

MINUTES OF THE CHESHIRE TOWN COUNCIL PUBLIC HEARING HELD ON TUESDAY, AUGUST 20, 2013, AT 7:30 P.M. IN COUNCIL CHAMBERS, TOWN HALL, 84 SOUTH MAIN STREET, CHESHIRE CT 06410

Present

Council Chairman Tim Slocum, Vice Chairman David Schrumm and Council members Michael Ecke, Patti Flynn-Harris, Andrew Falvey, Sylvia Nichols and James Sima.

Absent: Thomas Ruocco and Peter Talbot

Staff: Michael A. Milone, Town Manager; James Jaskot, Finance Director; Gina DeFilio, Deputy Finance Director; Vincent Masciana, Director of Management Services, Dept. of Education.

1. ROLL CALL

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

2. EXPLANATION OF HEARING PROCEDURE AND AGENDA

3. READING OF LEGAL NOTICE

The clerk read the legal notice into the record.

4. PRESENTATION ON HEARING SUBJECT

Town Manager Milone explained the difference between the operating budget and capital budgets of the Town of Cheshire. The Town Charter requires an operating budget cycle and capital budget cycle. The operating budget was passed in April 2013 by the Council for the 12 months of recurring expenses for the Town. The capital budget is adopted to pay for capital items – anything exceeding \$110,000 with a life expectancy of 5 years or more. This would include buildings, roads, sewers, rolling stock etc.

The Five Year Capital Plan – is broken out into the first year and the first year is the subject of this public hearing. The Town Council can approve or change these projects. Years 2 through 5 are simply a plan, and will be adopted for purposes of long term debt analysis and management. These projects can be changed by the Council.

In the first year of the plan there are 31 projects for Council consideration, and these are the priorities of the Town. They total \$13, 428,000; the Five Year Plan totals \$50.4 million. The Town will borrow money for some of these projects, and the bond sale proceeds in February 2014 will fund some of the projects, along with cash and grants. Debt service is paid through the operating budget “debt service” line item. With offsetting revenue the Town does not have to borrow the gross cost. Year #1 of the plan will have grants and other revenue sources of about \$3 million, bringing the total down to about \$10.5 million. The CNR fund is the Town’s cash fund, and some of that money will be used to pay for smaller projects. For the five year capital plan of \$50.4 million, there will be grants and offsetting revenue of about \$12.3 million, reducing the total to \$38 million.

Community Pool Project – Mr. Milone advised that this project is not in the proposed capital budget to the Council. When the CEP was submitted to the Council, the pool evaluation committee (CCP) had not completed its work, evaluation, and recommendation for the final project to the Council.

The public hearing tonight is on what the Town Manager has proposed, and the Council can add, delete or modify the projects. The community pool will be part of the discussion in the first year of the CEP.

Debt Analysis – All of the capital budget projects are identified as to how much bonded debt will cost over the next 10 years, after offsetting revenue. There are two major projects going forward – the Waste Water Treatment Plant upgrade of \$32 million, and analysis has been done for the community pool project.

Assumption of the pool appropriation - \$3.2 million; first debt payment (interest only) in FY 2016 of \$95,000; FY 2017 starts the first payment of principal and interest of \$272,000; and the remainder of the payments for the pool project will be \$250,000 to repay the \$3.2 million borrowed. The Town of Cheshire has a Fitch rating of AAA, and Moody's rating of AA, and it is expected the borrowing interest rate will be 3.25% for the debt for the pool project.

Chairman Slocum stated that this public hearing is for the capital budget which the Council will adopt on August 27th.

5. QUESTIONS AT THE DISCRETION OF THE CHAIR.

Tim White, 1682 Orchard Hill Road, asked about changing the wording for the roads for trenching for natural gas.

Mr. Milone has not talked to bond counsel about this issue; draft resolutions are being worked on at this time; and he said the Council makes the final decision.

Mr. White asked about the \$250,000 annual payment for the pool project and length of the bond.

Mr. Milone explained it is usually a 20 year bond. The Town tries to advance principal payments on the bond.

For the Linear Trail Cornwall Avenue to West Main Street, Mr. White asked if this was through the swamp area.

Mr. Slocum said it goes through the swamp, and the design and control of the project is under the State of Connecticut. The project includes a parking lot. The project is almost entirely funded by federal and state governments.

Edwardo Alvarz, 66 Old Farms Road, questioned the land acquisition item at \$1.2 million, and why it is needed, and the funding for the treatment plant upgrade, its benefit or effect on him. He has no public water and has a septic system.

Stating he is also on a septic system, Chairman Slocum explained that when septic systems are pumped out the waste goes to the treatment plant. This is a vast project which is spread across all tax payers. Regarding land acquisition, the Town reserves funds for purchase of land which becomes available for open space and recreation.

Town Manager Milone commented on Cheshire's successful land acquisition program over the last 25 years, with acquisition of 1,400 acres of open space and usable land, at \$17 million cost. This also provides a green belt around the Town and recreational usage of these properties. When a property becomes available the Town must move quickly, and going back to the voters would take up to 6 months time, and the property would be lost. Having the reserve funds makes negotiations for land purchases easier as a seller does not know exactly how much money the Town has available for a purchase.

Dan Ford, 65 Pound Ridge Road and business owner of Alderson Funeral Homes, stated that the Council needs to focus on replacement of the ladder truck for the Fire Department. He asked why Cheshire has gone several years with this truck proposed in the budget, ignored and crossed out without explanation. Mr. Ford pointed out that the Council was given a packet of information on the fire department needs by Chief Casner, and Councilors should read and consider what the department has requested.

In response, Mr. Schrumm stated that the 1970 Snorkel was replaced in 1998 for \$750,000, and the Council was told the old truck was unsafe and inappropriate for fire service. He said the Town is not ready to spend \$1 million for a second ladder truck. There are many issues involved including fire service, building code, volunteer fire department, ISO rating, etc. He commented on ISO rating of the Town not being used much anymore for homeowner insurance rates as the rating is not fully valid. A second truck is \$980,000 before any of the firefighting equipment is installed.

In the packet given to the Council, Mr. Ford said it states the need for replacement of the truck, moving the old truck to the south end, and two independent studies (1998 and 1994) support the truck replacement. Since the studies were done there has been development of Southwick and Elim Park expansions, so two aerial trucks are needed for the Town and this cannot be ignored.

Before the Town spends money on another large of apparatus, Mr. Schrumm said other issues are in play, such as the north end fire station, and he is not ready to vote on a \$980,000 fire truck.

Chairman Slocum questioned how many other small towns like Cheshire have two ladder trucks, and putting a truck in an unmanned south end station.

Mr. Ford said the truck is needed to reach Elim Park and Southwick in minutes, and that the packet submitted by Chief Casner deserves further scrutiny from the Council. He commented on the fire department being short of manpower, and letting the people of Cheshire decide whether or not a new truck is needed.

It was stated by Mr. Schrumm that the Council spends hours of work on the budgets, reads many reports, takes matters seriously, and does not set things aside. There are many important issues, and possibly a need for a fire truck study committee.

Paul Robinson, 728 Rustic Lane, asked about the debt service analysis, and the CCP estimate for construction of the pool, and if the insurance claim money would be used to offset the capital expense.

Chairman Slocum stated that the total estimated cost of the pool structure is \$3.2 million.

Mr. Milone advised that there is between \$250,000 and \$275,000 of insurance claim money, and the Town is still replacing damaged items at the pool, using these funds.

With the pool debt service less than \$250,000 Mr. Robinson asked about operating costs comparisons between the tension membrane and bubble covers.

The referendum number from CCP is \$3.2 million and Mr. Slocum said the insurance money can be used for items including winterizing the pool.

Chris Bowman, 761 West Main Street, questioned the \$1.2 million land acquisition item in the CEP, and asked for the tax loss on the \$17 million of property purchased over the years.

Mr. Milone did not have this number calculated, but he would get it to Mr. Bowman following the capital budget work.

Kevin Wetmore, 21 Colonial Court, Co-Chair of the CCP, said he has received public input on the pool evaluation, and spoken to people who are uncertain about their decision. He said the pool is not a business but part of the municipality. There is a 23 page plan for the future of the pool that includes financial, marketing plans, programs, events, operational costs, oversight, staffing data, etc. With regard to the impact on people, families and town services not used, Mr. Wetmore noted that everyone pays for things not used, such as the Senior Center, Library, Youth Center, and this is what makes for quality of life in a community. In looking at the numbers for the pool, the cost is \$3.2 million; there will be a 20 year bond; 3.25% interest rate; and the new structure will have improved energy consumption, and cost the average homeowner \$2.58 a year for each of the 20 year life of the bond. People have stated that the reasons they moved to Cheshire were the education, recreational facilities, especially the community pool and its programs. The swim teams and events and competitions help support local businesses.

The CCP included 13 people and Town staff and two Councilors (Ecke and Nichols), and Mr. Wetmore reported that the committee looked at building management, lighting, electrical, financials, pool users, summer only pool, costs of the project for the community, advantages and disadvantages and strengths of each option. Out of town visits were conducted to sites with tension membrane structures. Meetings have been held with contractors and vendors who could not believe that volunteers would go to such a great extent on behalf of their community. Mr. Wetmore noted that other towns are undertaking studies of their community pools with 4 or 5 people on a committee. He commented on the outstanding staff support from the Town. The committee will continue its work and follow up to make the pool project a success.

The pool packet will be available to the public on the web site, and copies for public to review will be in the Town Clerk's office and the Town Manager's office.

Robin Houseman, Cornwall Avenue, WCSU professor, resident, and swim team parent addressed the Council on the importance of the community pool as it relates to health issues for people in the community. She said there are many diseases in adults and children, including obesity, resulting from lack of exercise and activity. The Town of Cheshire supports activity and exercise with the Linear Trail, the pool, and other recreational facilities. The pool is a site for rehabilitation, exercise, and serves people of all ages. Ms. Houseman read an excerpt from a health report into the record.

Greg Han, former CHS student and swim team member addressed the Council on the value of the pool to the students who learn discipline and virtue and focus. He said his swim team experience assisted him with preparation for college. He supports a year round pool facility so other students can have the great experience he had in Cheshire.

Denise Bishop shared her story of using the pool as she trained for a triathlon, and now she uses the pool daily. She said the pool is a true asset of the community and gives the people of Cheshire a swim home.

Matt Levine, 25 Kelly Court, member of the CCP, said he represents the users of the community pool, and thanked Mr. Purtill and Mr. Wetmore for co-chairing the committee. He commented on the incredible work of the CCP chairmen and the committee members who made their recommendation of the tension membrane structure to the Council. Mr. Levine said this committee was mindful that this is a "community pool" for everyone in the community and available for use by everyone. He commented on outstanding accomplishments of the CHS swim teams, particularly the Girls Team that won its 200th consecutive meet at their community pool. These teams are a source of pride for the community. When out of town teams come to Cheshire, Mr. Levine said they are overwhelmed by the pool facility, and this facility should remain a source of pride for the community.

Mr. Levine stated that the steel tension membrane structure is an excellent solution for the Cheshire Community Pool. It can withstand snow, wind, and all types of weather elements. It is a year round pool; there is no down time; and it will be a potential for

increased revenue. He requested the Council to support the recommendation of CCP for a tension membrane structure; send the project to referendum; and people will work hard to get the project passed in November.

Chairman Slocum commented on the Town Council's important role in the community – they are elected to do what is best in the first year of the five year capital budget. The Council welcomes and takes into consideration all of the comments made at this public hearing. He urged citizens to get to fellow residents/voters to support the tension membrane structure for the community pool.

6. PROPONENTS AND OPPONENTS STATEMENTS ALTERNATELY EXPRESSED.
7. REBUTTAL AT THE DISCRETION OF THE CHAIR.
8. ADJOURNMENT

MOTION by Mr. Schrumm; seconded by Mr. Falvey.

MOVED to adjourn the public hearing at 9:10 p.m.

VOTE The motion passed unanimously by those present.

Attest:

Marilyn W. Milton, Clerk