in the Fall should be done, including South Pond. Then, the Town can move onto other roads needing work. Schoolhouse Road has had much drainage work ongoing with more to be done, and this road should be repaved by the end of August.

Recycling Toters – There is an appropriation of \$540,000 in FY 12-13 for purchase of toters for collection. This matter has been discussed with the Solid Waste Committee. Toters come in three sizes – 45, 64 and 96 gallons.

Mr. Michaelangelo commented on the fact that the current process does not lend itself to high recycling rates. The Town has 3 more years with the current hauler's contract. With toters the recycling is picked up bi-weekly, with savings, decreased costs, and an increase in recycling.

With the Council requesting more efficiencies and saving money, Mr. Milone said this is a way to save money and increase efficiency. The estimate is a 10% reduction in waste out of the waste stream, with savings estimated to be \$50,000 with avoidance of paying the tip fee. With bi-weekly recycling there is an estimated reduction of \$22,000 in costs for each of the first 3 years, and \$42,000 in the last years of the contract for the hauler.

This is a issue which will be discussed further by the Council and the Solid Waste Committee.

Public Property, page 23. \$200,000 in FY 10-11 in CNR, and this funding was frozen except for \$17,000.

Mr. Noewatne explained that Public Property maintains 33 Town buildings.

Mr. Schrumm asked about using some of the surplus for Town building repairs.

This will be discussed at the August Council meeting and Mr. Milone said when transfers are approved, he will have a list of important things for Council to review. The Town buildings and replenishment of the medical benefits trust fund are two items of concern on the list, with the Council setting the priorities.

Mr. Noewatne stated that each year we build on the operating budget for projects for each building. Plans are needed for infrastructure things which come up. The Town Safety Committee reviews issues of concern for the buildings.

Items for consideration in Town buildings include – Replacement of carpeting at the Senior Center, ADA access to the 2<sup>nd</sup> floor at Town Hall, Portico at the Cheshire Library, and some projects are noted in the out years of the CEP.

Mr. Noewatne advised that the roofer working at the high school will be looking at the condition of the Town Hall Roof.

Projects in the out years of the CEP include Town Hall Window Replacement, FY 13-14, \$110,000; Roof Repairs, FY 12-13, \$250,000; Building Fire Alarms, FY 12-13, \$110,000; Parking Lot Improvements FY 13-14, \$150,000; Open Space Land Management, \$115,000. One area of the Senior Center roof needs work to be done, and the Library roof has some sections which need work. The Senior Center Elevator has an RFP ready to go out to bid. Some of the garages (Public Works, Parks and Rec, Arts Place) need alarm systems.

The Town Hall Parking Lot has an oil tank buried underneath it, and this should be removed, but funding has been cut from the budget. There is another underground tank at the Youth Center which must be removed.

Energy Management – Mr. Noewatne informed the Council that a committee has selected Amerisco to conduct an energy audit for the Town. The plan is to have Celtic Energy speak to the Council at the August meeting and review the next steps to be taken.

Amerisco wants to go through all the buildings, do an assessment on everything, and in 6 months return with an investment grade audit for Council review. The cost could be financed through the Town or through third party financing. Should the Council decide not to go forward after receipt of the report, the fee for Amerisco to do this audit and provide the report is \$48,000. If the Town takes all the projects and does the performance contract as laid out, the \$48,000 is buried therein. The savings from the waste being paid in current energy bills will pay for the projects proposed to be done. There were 23 specific projects just for the 4 buildings which Amerisco already assessed. Four buildings were done for the RFP – Town Hall, Dodd Middle School, Cheshire High School, and the Police Department.

Mr. Schrumm said this would be a town wide performance contract, and the company will be paid from the savings from the specific projects. He commented on the many energy savings projects which have been undertaken and completed by the Town, including windows at Norton School, glass replacement at the high school, pump stations, etc.

According to Mr. Noewatne, the company will have specific energy related projects for savings and energy efficiency. There will be a menu of projects, and the Town will choose which ones it wants to be done. Amerisco has about \$4.5 million worth of projects, but this could be up to \$6 million of work to be done. The net cost to the Town is zero.

Mr. Milone noted it is important to understand that identification of \$6 to \$8 million worth of projects could be spread out in a variety of places. Money for windows or boilers could be aggregated in an integrated way. This program would form the basis for what is to be done with next year's capital budget. The Town could pay \$48,000 out of the capital planning account and not get locked in with this company.

Mr. Schrumm stated that the biggest project would be the high school, with the biggest pay back. 60,000 s.f. of the high school is electric heat.

#### 4. ADJOURNMENT

MOTION by Mr. Ruocco; seconded by Mr. Schrumm.

MOVED to adjourn the meeting at 9:10 p.m.

VOTE The motion passed unanimously by those present.

Attest:

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Marilyn W. Milton, Clerk