

MINUTES OF THE JOINT CHESHIRE TOWN COUNCIL AND BUDGET COMMITTEE MEETING HELD ON MONDAY, APRIL 2, 2018 AT 6:30 P.M. IN TOWN HALL, ROOM 207-209, 84 SOUTH MAIN STREET, CHESHIRE CT 06410.

Present

Budget Committee Members: Timothy Slocum, Chairman; Sylvia Nichols and Jeffrey Falk. Robert J. Oris, Jr. Council Chairman; Paul A. Bowman, Vice-Chairman; Patti Flynn-Harris, Peter Talbot, David Veleber.

Absent: Thomas Ruocco.

Staff: Michael A. Milone, Town Manager; James Jaskot, Finance Director; Arnett Talbot, Assistant Town Manager; Town Clerk Laura Brennan; Deputy Town Clerk Patricia King; PW Director George Noewatne; Town Engineer Walter Gancarz; Scott Hallier, Interim Supt. WWTP.

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.

Town Manager Milone informed the Council that staff will have all the requested information and data (job classifications, ED001 BOE form, population census living in apartments, condos, senior housing) from the budget presentations for the review and deliberation process. The handouts for each budget meeting will be invaluable to Councilors during the budget review.

3. PROPOSED FY 2018-2019 OPERATING BUDGET

TOWN CLERK – Pages 9 and 86; Handout page 1.

Laura Brennan, Town Clerk; Patricia King, Deputy Town Clerk

Ms. Brennan reviewed the Town Clerk's budget, stating that this budget was trimmed for all non-essential items, with reductions in many areas.

Mr. Slocum commented on the Council's meeting with the Registrars of Voters, and the interface between the Town Clerk and ROV on cost savings and expenditures.

The interaction between the two departments works well, and Ms. Brennan cited an example of the petitions for November ballot which must be checked. The ROV staff checks off to insure people are bona fide voters, and she signs off to the State. The Town Clerk's office is not involved in any of the financial filings; much of the ROV work is on-line; the election results are input by the Registrars. The interface and interaction between the two departments is streamlined and works very well.

All line items in the budget are at zero increase or have a slight increase, with expenses lowered in specific accounts. Ms. Brennan noted training/seminars/classes/program materials/office supplies all remain the same.

Page 9 – Summary – Mr. Milone stated the Town Clerk’s budget decreases by \$10,000 or 3.23%; there is a request to unfreeze a position for possible promotion of staff member.

Ms. Brennan read a statement on the status of the Town Clerk’s office, and submitted the statement for the record. The request is to unfreeze the 30 hour position and increase the hours to 35 hours per week, as this would help with consistent staffing and customer service. Regarding the 20 hour per week position, she said the department is operating without these work hours; these 20 hours are crucial for busy times in the office; and the level of activity cannot take any further staff reductions. Ms. Brennan talked about making the 20 hour position a 10 hour per week position.

It was explained by Ms. Brennan that five current full-time Town Hall employees in other departments came from part-time Town Clerk positions, as people want full time and benefits. With education and training, it takes three years for a person to be certified as a Town Clerk. For the current 30 hour position, the starting time is staggered. A current 20 hour per week department employee will be moving to a full-time position in the Public Works Department.

Page 11 – Mr. Talbot asked for clarification of the classifications for department employees.

Line Items: 5101 – Town Clerk; 5102 – Deputy Town Clerk; 5103 – two (2) Assistant Town Clerks (30 hours and 20 hours).

Ms. Brennan stated that information was correct. The 20 hour per week person is actually doing the 30 hour per week job responsibilities.

Mr. Oris talked about the 20 hour position...and this person currently working the 30 hour job. He asked if the position went to 35 hours per week, would it be comparable to the 35 hour per week PW position.

The Council was told by Ms. Brennan that the PW position is a grade up, and is 35 hours per week.

Mr. Milone clarified that the Town Clerk 35 hour position is a TH-3, and the PW position is a TH-5.

Mr. Oris asked about the department working five months without the 20 hour position, work falling behind, getting back to full staffing, and employee retention with the additional five hours per week.

With the loss of the 20 hour per week hours, Ms. Brennan noted the department is in crisis mode, work is falling behind, there is no planning or other work done, and only the work at hand is being done. Mr. Brennan has rearranged work duties so the 20 hour position is handling easier tasks, and not the more involved duties.

Stating we are in tough financial times, Mr. Oris wants to find a way to do more with less, and commented on the Town Clerk's office doing this with a lower budget this year. He talked about going to a 35 per hour week for one person, and having a 10 hour per week person...and if this would run the department appropriately.

Mr. Brennan said it would help run the department, and she can par down the budget to keep the full-time position.

Copier – The purchase of a copy machine for the office was raised by Mr. Oris, which would be paid for within a year...and asked if this will be done.

Mr. Brennan wants to purchase a copier; there is staff work involved in keeping track of the data and ledger accounts. At the present time, the copier is leased, is self-service/coin operated, and 65% of the revenue goes back to the company. The new copier could be purchased through the Town Clerk's fund. This purchase seems to be appropriate, and Mr. Oris noted the public would pay for copies (coin or credit card), with 100% of the revenue to the Town Clerk's office.

Ms. Flynn-Harris asked about other plans to be implemented that are not being followed due to staff levels.

There are many projects to be undertaken, and Ms. Brennan said the Town Clerk's fund will pay for land records, indexes and other information for computer input. This can be out-sourced and projects ready to go, and documents will be available on-line.

With regard to managing part-time help, Mr. Slocum asked about a 15 hour a week position, and how the hours would be managed.

Ms. Brennan would want the person working contiguous days, with one day off per week. In 1992 the department had three (3) people working 35 hours per week, two (2) people working 20 hours per week, and one (1) person working 15 hours per week. In 2011, the two positions of 30 hours and 20 hours were vacated.

Mr. Oris would rather keep the hours they way they are...30 hours to 35 hours per week, and reducing the 20 hour position to 15 hours per week. He supports the department request, and commented on the staff giving good customer service, dealing with important matters, and doing a good job.

Ms. King stated the sooner the hours can be increased...the better...as the busy June and summer season will be starting, and staff training must begin.

PUBLIC WORKS – Water Pollution Control Department, Public Works Department, Public Property. Pages 115 and 82; handout pages 3-14. George Noewatne, PW Director; Walter Gancarz, Town Engineer; Scott Hallier, Interim Supt. WWTP.

Mr. Milone reviewed the department budget, which has a 3.21% increase; average increase 2012 to 2016 was 1.63% or \$84,000. The salary account is driven by contractual changes; non-salary increase is mostly in snow and ice account; \$50,000 budgeted for materials/sand/salt.

Solid Waste – The function of the contract results in the increase. Solid Waste Committee met on March 29th with staff. Work has been ongoing for two years on a successor agreement for solid waste, funding arrangements, and details are in the decision package. Further discussions will take place in executive session.

Maintainer Vacancy – There is one Maintainer position vacancy, with a decision package in the handout.

Engineering Technician – This is a new position request, and the structure of this position will save money. Information is in the decision package.

Town Engineer – Walter Gancarz planned on retiring, but due to the retirement of Supt. Dievert, he will remain on staff for a few months.

\$80,000 to Rebuild a Truck – This cost is being charged to a special revenue account...Excavation Permits.

Mr. Milone said this is a tight budget, and Mr. Noewatne and Mr. Gancarz have done a good job of containing costs. The budget shows a significant reduction in consulting expenses. Last year the department took on the new storm water management initiatives (state mandated), and \$40,000 was engineering costs. Much of the out-sourced work is now done in-house.

Page 3-Automated Trash Collection – Mr. Gancarz commented on the industry trend being automated trash pickup, which reduces high labor and insurance costs. There have been discussions with A.J. Waste (town hauler) to craft an extension beneficial to the town and the vendor. There is a net savings increase of \$500,000 over seven (7) years, with more savings anticipated for the town, even with the town bearing the cost of containers at \$500,000. The fees will change over the years, and non-residential units increase each year.

Tip Fees – Mr. Milone said the tip fees are broken out of the current contract; there is no incentive for the hauler to worry about tip fees; the town has arrangements with the Wallingford facility (five towns CEO's) on protecting fees; the annual cap is a minimum of 1.75% to 3.5% maximum.

Mr. Oris commented on the automatic trash collection increasing recycling and tip fees could go down with less tonnage...and this being the expectation from staff.

Containers – At the present time there are many trash cans put out for pickup by the hauler. With automated collection, Mr. Noewatne noted one (1) 96 gallon trash container would be picked up...no other containers.

There was a brief discussion about the size of the recycling containers, 64 gallon or 96 gallon. Many people wanted the 64 gallon recycling container, and then went to the 96 gallon. Standard trash cans are 33 gallons. The savings for the seven (7) years includes the \$500,000 for these containers. The Solid Waste Committee will be meeting in executive session to discuss all the issues relative to automated trash collection.

Handout Page 4 – RWA HazWaste Disposal – Mr. Noewatne reviewed the existing program with RWA; they open 22 weekends a year and Cheshire residents can bring hazwaste to the sites; \$23,000 cost to the town for this service. There is recommendation for modification to the program through NVCOG, at an estimated cost of \$3100. The difference in the NVCOG program is lesser cost, lower level of service, three (3) collections per year at one of the COG locations (cited on the map, handout page 5). The map shows Cheshire in the middle, RWA site 15 miles from town, and towns with NVCOG towns with hazwaste collection 3 times a year.

Ms. Flynn-Harris asked if RWA has been contacted for statistics on Cheshire resident participation in their program. It has been five years since hazwaste collection has been done in town.

There are ten year projections and Mr. Noewatne said the data varies, but is in the range of 300 residents per year.

According to Mr. Milone, Cheshire could be one of the towns holding a pickup during the year through COG. A parking area with circular driveway is needed, along with easy access.

For these types of collections, Mr. Noewatne said it is a mobile pickup, with items into a dump truck; the site is not a large one; and he will check with RWA on Cheshire resident participation in their 22 weekends per year program. The COG agreement is a three year non-binding agreement, which can be broken at any time. Mr. Noewatne will submit all the information for Council consideration.

It is Mr. Milone's recommendation to change to the NVCOG hazwaste disposal program. This is not a new COG service, and Cheshire is looking at it for the first time, with an option to save money.

Page 6 Leaf Collection – Cost of this program is \$15,500 annually. About 65% of residents utilize the leaf collection or drop-off service. Savings would be from the truck rental of \$12,500; savings of personnel hours (720 hours for 3 employees for six weeks); ability of having crews to finish roads and sidewalks work. The town's program is less costly than private vendors leaf collection for residents.

Page 7 – Reorganize Engineering Department – Mr. Milone explained that Town Engineer Gancarz planned to retire on June 30th. Due to the sudden retirement of Supt. Dievert at the treatment plant, Mr. Gancarz plans to continue working on a very part-time basis. Mr. Gancarz is the link between the treatment plant and PW Department, and oversaw the construction and upgrade of the plant, bringing it in under budget. His service and role is critical to the plant and the completion of the pump station upgrades, and with a new Superintendent coming on board.

According to Mr. Milone, there would be a reduction in work hours for Town Engineer Gancarz. A professional engineer (P.E.) is required, by Town Charter, to sign off on work. The recommendation is to retain Mr. Gancarz in a limited capacity, add another position “Engineering Technician”, and reclassify two current individuals. Under this plan there will be savings generated.

FY 2018 – Engineering Department - \$225,886; FY 2019 - \$253,401;
Proposed FY 2019 (with Engineering Technician) - \$239,345.

Under the proposed plan, Mr. Gancarz would work 20 hours a month as Town Engineer, and the new position of Assistant Town Engineer would take on the additional responsibilities. The Assistant Town Engineer salary would be \$87,689; Engineering Technician/Associate Town Engineer salary would be \$71,843. The plan results in a \$14,000 savings in salaries.

The Council was informed by Mr. Milone that both Mr. Noewatne and Mr. Gancarz have saved the town thousands of dollars with the reconfiguration of the PW Department...separating the Engineering Division, and bringing in qualified and competent staff. There has been \$16M in grants; savings of \$435,000 with in-house services (not contracted out), \$285,000 in savings year after year; and quality projects.

Outside Engineering Consultant – Mr. Gancarz explained that by Town Charter, the town must have a licensed professional engineer, with annual certification, to oversee the division and sign off on plans and other documents. This person can be a town employee covered by town insurance or an outside engineering consultant. The current staff is up to the task of what must be done, but certain things, by law, must be certified by a professional engineer, i.e. MS4 plan, Mixville Dam project. The proposed plan minimizes the amount of time paid for a professional engineer, and lower level engineering staff can handle the responsibilities.

With regard to Mr. Gancarz’s salary, Mr. Bowman asked about the WPCA paying half of this expense. He cited the importance of taxpayers knowing where money is spent and the time staff spends within a department or division.

This has been discussed and Mr. Milone said it is possible. Over the years there has been recovery of Mr. Gancarz’s salary with indirect costs.

When he leaves town employment, Mr. Gancarz said the intention is to have another part-time professional engineer or contract out engineering services.

Mr. Oris commented on a succession plan dealing with an outside engineering firm/consultant, with the same number of hours as Mr. Gancarz. He also commented on the big change with Mr. Gancarz working 20 hours a month vs. 24 hours a week.

Stating that is correct, Mr. Milone noted a part-time engineer or outside firm would not require a benefit package.

Mr. Gancarz is comfortable with the people doing the engineering jobs, and said he will spread out his hours as needed.

The Council was told by Mr. Milone that Mr. Gancarz works more than 24 hours a week now, and has numerous contacts throughout the state. He can expedite information effectively, and knows who to call to provide needed information.

The duties of the Engineering Technician were explained by Mr. Gancarz. He said this person would do lots of GIS work, model work for building permit software, work on the roads program.

Regarding engineering and manholes, Mr. Bowman asked how much time is being spent doing things for the State. He also asked about the two engineers working together.

Mr. Gancarz explained that the Engineering Technician and Asst. Town Engineer will work together and separately, and have varied responsibilities.

The salaries cited in the decision package do not include benefits. Mr. Milone advised all the position benefits are built into the employee benefits part of the budget.

Page 9 – Maintainer Position – The PW Department budgets for 11 Maintainers, and currently has 10 Maintainers. This is a critical position during the winter season; the person handles 12 miles and routes for snow and ice removal; clears 12 miles of roads, each way, for total of 24 miles. Without this position there will be an impact on overtime costs, and slow down of operations. The position has been vacant since November 2017. In Spring, Summer and Fall, the Maintainers have lots of work to do in the parks, open space, road and sidewalk work, brush cutting etc. The Parks Division had five people, but PW only got four people with retirement of Kevin Simmons. Mr. Noewatne reported the new truck will be coming in June 2018, and will be out every day with a crew. This Maintainer position is critical to PW operations. He talked about the department crew having 20+ years of service, 4 to 5 weeks vacation, and the need for the 11th Maintainer for staffing.

Since the department needs more people for winter than other times of the year, Mr. Oris asked about using WPCD staff, on as needed basis.

In response, Mr. Noewatne stated the WPCD process at the treatment plant is 24/7; staff has many responsibilities; staff does the landscaping and plowing at the treatment plant; and staff is busy every day in all weather conditions.

Page 10 – Snow Plowing/Hiring Contractor to Replace Full-time PW Employee

Mr. Noewatne reviewed the data on this issue. Annual Cost of full-time PW employee is \$83,276; PW truck and employee for snow removal only is \$32,236; Contractor including truck (\$195 per hour state bid number) is \$49,652 doing same number of hours as town employee.

An outside contractor would not know the town roads and routes and take longer to complete the snow/ice work. With the full-time employee the department has the person for 12 months in the year.

With regard to hiring contractors, Ms. Flynn-Harris asked about hiring local in-town contractors who know the town roads...or hiring them to do cul de sacs or specific areas of town. This keeps the town trucks on the main roads.

This is something that could be done, but Mr. Noewatne pointed out that the town trucks are still needed on the roads. Also, many contractors do not salt or brine the roads; they just plow; so town crews would have to go out on the roads to salt; salt is more expensive than the man hours, and town crews meter out the salt.

Mr. Bowman asked how many hours of plowing in a season. He noted 254 hours of plowing for a contractor at \$49,652, and asked how many storms that would cover.

Mr. Noewatne said that is average for the last five years, 254 hours per season per truck. Town crews have some snow and ice straight time and some overtime for this work.

For the \$33,236 cost, Mr. Veleber asked if this includes time for a crews to go back out and salt...or is salting included.

When a contractor plows, Mr. Noewatne explained that the town crews must then go out and salt the roads.

Mr. Oris questioned the town not plowing roads, and how many dump trucks would be needed.

There are 14 trucks now, and without snow plowing, Mr. Noewatne said the town would probably need 10 trucks for other jobs.

Page 12 – 2018 Road Maintenance and Paving List (Mill and Overlay)

The capital account has \$1.806M for road maintenance and paving. The information is also available in the PW Department and on-line.

Rebuilding Truck - \$80,000 – Mr. Noewatne reviewed and explained the costs involved with rebuilding a truck due to the effects of salt on a double frame truck which corrodes and causes the frame to split. There have been no new large dump trucks for many years. The worst truck in the fleet has 198,000 miles, and will cost \$80,000 to rebuild.

Last year Fleet Manager Rich Kaiser rebuilt a truck (in-house labor) at a cost of \$45,000, and the outside number is about \$80,000. There is hesitancy for Mr. Kaiser and crew members to commit to 3-4 months rebuilding another truck, in-house, but over the summer the decision will be made. With the rebuilt truck it could extend its life for another five years. The older trucks could also need mechanical work, i.e. new transmission.

There will be an analysis done on the cost differential and submitted to the Council.

WPCD 5 Year Budget Analysis – Pages 131 and 80; Handout page 14.
Scott Hallier, Interim Superintendent WWTP

Mr. Milone said this is a maintenance budget except for costs of debt service. Changes in engineering services would be incorporated into this budget.

Mr. Gancarz noted 2014 budget of \$3.393M, and proposed 2019 budget of \$4.535M; increase of \$1.141M. The budget increase is the result of debt service.

Budget reductions/increases Over Five Years – Materials \$19,000; Utilities \$60,000; Contractual Services \$78,000.

Increases- Salaries +\$88,000; Benefits +\$18,000; average increase is 2.1% a year.

Page 138 (budget book) Going into this year and last year's budget, Mr. Gancarz pointed out last year at \$4.021M and this year \$4.535M; most of this increase is from debt service increase of \$523,000.

Page 131 Non-Salaries – Increase of \$500,027; WPCD has a large increase in surplus; the plan with redistribution of the proportionate share of sewer use fees to commercial users was implemented; this additional \$334,000 annual revenue also supports debt service; the DOC settlement money went into the WPCD fund.

Mr. Milone commented on the commercial sector marketing and public relations effort on the commercial user rate increases. The change was accepted by these commercial users.

Overtime - \$45,000- Supt. Hallier informed the Council that, on the weekend and holidays, there must be plant coverage to read measures per state regulations. Majority of the overtime is for emergency situations, over which there is little control.

When there is a pump station emergency call, there must be 2 or 3 people at the station for safety purposes under OSHA requirements. One person is scheduled for 2.5 hours on Saturday and Sunday; in a hazardous situation, another person is called in; all crew members are paid a stipend of \$25 weekday and \$30 per Saturday or Sunday to be on call, with a rotation schedule. This is part of the union contract.

Mr. Milone said he would put together an overtime report for the Council. He reported that Supt. Hallier is doing a good job.

Utilities – Mr. Gancarz reviewed the information, noting a \$22,000 reduction in item #53; this is a direct result of the solar at the landfill; solar panels go on 4/3/18; utilities are \$60,000 less than five years ago.

Line Item 5102 - \$10,000 adjustment to Superintendent salary account; new salary is \$108,000 (from \$118,000). This is an E-3 position; 40 hours a week; minimum salary of \$80,689; mid salary \$105,547; maximum salary \$122,405.

Mr. Milone informed the Council that the position has been posted; applications have been received; and interviews will begin shortly.

EXECUTIVE SESSION

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

MOVED to enter Executive Session at 8:46 p.m. to include Town Manager Milone, Finance Director Jaskot, Assistant Town Manager Talbot, PW Director Noewatne and Town Engineer Gancarz to discuss contract matters.

VOTE The motion passed unanimously by those present.

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

MOVED to exit Executive Session at 9:04 p.m.

VOTE The motion passed unanimously by those present.

4. **ADJOURNMENT**

MOTION by Ms. Nichols; seconded by Mr. Talbot

MOVED to adjourn the meeting at 9:04 p.m.

VOTE The motion passed unanimously by those present.

Attest:

Marilyn W. Milton, Clerk