

**EAST HAVEN TOWN COUNCIL
PUBLIC HEARING MINUTES
TUESDAY, OCTOBER 7, 2014**

In accordance with Chapter III, Section 6 of the East Haven Town Charter, the East Haven Town Council Hearing Committee held a public hearing meeting Tuesday, October 7, 2014, at 7:00PM at the East Haven Senior Center, 91 Taylor Avenue, East Haven, CT 06512.

Chairman Anania calls the meeting to order at 7:00PM.

Item #1

Roll Call for Hearing Committee- 14 present – 1 absent (Butler III)
A quorum is present.

Item #2

To conduct Public Hearing #1 regarding “An Ordinance authorizing transfers aggregating \$122,112.00 for the East Haven Fire Department” as follows:

East Haven Fire Department

To:

| | | |
|--------------|----------|---------------------|
| 01-334-0110 | Salaries | \$95,557.00 |
| 01-334-0202 | Water | \$26,555.00 |
| TOTAL | | \$122,112.00 |

From:

| | | |
|-------------|--------------|-------------|
| 01-334-0115 | P/T Wages | \$3,469.00 |
| 01-334-0132 | Differential | \$1,854.00 |
| 01-334-0150 | Vacation | \$22,066.00 |
| 01-334-0160 | Holiday | \$22,151.00 |
| 01-334-0165 | Pres. Days | \$1,756.00 |
| 01-334-0175 | Education | \$8,000.00 |
| 01-334-0190 | O/T | \$18,191.00 |
| 01-334-0191 | Garcia | \$13,871.00 |
| 01-334-0270 | Telephone | \$418.00 |
| 01-334-0310 | Mileage | \$200.00 |
| 01-334-0350 | Prof. Dev. | \$2,876.00 |
| 01-334-0410 | Off. Equip. | \$448.00 |
| 01-334-0458 | Safe. Equip. | \$855.00 |

| | | |
|--------------|-------------|---------------------|
| 01-334-0470 | Rec. Equip. | \$500.00 |
| 01-334-0505 | Books | \$745.00 |
| 01-334-0510 | Photocopy | \$214.00 |
| 01-334-0520 | Off. Sup. | 392.00 |
| 01-334-0530 | Gas | \$3,647.00 |
| 01-334-0540 | Photo Sup. | \$500.00 |
| 01-334-0563 | Tires | \$224.00 |
| 01-334-0563 | Oil | \$829.00 |
| 01-334-0570 | Bldg. Sup. | \$380.00 |
| 01-334-0575 | Clothing | \$4,583.00 |
| 01-334-0662 | Veh. Repair | \$2,453.00 |
| 01-885-0689 | Contingency | \$11,490.00 |
| TOTAL | | \$122,112.00 |

Reason: Funds needed to close out FY 2013-2014.

No public comment.

Council comment:

- Councilman Nicholas Palladino seeks clarification as he is new to the Council. He asks if the \$122,112 is coming from this year's budget to pay off last year's over expenditure.
- Chairman Anania says no, this is moving different line items within the Department to cover it; this is from last year's budget.
- Councilman Palladino says so we are not adding any money, we are just using money from last year to cover it.
- Chairman Anania says that is correct, this is just general housekeeping that happens every year.
- Councilman Palladino says so this is all money that was originally allocated to the Fire Department for the 2013-2014 budget and this is just moving it around so that all of the bills are paid. So obviously they either over or under budgeted somewhere.
- Chairman Anania says yes and no. He states that they could have incurred other expenses and then some others they may not have needed, so they just shift it to balance.
- Councilman Joseph Badamo says evidently some of these line items have too much money in them so in the next budget we should go through it more thoroughly and cut these line items back. We just look at the budget, ask if people can live with it and then it is case closed. The \$122,000 is a big number.

- Chairman Anania said some line items are unpredictable like the salary and water account in this case. If we cut line items back we may not have the money to cover it.
- Councilman Ken McKay says that \$11,000 of it is coming out of the contingency so to be off \$111,000 in an \$84,000,000 budget is not a lot. We would have had to take it out of somewhere else to cover it anyway.
- Councilman Tony Mansi asks if it is correct if they didn't need the money in some of these line items where money is being pulled out of at the end of the year, they would have to use it or lose it. Is it given back to the Town? Something has to happen with that money.
- Finance Director Paul Rizza explains that the overall budget for the Fire Department is \$5.5 million. It's roughly \$111,000 that they are off from the predicted budget. The accounts where it came from, you have to remember that in December of 2013, The Mayor put on a freeze which generated a lot of these savings. Spending was strictly monitored, the Mayor looked at all purchase orders before they were processed which saved a lot of money. The larger accounts are salaries and water which we pay WPCA. In looking at it, you are right it would go back to the general fund. It would become part of unspent money as long as there is revenue to cover it. It becomes excess revenue over expenditures and that gets added to the fund balance at the end of the year.
- Councilman Fred Parlato states that looking at the total amount for Board of Education and the Town side, to be within 5% of that total budget is pretty good. Things come up in the course of 12 months, a lot of money has to be spent on snow removal, overtime, floods, storms, etc. Financially this is a small amount to be transferring to clean up the accounts. As long as he has been here, this has been the norm and there haven't been any great surprises. The contingency fund is like a spare tire for when things like this come up. As long as we don't go overboard on the operating budget and we don't bond more than we need. He has no problem with the amount being transferred, if there were serious flaws it would have been brought to the Council's attention before this. We get periodic print outs to see what was spent, what was budgeted and what is left in the accounts which would send up a red flag for the next budget about over/under spending. So far, he is quite pleased with what is being done; we are on the right track.
- Vice Chairman Robert Parente thanks Chief Jackson for being prudent with funding. And obviously the freeze was put on; you don't get a surplus in Town by spending what you were allocated and returning nothing back to the general fund. This is how we build up the fund balance, by asking Departments to be prudent and putting freezes on in December and holding people accountable for all expenditures. Because of what happened from December on, we do have a

fund balance and we have been building it up consecutively over the last three years and we are on the right track because of Department heads like Chief Jackson and Chief Larrabee who live within their budget.

Item #3

Adjournment of Public Hearing #1

Councilman Mckay makes a motion.

Councilman Palladino seconds the motion.

Voice vote: all in favor-none oppose-none abstain. Motion carries.

Item #4

To conduct Public Hearing #2 regarding "An Ordinance authorizing transfers aggregating \$171,799.11 for the East Haven Police Department" as follows:

East Haven Police Department

To:

| | | |
|--------------|----------------|---------------------|
| 01-332-0190 | Overtime Wages | \$146,130.50 |
| 01-332-0190 | Overtime Wages | \$25,668.61 |
| TOTAL | | \$171,799.11 |

From:

| | | |
|-------------|--------------------|-------------|
| 01-332-0110 | Regular Salaries | \$29,599.00 |
| 01-332-0115 | Part-Time Wages | \$15,699.50 |
| 01-332-0131 | Perfect Attend. | \$200.00 |
| 01-332-0132 | Shift Differential | \$8,133.00 |
| 01-332-0140 | Longevity | \$1,050.00 |
| 01-332-0160 | Holiday Pay | \$27,645.50 |
| 01-332-0175 | Education Incent. | \$5,796.50 |
| 01-332-0178 | No Smoking | \$1,605.00 |
| 01-332-0330 | Business & Travel | \$1,200.00 |
| 01-332-0350 | Prof. Dev. & Train | \$4,860.00 |
| | Office & Lab | |
| 01-332-0410 | Equip. | \$517.00 |
| | Firearms, Police | |
| 01-332-0420 | Equipment | \$2,750.00 |
| | Mechan. & Manual | |
| 01-332-0430 | Oper. Equip. | \$1,152.00 |
| 01-332-0440 | Motor Vehicles | \$6,581.50 |

| | | |
|--------------|-----------------------------------|---------------------|
| 01-332-0505 | Books/Maps/Ref. Materials | \$1,500.00 |
| 01-332-0510 | Photocopy/Printing Supplies | \$24.50 |
| 01-332-0540 | Photo & Recording Supplies | \$190.00 |
| 01-332-0561 | Vehicle Supplies & Parts | \$10,588.50 |
| 01-332-0563 | Tires & Tubes | \$2,822.00 |
| 01-332-0565 | Motor Oil, Lubricants | \$34.50 |
| 01-332-0568 | Food & Food Supplies | \$2,164.00 |
| 01-332-0570 | Building & grounds Maintenance | \$2,411.50 |
| 01-332-0578 | Mech. & First Aid Supplies | \$633.50 |
| 01-332-0590 | Training Supplies | \$5,559.50 |
| 01-332-0592 | Traffic Signs, Street Markers | \$4,047.00 |
| 01-332-0615 | Printing & Binding | \$123.50 |
| 01-332-0644 | Rental of Equipment | \$777.50 |
| 01-332-0646 | Regist. Dues & Subscription | \$686.50 |
| 01-332-0658 | Equipment Maint. Svcs. | \$89.00 |
| 01-332-0660 | Build. Maint. & Repair Svcs. | \$2,830.50 |
| 01-332-0662 | Vehicle Rep. & Maint. Serv. | \$3,953.00 |
| 01-332-0827 | SCJAC – Match | \$906.50 |
| 01-885-0689 | Contingency | \$25,668.61 |
| TOTAL | | \$171,799.11 |

Reason: Funds needed to close out FY 2013-2014.

No public comment.

Council comment:

- Councilman Joseph Santino states he has a big problem with this because a couple months back there was no money for brake pads, two front line cars were tied up for two weeks and now \$10,588 is being taken out. He asks who is pulling the wool over whose eyes when they are saying there is no money for

parts. And then tires and tubes for \$2,822 yet someone is up there taking used tires off of a car and putting them on a car with bald tires.

- Police Chief Brent Larrabee states that as far as the brake pads, he spoke on this a while back and it did take two weeks but not because there was no money. There was a delay in the purchase order coming down and going back, it was not wool over anyone's eyes. As far as the tires and tubes he is not sure what Councilman Santino is referring to. The brake pad issue was clearly an internal paperwork issue.
- Councilman Santino states that there were two cars that needed tires and since we didn't have new tires, we went out to a smashed up car and took the tires off of that car and put it on the other car so it could go back on the road.
- Councilman Larrabee says they have been taking parts off of that car for all kinds of reasons. They have rectified the problem and they bought tires in bulk and they store them in the building so it won't happen next year that we don't have any. Front line cars are kept running.
- Councilman Santino says we need parts all the time for these cars and we are taking parts off of old cars and putting them on another car.
- Chief Larrabee says yes, that is the art of what they do. That's why all of the accounts are not zeroed out. They make decisions during the fiscal year to move money from one place to another so that they cover the cost of what they are doing. That's why there are always some surpluses. For public safety purposes, nobody was at risk because of what was done with cars, tires, tubes, etc. he can assure that.
- Councilman Parlato asks if there was anything wrong with the tires that were taken off the old vehicle.
- Councilman Santino says no that's why they put them on; there was no money for new tires.
- Councilman Parlato says he rather likes that. There are times you have to make do with what you have. He says that he sees Councilman Santino's point but if the smashed up vehicle has four good tires on it, he would take those tires off and put back on the bad ones because you won't get any more money when it is junked.

Item #5

Adjournment of Public Hearing #2.

Councilman Santino makes a motion.

Councilman Palladino seconds the motion.

Voice vote: all in favor-none oppose-none abstain. Motion carries.

Item #6

To conduct Public Hearing #3 regarding “AN ORDINANCE MAKING APPROPRIATIONS FOR VARIOUS PUBLIC IMPROVEMENTS AGGREGATING \$640,000 FOR THE 2014-2015 CAPITAL BUDGET AND AUTHORIZING THE ISSUANCE OF \$640,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATIONS AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE.”

No public comment.

Council comment:

- Councilman Palladino states that he needs explanation on three things. The Board of Education, he understands we need security doors, paving he understands as well as concrete. But the environmental study, he would like to know what we are spending \$35,000 on and what this study is necessary for.
- Finance Director Paul Rizza explains that it is more than just an environmental study. When the budget was passed in April, Superintendent Bonner sat here and stated that she would be starting to look at reduction in the number of buildings being used by the Board of Education and this has progressed pretty far. Basically, once the plan has been approved by the Board, they are looking at specific properties for the expansion, reduction or change in some way/renovations. This is so we don't come up with a plan that we will put on an addition and then where we put it is not a safe place. It's for looking at those types of things as well as a whole host of things; he would call it an engineering/environmental survey.
- Councilman Palladino says as far as the Bradley Street Industrial Park, he knows we don't own it, so what is the \$40,000 for.
- Mr. Rizza says basically that is to take a closer look to see if it is feasible for us to buy it and at what price before we just jump in.
- Councilman Palladino says it's going to cost that much to do this? Mr. Rizza says that's an estimate depending on how far we go with it.
- Councilman Santino says they were told last time it came before them that it wasn't going to cost anything if the person isn't going to move in. Why are we investing this money if we don't even know if the person is going to move in?
- Mr. Rizza says if we don't have anyone coming in, we won't move forward.
- Sal Brancati, Director of Administration/Management states that there were several access questions raised on this. The company that can't be mentioned still has interest in the site but the issue with the site is that there is a difficulty getting out of Bradley Street and taking three rights to get on 95 South. This has become the issue with the development of the Bradley Street Industrial Park.

What has been suggested to him by several potential occupants was to get them out onto Frontage Road. There is only one way out onto Frontage Road which is going over a railroad track. This money needs to be used for this study, if it is feasible to build a bridge to access Frontage Road, which is the goal. If we could get them out, also with State assistance, the park becomes successful. Going north is wonderful but going south is almost near impossible unless we have tractor trailers driving through down town all day trying to make their way back to Frontage Rd. This money will be used to find out if there is a possibility of building a bridge over the railroad tracks and coming out onto Frontage Road where the old Mobil station was, that is the destination location. He adds that we are also negotiating with Town Fair Tire. In order to keep them here and help them expand they need to put an addition on Coe Ave which abuts the wetlands. The study money is being used to ensure that we don't encroach on the swamp and stay within the berm and be able to move Proto Drive and get more access for Town Fair. No commitment has been made; we need the engineering to show them that it can be done, if at all possible.

- Councilman Santino asks if there is any chance of getting sidewalks that were never put in. All of these companies did these projects and never put in sidewalks. Calabro wants to expand and nobody puts sidewalks in.
- Mr. Brancati said he will use the issue on North High Street for the sidewalks that we are applying for as an example. Part of the \$90,000 is for engineering. With North High Street, we are putting in sidewalks on a state road. When it snows, someone has to remove the snow from the sidewalks. The owners take responsibility, the state plows come by and the snow is back on the sidewalks again. These are things being discussed as far as the advantage or disadvantage of a sidewalk.
- Councilman Palladino says it is a State Road, why are we paying for something that we do not own.
- Mr. Brancati said we are discussing that with the State as far as who is responsible for taking the snow off the sidewalks. He clarifies that the State will provide the money for the sidewalks and the bike path. It is not city money doing that. The second part of that is who maintains them.
- Councilman Palladino says it is a State road and in theory the State will put in the sidewalks, but we have to do the engineering work, why? It is not our road it is their road. They should do the engineering and put in the sidewalk. We have city streets that need sidewalks and we are worrying about a State road.
- Mr. Brancati states that it is the Council of Governments that funds it; it is not directly from the State. As far as the engineering study, there is always participation on the municipality's part. If they are willing to put up \$4.5 million for the sidewalk and bike path over the length of North High Street, the city has to be

invested. They look to the city in almost all grants. In 99% of grants, there is some local participation to secure the grant application no matter what the grant is for to ensure that the State or organization will fund the design and construction.

- Councilman Palladino asks if there is a possibility that we spend \$90,000 on the survey and study and the State says they are not going to do it.
- Mr. Brancati says he already told them we will not spend one dime without a commitment of the project and knowing funds are secured. He adds that he wants to do this in phases, 1/3 at a time so the \$90,000 will not be spent all at one time.
- Councilman Santino asks about the \$20,000 for the West End, and what do we plan on doing.
- Mr. Brancati says that the public improvement portion will do sidewalks, pavers, lighting, etc. but we need to do much more on West Main Street. As a developer, it's a confusing area because there are commercial districts then four houses and another two businesses, etc. It is a very difficult stretch of property to see developed into a commercial zone because of the way it was developed long before all of us were here. First we have to do the engineering work for the public improvements and then we will work with the property owners to figure out who wants to be commercial and who wants to be residential. Eventually, if you want to see West Main Street change, it has to become a commercial zone and it's hard to tell people who have a house there, but it should be the goal.
- Councilman Santino says the businesses have come to them because at Forbes Place we stop the Christmas lights. People have asked if we could get them down by the businesses.
- Mr. Brancati said an association was legally formed for them. We are asking the State, which they did for us on Phase I and Phase II, for \$1.5 million. They are putting up a bulk of the money; we have secured \$500,000 from the Federal Government for those capital public improvements. There will be a small portion that the city may have to bond for at some point. The bigger picture is how to make west Main Street into a Commercial zone.
- Councilman Santino says according to a couple legislators in Hartford, we have \$650,000 that we never applied to get so he asks Mr. Brancati to look into that.
- Mr. Brancati says he will.
- Councilman Vincent Spaduzzi asks if phase III has already started.
- Mr. Brancati says that the survey was done by Bob Criscuolo for the West End but now he is waiting for the design and budget because he needs that to submit to DECD/State to apply for that \$1.5 million grant. He can't submit it without the survey, design work and budget.

- Councilman Spaduzzi asks if that money is guaranteed to which Mr. Brancati says no.
- Councilman McKay says for years now we have been trying to get the State to put in sidewalks from the North High Street Bridge to Hudson Street because students walk every day from the center to the Middle School. Our former Director of Administration has been working on this for years. Also the bicycle path so the people from the North end can ride their bikes to the Town beach. This is all starting to come together; it takes a long time when working with the State so it is good to see this moving forward.
- Councilman Palladino says basically \$165,000 is going to be used for engineering. Mr. Brancati says pretty much so.
- Vice Chairman Parente says that the Council should be commended on the appropriation of that number because had the previous council used a little due diligence, they wouldn't have spent \$400,000 on a piece of property for a Fire House and we know where that property sits right now. He commends the people behind the scenes here for all of their due diligence whether it is for the Town Fair site or North High Street before we spend any money like we did previously with a \$400,000 acquisition for a Fire House.
- Councilman Parlato states that regarding the Board of Education study, during the previous administration there were plans to put temporary classrooms at Overbrook School and we went out and bonded for it. Nobody did their due process to figure out that they were in a flood plain. That cost us a few dollars because we didn't spend the money ahead of time and do what we were supposed to do. He said he told the Superintendent we had to do something with the number of schools or some sort of reorganization and he would be glad to see a plan come up saying we can do it rather than finding out we can't due to environmental problems. He thinks \$35,000 for an environmental study would be well spent because he thinks we spent that for the bonding package that had to be reallocated for another project.
- Chairman Anania says that in order for us to get money, we have to spend money on things such as surveys so we know how much we will need to tell the State or so we know how much to bond.
- Mr. Brancati says that the engineering study will give us the dollar amount that we need to apply for. He can't guess the cost on things. If it turns out we can build the bridge, we can save money by using the rock from the site for the base of the bridge which would be a huge savings in the construction.
- Councilman Michael Riolino says there was a bond package for the temporary classrooms which didn't go through but the Town took that issuance and re-appropriated it and it was pretty much a net/net situation.

- Councilman Parlato says yes but the problem was we were hanging with the portable classrooms because we made an agreement with the municipality and the only reason it was net/net was because they were kind enough to take them otherwise we would have had portable classrooms and we would be paying the bond on it.
- Councilman Riolino said the other issue he has is that it's all intangible things that are being bonded. When we look back in 7 or so years when this is finally paid off, we are going to ask what this was even for because nothing is tangible. Same thing with repairs, why is a repair something that we are bonding for. It doesn't improve anything, it's not a capital improvement it just brings it to the same state it was before. A refurbished backhoe why is that being refurbished rather than getting a new backhoe. He thinks we are getting away from the point of a bond, did we not know about these in the first place, why weren't they put in the budget in the first place. What would \$640,000 equate to in a mil increase, about .25 of a mil and then on top of it there is \$41,000 in financing costs. We are really getting away from why we should bond, we are going to pay \$640,000 and then the police car will be gone by then and what will we have.
- Mr. Rizza says we will have the police cars because this will not be a 20 year note, this could be a 5 or 7 year bond. As far as the backhoe, we could throw it away, fix it and get another 8-12 years out of it or scrap it because right now the value is next to nothing because you can't use the front part. These aren't what he would call a 20 year bond. But we are using the police cars, he just saw a repair for a 2006 vehicle that we put a new transmission in and it's in good shape and it has been maintained. There are a lot of reasons behind it. He knows the cars, when the police department budget was talked about, were taken out of the budget and it was mentioned that they would be back for this with capital because we do get a long length of service out of them. As far as the mowers, in the spring every other day we had one less mower, they were breaking down. Its \$25,000 for two lawn mowers for however many acres of grass we have. Now we have enough people to mow and will have enough mowers that are working. The Fire Department needed a new vehicle, a first line vehicle. We already talked about the engineering. So its \$640,000 or \$600,000, because there is a cost to borrow, but this is a small amount and we are doing a lot of things with it. He thinks it is very worthwhile instead of going into a budget because in April they can come back and you will see that the money was spent and if they were asking for more money you can see it. This isolates them, if they were buried in a line item half the time we would never know what happened to them.
- Councilman Santino asks about the public services trucks, he asks how Mr. Rizza feels about the trucks for the snow season with our equipment. He doesn't see anything for the trucks, all he hears is that the equipment is bad.

- Chairman Anania says that he spoke with Charlie Coyle who has knowledge of the trucks and he said the trucks we have are fixable and doable. We have to spend a little money on repairs but it is going to save money. He said everything will be operational.
- Councilman Robert Sand asks about the Board of Finance's recommendation to the Council, was there a discussion of shortening the bonding time frame? Is there a greater cost for a shorter time period?
- Mr. Rizza says no, the quicker you pay it back, the interest rate is lower. What we don't want to do is bond this money; you want to run notes because you don't want to start paying off the bonds before you actually spend the money. There is no need to bond for all of the money if you only spend half of it. Probably in 18 months, we will see what money we have gone through and at that point we will bond and also take a look at the overall debt package. If it was a 5 year, the principal will be roughly \$120,000 per year and probably \$200,000 in interest because we are paying down. He will analyze where we are at that point, look at whether to pay back in 5, 6 or 7 years, look at the interest rates and then make the decision.
- Councilman Sand said the Fed. Chair said they are looking to raise the interest rates and that is going to affect everyone in the future.
- Mr. Rizza says in the real world yes, in our world no. For a municipal bond we are tax exempt so our interest rates are not affected as far as going up or down based on what the feds do with interest rates. Our return on investment back in August was slightly under 3% and it fluctuates year to year.
- Vice Chairman Parente says he feels the \$600,000 has been very well explained and he would hate to think that anyone on this Council in lieu of looking at this would rather see a mil increase for the taxpayers of East Haven, which would be totally ludicrous.
- Councilman Palladino said he felt it was ludicrous we raised it this year, we can't raise them again we just raised them 3% or so.
- Chairman Anania states that from 2008-2012 when the previous administration was in office, the bonding was \$21,277,652 for four years.

Item #7

Adjournment of Public Hearing #3.

Councilman McKay makes a motion.

Councilman Santino seconds the motion.

Voice vote: all in favor-none oppose-none abstain. Motion carries.

Item #8

Hearing Committee report to the full Town Council and recommendation of action on Public Hearings #1, #2, and #3.

Councilman Santino makes a motion.

Councilman Mckay seconds the motion.

Roll call vote: all in favor-none oppose-none abstain. Motion carries.

Item #9

Adjournment of Hearing Committee.

Councilman Mckay makes a motion.

Councilman Palladino seconds the motion.

Voice vote: all in favor-none oppose-none abstain. Motion carries.

Meeting is adjourned at 8:06PM.

Respectfully Submitted,

Danelle Feeley, Clerk, East Haven Legislative Town Council