

MINUTES OF THE SPECIAL CHESHIRE TOWN COUNCIL MEETING AND BUDGET COMMITTEE MEETING HELD ON WEDNESDAY, AUGUST 29, 2018, AT 6:30 P.M. IN ROOM 207, TOWN HALL, 84 SOUTH MAIN STREET, CHESHIRE CT 06410

Present

Robert J. Oris Jr. Chairman; Paul Bowman, Vice Chairman; Timothy Slocum, Budget Committee Chairman; Jeffrey Falk, Sylvia Nichols, Thomas Ruocco, David Veleber.

Absent: Patti Flynn-Harris and Peter Talbot.

Staff: Sean Kimball, Town Manager; Arnett Talbot, Asst. Town Manager; James Jaskot, Finance Director; Gina DeFilio, Deputy Finance Director; Vincent Masciana, Chief Operating Office, Dept. of Education.

Chairman Oris called the meeting to order at 6:30 p.m.

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. RECAP AND DISCUSSIONS RE: FISCAL YEAR 2018-2019 FIVE-YEAR CAPITAL EXPENDITURE PLAN AND ANNUAL CAPITAL EXPENDITURE BUDGET.

Town Manager Kimball distributed capital budget information as of 8/21/18 meeting for review and discussion.

Chairman Oris reviewed his recommendations for FY 2018-2019 CEP.

#11 CFD Fire Truck, \$640,000 – Mr. Oris supports leaving this fire truck in the first year of the CEP, and deferring a new pumper truck out to year #2. He said Fire Chief Casner wants to keep this new truck in the capital budget.

With regard to the Board of Education CEP expenditures, Mr. Oris said he could not support all these expenditures without a long term plan in place for modernization of the schools. He does not want to spend good money after bad. The BOE brought forward a \$400M modernization plan; taxpayers cannot afford this plan; and a sustainable plan must be done by the BOE...a Plan "B". Mr. Oris said the Council would assist the BOE. The Council has concerns about some items in the capital budget, funding them, and in future years coming to the realization the money was spent in error. There must be money spent on safety, maintenance, and ADA compliance projects.

#32 Building Management System (CHS) \$100,000 – Mr. Masciana explained this request is to replace some of the "legacy" equipment (installed 20+ years ago) in order to improve energy performance and savings. There are two (2) "micro zone controls" to be replaced. These controls communicate with the management system; they add

control for better visibility to know what is happening in the schools; there will be some energy efficiency; and this is upgrading equipment that was not in the original contract.

#33 District Lavatory Improvements \$250,000 – Mr. Masciana stated Doolittle School is the next school for lavatory improvements. The Norton lavatory project is completed. Doolittle School will be a renovated school in the district.

#34 Insulate Tunnel Steam Piping CHS \$110,000 – Mr. Masciana explained this floor area has a steam pipe underneath; it gets so hot (up to 100 degrees) that the air-conditioning must be turned on in the winter; and the insulation must be done.

#35 Unit Ventilator Replacements \$110,000 – units have been replaced in the past, and there are now three older (3) units which must be replaced at Norton School. With the replacement there will be more energy efficiency.

#39 Technology Redundant Internet Access and Bandwidth \$150,000 – This work will solve the problem of the educational network going down. Mr. Masciana said such instances do not happen often; this project could be pushed out to year #2.

#38 School Security Improvements District Wide \$1,09M – Mr. Oris stated the Town Council supports this expenditure, which has a 41% reimbursement.

#36 – Underground Oil Storage Tank Removal/Replacement \$340,000 – The removal and replacement of these tanks is a Sate DEEP requirement. \$200,000 was appropriated for Darcey School from the emergency fund. The BOE awaits DEEP confirmation on what has been done and when to start tank replacement. The total project is \$500,000. Mr. Masciana advised the tank project must be completed by the end of 2019; the State is not granting waivers to push this work out a year; and Doolittle School has natural gas within 4,000 feet of the school. Darcey tank will be a 40 year fiberglass tank, about 6,000 gallons. BOE is waiting for DEEP confirmation before getting prices on a tank, but the estimate stated is good.

#16 Sidewalk Improvement Program, \$200,000 – Mr. Oris suggested reallocation of the \$100,000 for the Lanyon Drive Sidewalk Project to the general account, and reducing this CEP item to \$100,000.

#23 Pool Ground Improvements/Enhancements \$110,000 – Mr. Oris would support \$25,000 to \$30,000 for the pool enhancements. Mr. Bowman has concerns about spending capital money for equipment which may not last a long time. Ms. Nichols agreed, and recommended \$25,000 out of C.N.R. Mr. Veleber also agreed to start with \$25,000 out of C.N.R. and questioned the rate of return on investment in pool amenities.

#22 Heat & Power Unit at Community Pool \$200,000 – This project could be under an energy performance contract, and Mr. Oris noted there is a quick payback.

Town Manager Kimball referred to his memo on the unit, and information/analysis provided by Aegis Energy Services Inc. (Diane Molokotos). The \$35,000 savings is net of the company provided maintenance.

#12 Street Light Pole Maintenance and Replacement \$200,000 – The Council briefly talked about reducing this expenditure. The number is for annual maintenance from the original purchase, and is part of an ongoing long term plan. This expenditure will be funded through C.N.R.

#21 Belt Filter Press Refurbishment WWTP \$365,000 – Mr. Oris commented on the Town expending \$32M for a treatment plant upgrade, and the recent dike upgrade and now the belt filter press.

Mr. Kimball explained that during the plant upgrade the contingency fund were used to pay for elimination of the PBC problem. There are two belt filter press units; one was refurbished during the plant upgrade; the plant is at risk if this one press unit goes down; and the 2nd press unit needs to be replaced.

Mr. Ruocco reviewed his CEP FY 2018-2019 recommendations.

#2 Technology Reserve Fund/Replacement Equipment \$210,000 – Mr. Ruocco asked about pushing this item out in the CEP.

Mr. Kimball stated this expenditure for equipment and servers replacement was vetted by the Technology Study Group and Apex Technology. This equipment has a life span of 5 to 7 years; the Town has invested \$1M for the equipment; and \$200,000 annually is needed to keep up with replacement.

Ms. Talbot informed the Council that the replacement schedule has been behind for the last two capital budgets. This expenditure would be for switches, servers, some equipment replacement...i.e. larger technology items.

#11 Fire Truck Replacement \$640,000 – Mr. Ruocco will not support this item.

#15 Road Improvement Program \$1.750M – Mr. Ruocco recommends funding at 1.5M, or even lower.

#23 Pool Grounds Improvements & Facility Enhancements \$110,000 – Mr. Ruocco will not support this funding amount. With a covered pool he is not confident the enhancements will work.

#25 Development of Chapman Property \$50,000 – this item was reduced from \$100,000. Mr. Ruocco recommends it be removed from the CEP year #1 and deferred out a year or two. He said assessments and surveys can be done internally.

Ms. Nichols said she would agree to \$25,000 for the pool enhancements.

#28 Cafeteria Renovations \$283,000 – this project includes \$156,000 for CHS refrigeration replacement (kitchen area) with some construction work involved. There is \$127,000 for Highland School freezer, which stores all supplies and commodities the district receives from the federal government. This is a more solid number; life span of the freezer is about 20 years; and this unit must be replaced.

With regard to the CHS unit and accompanying construction work, Ms. Nichols questioned this working into the larger plan for the high school cafeteria expansion. When spending this money, the project should be part of the long range plans.

Mr. Masciana will look into that issue. He said no refrigeration equipment must be replaced; the units that are failing could be replaced in a location other than where construction would be required. If it were to come to the CHS or Highland unit, Mr. Masciana stated the government freezer is of higher priority. He will research information on the cafeteria CEP items and respond to the Council.

The Council agreed to \$127,000 in CEP year #1 for the Highland School freezer, and moving \$156,000 for the CHS refrigeration unit out to year #2.

#29 Window Replacement CHS \$250,000 – this work would start with a small section of windows at CHS; the total request is \$1M; the project is being done piece meal; and these windows are original from the 1950's.

The Council was told by Mr. Kimball that there are six (6) items for referendum.

Out Years (2, 3, 4, 5) of the CEP – Mr. Slocum cited his analysis which has \$6.93M in reductions for BOE projects in out years #4 and #5. He cited \$3.85M in projects for Humiston School (code compliance, slate tile roof replacement, district wide window replacements); \$900,000 Chapman window project; \$300,000 Press Box & Elevator at CHS athletic complex; \$250,000 Chapman and CHS paving; \$900,000 Dodd window replacements; \$250,000 Dodd stage curtains & Improvements.

Mr. Veleber agreed with the recommendations from Mr. Slocum. He said the Humiston School projects must be addressed in years #4 and #5, and there are issues to be revisited with the BOE.

With these reductions in the CEP for years #4 and #5, Mr. Kimball said the bonding agencies look at the five year plan, years #4 and #5. They are guidelines and not set in stone. The modeling in the operating budget/CEP and Debt Service going forward could affect future ratings.

Mr. Jaskot commented on 10 year modeling, using reserves in the first few years, and concerns about spiking in the out years.

Chairman Oris stated agreement with removal of BOE/school items, but said there must be discussion about something coming in as replacement. This must be discussed with the bond agencies...if something comes out, something will be replacing it as a capital improvement as part of the modernization plan. He wants to hear the BOE Plan B, and commented on the failure of the Alexion deal, which he and Mr. Bowman worked on. Mr. Oris reiterated that taxpayers cannot pay for a \$400M BOE plan, and the Council will never approve it.

Stating his agreement, Mr. Bowman said the Council and BOE have looked for a solution to the middle school issues, but the arrangement did not happen. Now, we look to the future, without spending good money after bad on school facilities. The master plan must be updated and corrected; there is a need to invest in the school buildings with a common sense approach, following a long term plan. There should be focus on a particular school, spending the money, and making a difference. Mr. Bowman commented on the school system impacting Cheshire's quality of life and property values. A solution that makes sense to the Council, BOE and taxpayers is needed. He would only support the proposed cuts with a plan in place to modernize the school buildings.

Mr. Falk understands and appreciates the thought process, pushing out funding for the Humiston School Building in the CEP to years 3, 4 and 5. He questions spending money for the CHS freezer, and in three years taking it out for the cafeteria renovation project. Mr. Falk said a plan must be figured out, do the work once and do it right.

Regarding the Alexion plan, Mr. Bowman commented on a hiatus of the BOE Planning Committee, and moving forward with a plan that makes sense. He does not see much being done from reading the BOE and committee minutes. Mr. Bowman believes there must be re-establishment of Town Council and BOE meetings...and this should be on the front burner.

Ms. Nichols said the current position is reactive rather than proactive, and she agrees with more interconnection between the BOE and Council.

With regard to CHS ADA Compliance for the Press Box, \$150,000, Mr. Oris said the high school is not part of a consolidation plan, and should be included in the CEP.

Budget Committee Slocum reviewed the BOE reductions he recommends to the Council. They total \$6.9M from the BOE five-year CEP plan.

<u>Project</u>	<u>Year in CEP</u>	<u>Amount</u>
Humiston Code Compliance	5	\$2,000,000
Humiston Slate Roof Replacement	5	\$900,000
District Window Replacement (Darcey)	5	\$500,000
Humiston Window Replacement Central Office	2&4	\$450,000
Chapman Window Replacement	4	\$900,000

Chapman Paving	2	\$250,000
Dodd Window Replacements	5	\$900,000
Dodd Stage Improvements	5	\$250,000
Chapman Cafeteria	3	\$350,000

Total BOE reductions = \$6.5M

Chairman Oris stated the Council is having a difficult time allocating taxpayer dollars for projects on which good money may not be spent. The Council is “pro-education”. In a meaningful and viable way the Council wants a clear picture when looking at appropriate capital expenditures. Mr. Oris said the Council wants to insure Cheshire continues to have a top notch school system. He gets the sense that the public is uncomfortable every year with the same minimal improvements to the schools. The BOE and Council must look at a school, make a meaningful investment in that school, which shows renovation modernization, getting this school effectively new for a period of time. Mr. Oris stated the discussions between BOE and Council must start; Council is willing to be part of the process; but we cannot continue on the current path.

Mr. Masciana stated the capital budget is based on what the Dept. of Education knows, and contemplates happening with the school buildings.

Mr. Slocum extended appreciation to Mr. Masciana for the comprehensive BOE capital budget ever presented to the Council.

The following items were reviewed by Mr. Kimball and the Council.

Parking Lot Cheshire Library - \$100,000.

Fire Trucks – year #2 truck moved to year #3 (2021); the plan creates three (3) fire trucks in 2021 (2 at \$650,000 and 1 at \$500,000); the fire truck replacement \$660,000 in 2022 is moved to 2023; the truck at \$875,000 in year #5 falls off the CEP; one of the trucks in 2021 moves to 2022.

Public Works Trucks – there is a truck in each year of the CEP; 2019 equipment item of \$16,000 is moved to C.N.R. Vehicle Equipment Placement Fund, increasing the project to \$209,000; \$55,000 for truck was moved out to year #2.

Cheshire Police Department – the request is for four (4) CPD vehicles in year #1 of the CEP - two (2) marked vehicles and two (2) unmarked vehicles. The Councilors supported purchase of two marked cars, and wanted verification that these two vehicles would be patrol cars to be used in service.

Mr. Bowman reiterated his recommendation for a “lock box” for the money raised from the police cruisers on job sites...and these funds being allocated towards the CPD

vehicle purchase program. He supports deferring purchase of the two (2) unmarked cars to year #2 in the CEP, and purchase of the two (2) marked patrol cars.

Mr. Kimball informed the Council that the unmarked vehicles are used by police administration and detectives.

Page 39 CEP Budget Book – the five year plan shows the CPD request for 12 marked vehicles and 8 unmarked vehicles over the five year period.

The consensus of the Council was to defer purchase of the unmarked vehicles and purchase of the marked vehicles. Total cost is \$63,000.

Sidewalk Improvements - \$100,000

West Johnson Bridge Project - \$1.7M in year #2 of the CEP; 50% reimbursement for this project.

Automated Trash \$500,000 in year #1 – this funding is for containers; it is not a referendum item; estimated cost came in at \$485,000; this item will be separated from the capital plan.

CEP Year #1- total of \$7,498,500.

Mr. Kimball informed the Councilors that an updated summary sheet will be e-mailed by Friday, August 31st. Bond Council will prepare the resolutions for year #1. Adoption of the CEP will be held at the Council Special Meeting on Tuesday, September 4th, at 6:30 p.m. in Council Chambers.

4. ADJOURNMENT

MOTION by Mr. Veleber; seconded by Mr. Ruocco.

MOVED to adjourn the special meeting at 8:30 p.m.

VOTE The motion passed unanimously by those present.

Attest:

Marilyn W. Milton, Clerk