

MINUTES OF THE CHESHIRE TOWN COUNCIL SPECIAL MEETING AND BUDGET COMMITTEE MEETING HELD ON TUESDAY, JULY 30, 2013, AT 7:00 P.M. IN ROOM 207, TOWN HALL, 84 SOUTH MAIN STREET, CHESHIRE CT 06410

Present

Tim Slocum, Council Chairman; David Schrumm, Vice Chairman and Budget Committee Chairman; Thomas Ruocco, Budget Committee Member; Patti Flynn-Harris, Sylvia Nichols, James Sima

Absent: Michael Ecke, Andrew Falvey, Peter Talbot

Staff: Michael A. Milone, Town Manager; James Jaskot, Finance Director; Deputy Finance Director Gina DeFilio; George Noewatne, PW Director; Walter Gancarz, Town Engineer; Richard Kaczer, Fleet 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. DISCUSSION RE: FY 2013-2014 FIVE YEAR CAPITAL EXPENDITURE PLAN AND ANNUAL CAPITAL EXPENDITURE BUDGET

PUBLIC WORKS (page 51) – George Noewatne, Walter Gancarz, Richard Kaczer

Town Manager Milone distributed a handout “Capital Budget Workshop July 30, 2013” summary for discussion and review with the Council.

Handout

Pages 1 through 10 – Inventory of all projects in the Performance Contracting proposal; page #2 is the inventory of all furnaces in Town buildings.

Pages 11 through 15 – Updated cost estimates for the extension of the Linear Trail, West Main Street to Jarvis Street; \$2,526,300.

Pages 16 and 16 – Parking Lot - \$367,800.

Pages 18 and 19 – Extension Jarvis Street north to connect with pathway to the parking lot.

Total Linear Trail project cost - \$3,401,800.

The Council was told by Mr. Milone that instead of the 80/20 split on this project, the State has decided it will be 80/10/10; 80% Federal, 10% State, 10% Town. One of the things in dispute relates to the \$572,000 carried over, and Mr. Milone said the \$562,000 is supposed to be taken off the gross cost. The State has said the \$562,000 is the federal portion of the 80%. Mr. Milone informed the State that no one has ever told the Town this fact, and he wants a confirmation of when and how this happened. The high

end of the project is under the \$350,000 referendum number for the Town. The LoCIP money (\$185,000) could also be used for the trail project. There is also 25% for incidental costs and 10% contingency.

Pages 20 through 22 – Public Works equipment inventory.

The Council was informed that Mr. Jaskot will have the debt analysis completed for the August 1st meeting. In the analysis there will be nothing done with the WPCA fund because the Town awaits the August 7th receipt of bids for the plant upgrade project. With good numbers there can be refinement of all the numbers.

Fleet Manager, Richard Kaczer, informed the Council that there were two Town dump trucks parked in the Town Hall lot for Councilors to look at so they have a visual of the poor condition of these trucks.

Handout, page 23/Street Sweeper Purchase vs. Leasing Analysis - Mr. Milone noted that he has taken this piece of equipment out of the CEP, but PW staff wanted to provide an analysis to the Council on the need for this street sweeper.

Each year the Town pays \$35,000 to \$40,000 to rent a street sweeper and staff told Mr. Milone that after 5 or 6 years, with purchase of a sweeper, it will pay for itself. With this sweeper in the fleet there are other efficiencies, such as doing parking lots regularly, and the rental equipment is not of the quality needed to do the work.

Mr. Milone commented on this PW Department budget versus the previous five year plan as being more expansive. The department truck replacement plan is not as aggressive as it should be and it is falling behind. There is concern that the fleet is not designed to meet the future needs of the Town.

Page 53 (budget book) PW Director Noewatne stated that there were many changes made in the department. During the storms of recent years the PW crews have responded quickly and efficiently, have met the many challenges of these storms, and they thank the Council for the equipment to do their jobs. He noted that the department CEP is equipment related. The characteristics of the department are changing; it is more accelerated; Town roads are in better condition; and this is reflected in the reconfiguration of the fleet.

Page 54 – PW Vehicles (excluding Dump Trucks) – Mr. Noewatne reviewed and discussed the five year plan for replacement of outdated fleet vehicles.

FY 2013-14 proposed replacement with 2013 John Deere Loader, and 2013 Elgin Pelican Sweeper.

FY 2014-15 proposed replacement with 2015 18 inch Chipper, 2014 John Deere 333E Skidsteer. The John Deere Dozer will not be replaced; it will be sold at auction; and these are easier to rent than own and maintain.

FY 2015-16 proposed replacement with 2015 John Deere 310K Backhoe.

FY2016-17 proposed replacement with 2017 John Deere 644 Loader and 2017 John Deere Tractor/Mower.

FY 2017-18 proposed replacement with 2018 Mason Dump.

Street Sweeper – Mr. Gancarz reviewed page 23 (handout) regarding purchase of a street sweeper. Purchase Cost of \$186,000; lease cost is \$7,500 per month; maintenance costs of \$3,600 for leased or purchased equipment; no changes in personnel or fuel; equipment costed out over 10 years at 3% interest and 2% inflation rates. In the analysis, Mr. Gancarz noted that the annual cost to lease a sweeper is \$30,000, and the annual cost to purchase a sweeper is \$19,978.18. The benefits to purchase of a sweeper include better and improved equipment with two brushes, better engine, fuel efficiency, flexibility in scheduling its use, ability to address immediate needs (spills, washouts, chipping and sealing, etc.), and the equipment is much better than the rental equipment. The life cycle of a new sweeper is 10 to 12 years.

Mr. Noewatne advised that other towns are looking into rental of sweepers so there is difficulty in finding a sweeper for four months.

Mr. Noewatne stated that the costs for replacement of the vehicle equipment are gross numbers, and the sale of older equipment will bring the costs down. The revenue from sale of older equipment goes into the Town's Miscellaneous Revenue account.

The Council was informed by Mr. Kaczer that all equipment purchases are through the State contract or off NJPA contract. The reason the proposed equipment is John Deere is due to the NJPA contract and being able to purchase this equipment off this contract. Almost all of the Town's equipment is John Deere.

Page 59 (budget book) – Current Dump Truck and Replacement Schedule. This replacement schedule is out of sync. In 1999 the Town purchased four new trucks in one year, and now these trucks need to be replaced. The current fleet has an inventory of trucks 1997 to 2013.

Page 60 (budget book) – Mr. Noewatne stated that older trucks are rusted, this is the worst thing to happen, and it is too costly to replace the frames. In the winter there are two spare trucks to be used.

With regard to idling hours of the trucks, Mr. Sima asked about the GPS tracking idling hours.

Mr. Noewatne said that the GPS will track idle hours and takes a snapshot every few minutes. Mr. Kaczer noted that there is idling, particularly when plowing cul de sacs.

Mr. Sima said it is not good to have trucks idling for hour or half hour time periods. He calculated the mileage and hours, and questioned this adding to maintenance costs. He suggested that an effort be made to stop idling.

There is an idling policy in place and Mr. Noewatne said it is adhered to, with no more than three minutes of idle time. This policy is enforced, but he will insure there is better adherence.

Mr. Kaczer stated that it must be taken into account how the trucks are used, i.e. chipping brush. During break times the trucks are turned off and in the garage.

FY 2014-15 – There is a request for a 2014 International Tandem Truck. Mr. Noewatne stated that this truck has been useful in the past; it is a 10 wheel truck; carries 80% more salt than other trucks; is used on the main roads and heavily traveled roads; is necessary for large equipment hauling; and is the most capable truck to handle heavy jobs. The truck would have the existing plow, radio system and GPS installed for a \$15,000 cost savings.

Page 22 (budget book) Town Department Summary of Equipment Replacement Fund.

Pages 28 and 29 (budget book) – Pick Up Trucks Replacement Plan. Mr. Noewatne reviewed this replacement plan.

FY 2013-14 – 2013 4X4 Pickup Truck, 2013 4X4 Pickup Truck, and 2010 Ford Escape 4WD (for the road).

FY 2014-15 – 2015 4X\$ Pickup Truck, and 2015 4X4 Pickup with Utility Body.

FY 2015-16 – 2015 4X4 Pickup Truck.

2017-18 – 2018 Pickup Truck.

Mr. Noewatne commented on the fact that the pickup trucks are the most useful and economical in the department fleet. With the 4 cylinder Ford Escape there would be reduction in fuel consumption; the F150 truck in the WPCD is a 6 cylinder for the Superintendent, and does not have a plow. The PW and Parks and Rec Department pickup trucks would have an extended cab at an additional cost of \$2,350. These trucks carry a lot of costly equipment that should be stored in an enclosed area of the truck.

The Public Works Garage is in good condition, and the roof project was just completed.

Page 51 – Sidewalk Program. There is \$200,000 in FY 2015-16 and FY 2017-18 for the sidewalk program. Mr. Noewatne advised there is \$245,000 in the sidewalk account at this time, which will finance the projects for a few years. Most of the sidewalks in the plan are straight replacement, and straight connection.

There was a brief discussion on the cost and type of brick to be used for Town Hall and Town Center sidewalks. Mr. Noewatne displayed a brick currently in place which has faded over 9 months, and stated the manufacturer takes no responsibility. He displayed the proposed clay brick to be used, which has a 6 to 7 year life time, is color fast, can handle salt, and is more durable. He informed the Council that the Historic District Commission did not support using a concrete field with brick border. The costs of the clay brick sidewalk will be calculated and brought back to the Council for review and approval.

Regarding the parklet and gas vaults project, this is a Yankee Gas project, and not a Town project.

Bridges (pages 55 and 56 budget book and page 24 handout). The Blacks Road Bridge and Creamery Road Bridge are in year #1, FY 2013-14 at \$850,000 per bridge. The East Johnson Avenue Bridge is in year #2, FY 2014-15 at a cost of \$2.5 million.

Mr. Gancarz reviewed page 24 (handout) which outlined the number of bridges (36) in Town, date of construction, and notes on each bridge. The DOT inspects bridges with over 20 foot span every two years; the Town inspects bridges with less than 20 foot span every two years. For Blacks Road and Creamery Road bridges, the Town has a commitment of a 31% grant, and has applied for the 47% grant. The 31% grant is on the total cost of the bridges.

With regard to bonding these bridge projects and the amount bonded, Mr. Jaskot informed the Council that only the net cost is bonded.

Mr. Milone said \$695,000 is already accounted for per bridge, and he would be checking with Bond Counsel on putting the two bridges together for one referendum question.

For the East Johnson Avenue bridge, the DOT agreed with the Town that the entire bridge must be rebuilt.

FY 2017-18, South Brooksvale Bridge over Willow Brook, \$80,000. This project will be taken out of the CEP.

Page 51 (budget book) Road Repavement Program - \$1.75 million in each year of the CEP; total of \$8.75 million.

From 1999 to 2013, the PW Department has completed 6-8 miles per year of road work, and in 2013 it is at 7.3 miles. The final report on the Pavement Management Program will be available shortly for Council review. This updated information will be put into the GIS System.

PUBLIC

Tim White asked about extension of natural gas lines to Norton School, and inclusion of this work in the referendum for the road repavement program.

In response, Mr. Schrumm explained that Bond Counsel must be very specific on what the money will be used for. If the gas company is planning to install gas lines, then that specific road would not be included in the paving program.

Mr. Noewatne advised that a report on road repavement projects, five years out, will be given to the utility companies.

WPCD – Page 63. Mr. Gancarz stated that the bids for the treatment plant upgrade are due in Town Hall on August 7th; \$32.15 million was appropriated last year. There is a commitment letter from DEEP funding the project at 30% for the phosphorous part of the project, and a 2% loan on the remainder of the project. The legislature recently passed a bill to increase the phosphorous funding to 50% for the first three communities that apply, with their project completion by 2018. If more than three communities apply, there will be a tie breaker (yet to be determined) for the 50% funding. Cheshire applied for the funding increase, and must wait and see if it is approved.

Mr. Milone is putting pressure on the State about this 50% phosphorous funding. He has informed the State this is a critical project, and the Town must make financial arrangements for the project.

Cook Hill Pump Station FY 2014-15, \$1.2 million. Mr. Gancarz reported that this station is already designed, is a high priority due to problems with flooding, clogging of the pumps, missing rails and other issues. There was a recent clogging problem and thanks to the work of the crews, flooding was avoided, particularly with an area resident who had sewage and basement flooding in the past. The resident wrote a letter of appreciation for Supt. Dievert, his crew, and their diligent work, to Town Manager Milone.

West Johnson Pump Station, \$1.7 million, FY 2015-16. Mr. Gancarz reported that AECOM's proposed budget for this project is \$2.9 million, and this pump station could wait until Cook Hill is completed. AECOM will be providing information on why the costs have changed.

Mr. Schrumm commented on the pump stations, noting that if there is a health emergency, the DEEP can issue a consent order, which requires the Town to rehabilitate a pump station, without going to referendum.

With regard to the North End Development, they are looking at two different routes, under I-691 into the West Johnson pump station, or over I-691 bridge through the manholes.

I & I Evaluation and Remediation, \$300,000 in FY 2015-16. Mr. Gancarz reported that there is a good base line on the flows, identification of next steps, and funds available to continue with I&I. As part of the revaluation program, people reported if they had sump pumps. There is a list of 1,075 sump pumps; 650 pumps are in homes that connect to the sewer system; and this is the target area which will have the highest focus.,

Mr. Milone commented on the good study completed on which to base the model for consumption based user fees. This study will be looked at next year with the Council.

Mr. Schrumm has read this study, and stated there are many unknowns to be looked at regarding the issue.

Page 31 (budget book) Public Property. \$150,000 in FY 2014-15 for projects in Town buildings and \$150,000 in FY 16-17.

Removal of underground oil tanks, \$125,000 in FY 2013-14. Mr. Gancarz reported there is an 8,000 gallon tank in the Town Hall parking lot; 1,500 gallon tank at the Youth Center; and 10,000 gallon tank at the Police Department.

The Youth Center will be going to full natural gas upon removal of the last boiler at the site.

Parking Lots - \$230,000, FY 2013-14. Arts Place parking lot will have gravel replacement, and has no curbs. The construction of the proposed dog park will have no effect on this parking lot.

Open Space Land Management, \$110,000, FY 2013-14.

Town Hall Windows, \$110,000, FY 2017-18. The windows in Town Hall are all single pane windows. With Town Hall being in the historic district, there are some regulations regarding replacement of the windows.

PUBLIC

Tim White talked about the State having \$30 million for micro grids, and the number of things and opportunities out there for Cheshire to consider.

Mr. Milone said in looking at the micro grid, the area of the Library to the shopping plaza was looked at, but there was too much work with private property owners. The project was shrunk to the area where the Town had control.

4. APPOINTMENT TO BOARDS AND COMMISSIONS

MOTION by Ms. Nichols; seconded by Mr. Schrumm.

MOVED to appoint Kenneth E. Cianci (R) to the Water Pollution Control Authority/Flood Erosion Control Board, to replace Walter Gancarz, term of office 7/30/13 to 1/31/16,

VOTE The motion passed unanimously by those present.

5. ADJOURNMENT

MOTION by Mr. Schrumm; seconded by Ms. Nichols.

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

VOTE The motion passed unanimously by those present.

Attest:

Marilyn W. Milton, Clerk