

MINUTES OF THE CHESHIRE TOWN COUNCIL SPECIAL MEETING AND BUDGET COMMITTEE MEETING HELD ON WEDNESDAY, AUGUST 13, 2014, AT 7:00 P.M. IN ROOM 207, TOWN HALL, 84 SOUTH MAIN STREET, CHESHIRE CT 06410

Present

Timothy Slocum, Chairman; David Schrumm, Vice Chairman; Patti Flynn-Harris, Liz Linehan, Sylvia Nichols, Robert Oris, Thomas Ruocco, James Sima, Peter Talbot. Staff: Michael A. Milone, Town Manager; James Jaskot, 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. PLEDGE OF ALLEGIANCE

The group Pledged Allegiance to the Flag.

3. DISCUSSIONS RE: FISCAL YEAR 2014-2015 FIVE-YEAR CAPITAL EXPENDITURE PLAN AND ANNUAL CAPITAL EXPENDITURE BUDGET

Mr. Milone reviewed the CEP changes and items going to referendum with the Council.

Land Acquisition, \$ 1 million – Council discussed amending the amount to \$1.2 million; the majority consensus was to leave the amount at \$1 million and this item goes to referendum.

Fire Truck, CFD, \$1.2 million – The majority of the Council agreed with this item at \$1.2 million and going to referendum. Ms. Nichols stated the item should go to referendum, but questions whether it is a good purchase. Mr. Oris said yes to referendum, and yes for a competitive bid and development of specs for the truck purchase, and recommended there be a subcommittee to insure the Town gets the best economic deal with the vehicle purchase. Ms. Linehan concurred with Mr. Oris' statements regarding the fire truck purchase.

Mr. Milone noted that the Council's recommendations would be a condition of the purchase, and Chief Casner committed to hiring a consultant to develop the specs. The Council's recommendation is for a blue ribbon panel associated with this purchase. Mr. Milone's understanding is that if the truck is approved at referendum, it will come back to the Council for further discussion and consideration regarding the process to be followed for development of the bid specifications and award of the truck.

Chairman Slocum will make the appointments to this committee.

Mr. Schrumm stated there must be at least three qualified bids for the fire truck. He questioned what to do if there is only one bid, and said the committee would have to handle this issue.

For the bulky waste project, Ms. Flynn-Harris noted there was only one bid.

Stating he would not support a caveat that there has to be at least 3 bidders, Mr. Oris wants to make sure the development of the specs and process is opened up so the community gets the best deal for purchase of a fire truck. He does not want to get one high priced vehicle due to the limit of specs to one particular builder.

Ms. Flynn-Harris understands Mr. Schrumm's comment about "if there is only one bid". She said this is part of the process later on with the project going to referendum and passing. The panel/committee will make decisions. She would not put that caveat on this right now.

Mr. Schrumm voted "no" for the purchase and the fire truck going to referendum. He stated voters will never know as much as Councilors about this type of issue, and if we cannot support a project, it should not go to referendum.

The Council was informed by Mr. Milone that the fire truck would go out to referendum, and Chief Casner said he can get the cost of the truck down to \$900,000, plus \$80,000 for the equipment.

Chairman Slocum said the truck cost was \$980,000 plus \$100,000 for equipment, bringing the total amount to \$1,080,000. The gift contribution would be \$100,000.

All the equipment does not have to be purchased at one time for the truck, and Mr. Milone explained that the Chief has equipped other trucks with the gift account. The amount out there is the bare truck, and over time the equipment would be put on the truck.

It will take 9 to 10 months to build the truck, and over this course of time, Mr. Milone advised that Chief Casner will go over two fiscal years, and buy equipment. Mr. Milone said he will go to bond counsel for an opinion because when the Town gets grants and other reimbursements the gross cost is budgeted. This truck purchase should be budgeted at \$1,080,000 as this is the full cost. The referendum item can have a note stating that some of the costs will be offset by the gift account, and this is the right way to state the cost.

Mr. Oris has spoken with Chief Casner, who informed him that he is not adverse to trying to find a demo version – a truck that is already built, and get a better deal. This could eliminate the cost falling into a two year cycle.

In that case, Mr. Milone said if it falls below the cost estimate, \$100,000 will not come out of the gift account. This is something the special committee will discuss and decide.

Fire Truck, \$1,080,000, FY 2014-15 and goes to referendum.

CEP Budget Book, page 47 – The pumper was moved to year #3 of the CEP, FY 16-17, \$550,000; the ladder truck and north end fire house were removed from the five year CEP; and other equipment for the CFD is moved out a year.

Public Safety/Fire – Five Year CEP shows \$1,080 million in year #1; \$350,000 in year #2; \$550,000 in year #3; \$1.1 million in year #4; and \$650,000 in year #5.

Mr. Milone advised there would be a meeting with the Fire Department and Council to discuss and review the compensation plan, Strategic Plan, bunk room issues, dispatch system/getting accurate data on fire call responses.

CHS Cafeteria, \$3.5 million, moved to year #2, FY 15-16; this will enable the BOE to have more accurate project numbers.

Locker Rooms, \$200,000 supplemental appropriation in FY 14-15; must go to referendum because the total project cost is \$750,000; \$45,000 has been spent, leaving a balance of \$705,000 for the project.

Mr. Masciana reported that BL Companies estimated the probable cost for the locker room project at \$750,000, including a 5% contingency, \$30,000; contingency at 10% adds another \$30,000 for a total of \$60,000 contingency; and that would include \$50,000 cost of trailer rentals for housing student/athletes.

Mr. Schrumm stated there is a 38% increase in labor and parts over 3 years for this project.

Mr. Masciana said this project must go to bid to know the numbers. If it is higher and approved at referendum, and project comes in lower the money is not spent.

Mr. Oris does not support this project because the high school needs something better than this terrible locker room. And, going to referendum there must be enough money to get the project done. He would support \$250,000 going to referendum.

Mr. Sima and Mr. Schrumm supported \$200,000 as the number going to referendum.

The project numbers were clarified by Mr. Milone. \$500,000 was approved at referendum; \$50,000 approved out of the C.N.R.; and \$250,000 is being added in 2014 and going to referendum. Gross appropriation is \$800,000 for the locker room project.

CHS Locker Room Project, \$250,000, FY 14-15 - approved by the Council and this project goes to referendum.

BOE Master Plan, \$145,000. Mr. Masciana informed the Council that this is the proposal from Milone and MacBroom which was submitted to the Council for inclusion in the capital plan, at \$145,000. Whatever is approved, there would be an RFP to find a

firm to do the scope of work which includes demographics and 10 year projections. The demographic piece helps in the formulation of a master plan.

Ms. Nichols asked about the BOE looking at the trends and developing this number.

According to Mr. Masciana, projections received are based on birth rates and birth rate projections. The housing stock, age of people in houses, housing turnover, new development, expected new development are looked at, and this information will not be exact, but directional.

Chairman Slocum agreed that some consultancy is needed for future projections, and said there is some nebulous stuff in this proposal.

A question was raised by Ms. Flynn-Harris regarding the expectation to be received out of the facilities part of the study, i.e. whether existing building(s) are worth being used in the future, whether building(s) can be modified, and the expectations of the BOE.

With study results, Mr. Masciana said the BOE would know where the student population would be. There would be a look at the capacity of each school building. If the student population trends towards 6,000, there is not enough building capacity. Decisions would have to be made on which building(s) to renovate, collapse, or build new schools. If demographics show a decline in student population this information would be used to decide on consolidation of schools, or closing a school.

According to Mr. Schrumm it is difficult to project 10 years out and what will happen, and the question is doing something with a school building based on demographics.

Ms. Flynn-Harris commented on this master plan being used for other Town services, such as moving Arts Place to a larger facility or enhancing senior services.

The plan will assist in decisions going out 10 years and Mr. Masciana said there would be adjustments made based on reality. There would be a community committee for this Town wide project. He commented on looking at student enrollment, keeping class sizes to 20 or less, and lower numbers in kindergarten. Mr. Masciana explained that to do just the building portion of the study would be a cost of \$75,000.

Mr. Masciana cited the CHS Library project. This Library was built for lots of books, and with the renovation project, 20,000 older books were sold, shelves were lowered, the facility became more ADA compliant, etc. With the master facilities plan, the Town would be looking at not just buildings, but ADA compliance and modernizing classrooms.

In that regard, Mr. Schrumm requested more specificity of educational issues such as education targets, goals, class sizes, what classrooms would look like, how many classrooms there are...doing the education component first.

The Council was told by Mr. Masciana that what Mr. Schrumm as stated is exactly what the master plan will provide to the community.

Ms. Nichols commented on the BOE requesting data on meeting future needs and without the facilities assessment it cannot get where it needs to be. She asked about the study making specific changes to adapt to new educational standards, evaluation of aging buildings and their condition, making choices as to which buildings to be used to implement these changes.

In response, Mr. Masciana said the primary goal is to inform the BOE and Council on what to do with our buildings, and it is a facilities plan grounded in where education is going. There are architectural plans for all the school buildings, and updates for security measures. For the study there will be physical building walk throughs; there will not be architectural designs; and the Town will receive priority listing on the buildings. The facilities plan will provide recommendations and a priority list. With older buildings some improvements have to be made, and this should be done logically, efficiently and with some professional guidance. As this study is worked on, much will be grounded knowing there will not be enough money to make all the changes.

Ms. Flynn-Harris stated this plan is necessary due to the age of our school buildings. She said outside consultants are professionals; they look at trends; and put together the data needed to make decisions. She advised there was a beautification plan done a few years ago; not much was done with this plan; but it has been referenced over the years.

With an education planning document, Mr. Slocum said it will have more review and reference than a beautification plan. He stated \$75,000 is a manageable cost for the proposed facilities plan; it would have to be an RFP; and the report could state that our school building are inadequate. He said the CHS compliance issues will not be addressed for 10 years.

According to Mr. Ruocco, the study should focus on just the physical structure of the school buildings, and a facilities plan is a good idea.

In that regard, Ms. Nichols said we must look at the situation we have, know there are changes, and be prepared to look at facilities that will work, those that will not work, and identify where changes should be made.

Mr. Talbot stated this plan provides the BOE with a road map to make informed decisions, and future requests will be based on knowledge. He said the BOE is sensitive to the fact that someone must pay for any changes. There have been emergency things taken care of with the school buildings, i.e. new windows and roof replacement, but this is not modernizing a building.

Over the past few years there have been many changes to our school buildings, and Mr. Sima cited the CHS addition, Dodd additions, flooring, windows, etc. with minimal state reimbursement.

Development of some plan, a road map to deal with concerns based on reality has Mr. Oris' support. He said a plan is needed to begin implementation of what the Town needs, but window and roof replacement is not modernizing a building that is old and needs to be improved. Mr. Oris would like to see a focus on the front years, getting something done. He noted there are some things which need to be addressed now, and waiting will put a huge bill onto the taxpayers. Mr. Oris believes we need to give kids a better place to learn, as the aesthetics and environment in which they learn is important. He noted there is a need to bring people in who have a stake in this and know what the community can afford.

A different approach was taken by Mr. Schrumm who asked what the BOE sees with the existing demographics, their logical and recommended choices based on school size etc. This is the starting point...what will happen over the next 5 years with the number of teachers, class sizes, redistricting...and from that point start talking about a plan to be implemented sooner or later.

Following the lengthy discussion on the master plan, there was concern about whether the funding of the plan should be included in the CEP.

Mr. Talbot cited the CEP page 8, Inclusion in the Capital Plan, and read the section into the record.

Page 18, Section L, Project Planning Account, was read into the record by Mr. Milone. Some things have come in \$110,000 or above, have been accepted, and if cut lower they are legitimized going forward because they met the \$110,000 threshold when the request came in. An example is the Open Space Management Program last year, requested at \$110,000, and cut to \$50,000. The monetary limit is for control of items requested, so there are not smaller items, \$10,000 to \$15,000 items, and the CEP becoming a glorified operating budget for items that should not be in the CEP. Mr. Milone advised money can be put into the capital planning account, a request for an allocation can be made, and the Council can allocate the money.

Chairman Slocum considers this a good way to handle the BOE master plan funding request. He presumes the consultants will identify what should be in the buildings based on current standards seen in new buildings, identify deficiencies, and have a priority list. He suggested \$75,000 as a good number for the master plan.

Mr. Schrumm stated the BOE can request money from the planning account with more specificity in their plan. Then, the BOE can come back to the Council with the plan.

By putting a modernization component in the analysis, Mr. Oris said we can get the buildings to a point of 80% of a new building. He noted that a big piece of the study is

going through the buildings. If the plan is for the physical plant, then this is a capital project that belongs in the CEP, and the BOE can come up with a number that is comfortable with the Council.

Ms. Linehan believes having a facilities plan is better than nothing, with a question being the need for additional data and its importance to the facilities piece.

With \$75,000 Mr. Masciana said the building part can be done, which would bring the Town further than we are today.,

It was suggested by Mr. Oris that some of the demographic information be included by BOE staff and/or a single consultant pulling all this information together. He has concerns about an outside company developing this grandiose plan, and once it is received the Town not doing anything with it.

Mr. Milone informed the Council there are two appropriations – one is \$50,000, and another with a balance of \$36,000 – for a total of \$86,000 in the Capital Planning account.

According to Mr. Masciana a master facilities plan will include identification of where the education system is going, what the BOE wants to get out of the plan, and a protocol is followed. It will always be grounded in what the BOE and Council is looking for, and this is part of the process.

Chairman Slocum's recommendation was to bring the Capital Planning Account to \$100,000.

\$100,000 Capital Planning money can be appropriated for this purpose, and Mr. Milone said it can be designated for the master plan and be more specific.

Mr. Sima suggested \$50,000, undesignated, into the plan, and let the BOE come to the Council in the future following an RFP, and advise how much money they need.

Mr. Oris recommended another \$75,000 into the planning account, earmarking this amount for the BOE master plan, so the money does not go to any other project.

It was explained by Mr. Milone that the condition on the Capital Planning Account is that anyone would have to come back to the Council for an allocation. At this time there is no request for an allocation, but he said there could be a request from the Police Department in the future. If there is a need, the Council can appropriate more money if something comes along.

A concern was cited by Mr. Oris about the money earmarked for the BOE master plan, someone else comes forward for an allocation, and the debate starts again. It could then take a long time to implement this master plan. If the Council agrees to not change what is being discussed for support of the master plan, he is okay with it. He

does not want to put money into the account and minds are changed. The discussion tonight should be fruitful and get things somewhere.

Mr. Schrumm cited the following changes. The Council had \$150,000 in year #2 and moved it to year #3 of the CEP. He recommended \$100,000 in year #3, and \$50,000 in FY 2014-15.

Page 19 CEP Book – Mr. Milone reviewed the Capital Planning Account which has \$150,000 in FY 2015-16 and \$150,000 in FY 2017-18; this funding was moved to FY 2017-18 and FY 2018-19.

Mr. Schrumm is recommending taking the FY 2017 money (\$150,000), reduce it to \$100,000, and put the \$50,000 back into 2014-15.

There is \$86,000 in two capital planning accounts now, and Mr. Milone said they were past appropriations with balances left.

Chairman Slocum stated the BOE can find another \$25,000 in its operating budget for other areas of the master plan.

Mr. Oris stated he wants the commitment that there is money in the planning account, and is fine with the number stated.

The Council was told by Mr. Masciana that the BOE will return with an RFP, and there will be options for the demographic study as part of the RFP. The key component will be the facilities study.

When the capital budget goes into effect, Mr. Milone explained that anything under \$175,000 is immediately in effect. If an item is over \$175,000, by Town Charter, the public has 3 weeks to petition any one of the projects.

Page 106, CEP Book - CHS Storage Solution, \$260,000, moved to year #3, FY 2016-17.

CEP, Pages 57, 60, 64 – Public Works Department - The Council discussed the request for dump trucks (page 64). Mr. Schrumm stated that instead of the tandem truck, the hook lift truck with a plow and sander be considered. This provides flexibility, without adding anything to the fleet.

There is a difference in price, and Mr. Milone asked the Council to put in \$190,000 and the Town makes a decision on what to purchase with this money. For \$180,000 it is a two wheel truck, and for \$190,000 it is four wheel truck.

Mr. Sima questioned putting in \$190,000, and whether it would accommodate the full size six wheeler, 40,000 pound truck, a plow, attachment of a slide out body which will

become the sander needed to plow and sand roads. If its just a plow truck, he said it becomes a four wheel drive plow truck.

It was clarified by Mr. Oris that this will give Public Works the option of doing either a dump truck or hook truck, but the hook truck must include enough equipment to be used for plowing.

Public Works - \$190,000 appropriation, FY 2014-15, for a truck that has a plow and sander, and does everything a plow truck can do. If the truck is just a plow truck, it must be a four wheel drive plow truck.

Page 60 – Sweeper, \$185,000, year #2, FY 2015-16. From a cash flow perspective, it makes sense to purchase this truck. With the fire truck going forward for voter approval, the Council decided to push the sweeper purchase out one year.

On the CEP budget sheet, August 14, 2014, Mr. Sima discussed #12, PW Vehicles and Equipment, \$170,000, with inclusion of the new skid steer and wood chipper. If the sweeper is taken out, Public Works is still getting a significant piece of equipment. Mr. Milone stated nothing has changed from what he proposed, with the exception that the sweeper was moved into year #2 of the CEP; \$190,000 was put in for the truck, either the tandem four wheel or the truck with attachments.

Page 27 – Parks and Rec, Mason Dump Truck, \$64,100, approved for year #1 of the CEP, FY 2014-15.

Pages 30-31, Police Department Marked and Unmarked Vehicles. There are 29 vehicles in the CPD fleet, marked and unmarked cars and SUVs. Mr. Schrumm said the request would bring the fleet to 31 vehicles.

The Council briefly discussed the information given to them regarding the dead batteries on police cars. Mr. Milone stated there is another side to this and good explanation, and CPD cars are well taken care of and maintained. Ms. Linehan commented on their being a difference between battery replacement and jumping a battery, and not receiving the full story at the Council meeting.

Chairman Slocum commented on the CPD having 3 shifts with patrol cars out on each shift, and patrol cars not being used all the time. There are 10 marked vehicles, with 3 on each shift and 2 additional marked vehicles, SUVs.

Mr. Milone cited the reason why Chief Dryfe wants to add 2 cars. CPD is going from a patrol of 3 officers to 5 officers. The cars will be used more without adding to the fleet. Second and Third shift sergeants will be out of the building and on the street, because an officer is not needed in the building for 8 hours to wait for call to an incident. In addition to the police officers on the street, there will be a sergeant on the road on 2<sup>nd</sup> and 3<sup>rd</sup> shifts. There will be more vehicle activity on 2<sup>nd</sup> and 3<sup>rd</sup> shift, and 2 more cars on the road 1<sup>st</sup> shift.

According to Mr. Schrumm there will still be extra cars, and for an emergency situation, an unmarked car can be driven.

Mr. Milone said that at no time will there be a police officer without a car. At the end of the year, 3 cars will be so worn they need replacement at one time, and the idea is to overlap and overlap. He said the existing fleet could get the CPD through the next year or year and a half, but what will happen is replacement of 3 or 4 vehicles at one time. The cars start gradually breaking, and we do not want to put police officers at risk. The goal is to maintain the replacement schedule because we want cars safe before they are unsafe. CPD is building staff. There may be a way to eliminate unmarked cars as the department has 2 less captains and 2 less lieutenants that drove unmarked cars. Mr. Milone will discuss the unmarked cars issue with Chief Dryfe.

It was stated by Mr. Schrumm that the 2 new cars should not be approved, giving Mr. Milone and Chief Dryfe the chance to look at the unmarked cars in the fleet.

Mr. Sima cited the problem of not purchasing 2 new police cars this year, and the department having another year with the vehicles getting older. He noted Mr. Milone is saying buy 2 new police cars and take 2 other vehicles out.

It was recommended by Mr. Milone to eliminate the unmarked car for next year out of the CEP, but he asked the Council to not sacrifice the 2 patrol cars. He will work with Chief Dryfe to get another unmarked car out of the fleet, keeping the 2 marked cars.

\$254,000 is reduced by \$24,500 (unmarked car) to \$229,500 for CPD vehicles FY 2014-15.

Page 33 – Mr. Sima discussed purchase of a Mason Dump for \$44,886 for PW Department, and noted Parks and Rec also has this truck in the CEP. He asked if it worthwhile to have this small light Mason Dump truck.

Mr. Milone explained it is a crew leader's vehicle, and will assist with snow plowing of intersections and cul de sacs.

C.N.R. Items - #2 Technology Reserve, \$327,000, and #22, District Wide Flooring Replacement, \$225,000. These expenditures come off the bottom line. Mr. Milone explained that the total appropriation will be shown, netting out items offset by C.N.R. funds. For these two items the amount to be bonded column will show "0".

TOWN COUNCIL ACTION ON THE CEP

#7	Land Acquisition	\$1,000,000	referendum item
#9	Fire Truck	\$1,080,000	referendum item
CHS Cafeteria, changed from \$1.5 million to \$3.5 million, FY 2015-16.			
Pumper Engine moved to FY 2016-17.			
	Locker Room Project, FY 2014-15	\$ 250,000;	referendum item

#25	BOE Facilities Plan	0
	Capital Planning Account FY 2014-15	\$ 50,000
	Capital Planning Account FY 2016-17	\$ 100,000
	Storage Solutions FY 2016-17	\$ 260,000
#14	PW Trucks	\$ 190,000
#11	PW Vehicles/Equipment	\$ 170,000
#3	Vehicle/Equipment Replacement	\$ 230,000

REFERENDUM ITEMS (5)

Land Acquisition	\$1,000,000
Fire Truck	\$1,080,000
Creamery Road Bridge	\$ 850,000
Road Repavement Program	\$1,750,000
CHS Locker Room Project	\$ 250,000

TOTAL REFERENDUM ITEMS \$4,930,000

\$1,767,000 was removed from the bonded amount; +\$300,000 for CHS Locker Room Project \$250,000 and \$50,000 Capital Planning Account for the bonded amount; total of \$1,467,000 removed from the original bonding amount.

Mr. Milone and Mr. Jaskot will inform the Council how the aggregate number for debt service has changed.

The original CEP Year #1 budget appropriation was \$10,618,000; the new revised total for year #1 will be forwarded, on Friday, August 15<sup>th</sup>, to the Council along with a summary of the five year plan.

The Budget Committee will meet on Tuesday, August 19<sup>th</sup>, at 6:30 p.m. followed by a Special Meeting of the Town Council at 7:30 p.m.

4. ADJOURNMENT

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

MOVED to adjourn at 9:25 p.m.

VOTE The motion passed unanimously by those present.

Attest:

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Marilyn W. Milton, Clerk

