

SPECIAL TOWN COUNCIL MEETING

DECEMBER 2, 1996

5:30 P.M.

AGENDA

1. Roll Call and Pledge of Allegiance
2. Report Out on the Information Systems Needs Assessment and Long Range Plan of the Electric Division Conducted by the Firm of McGladrey & Pullen, Certified Public Accountants and Consultants

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A special meeting of the Wallingford Town Council was held on Monday, December 2, 1996 in the Robert Earley Auditorium of the Wallingford Town Hall and called to Order by Chairman Robert F. Parisi at 5:35 P.M. All Councilors answered present to the Roll called by Town Clerk Rosemary A. Rascati with the exception of Mr. Farrell and Mr. Rys. Mayor William W. Dickinson, Jr. was also present. Comptroller Thomas A. Myers and Town Attorney Janis M. Small were not in attendance this evening. Mr. Rys was absent due to illness.

The Pledge of Allegiance was given to the Flag.

ITEM #2 Report Out on the Information Systems Needs Assessment and Long Range Plan of the Electric Division Conducted by the Firm of McGladrey & Pullen, CPA & Consultants.

Dave Gessert, Chairman of the Public Utilities Commission thanked the Council for calling this special meeting this evening to discuss this important topic.

McGladrey & Pullen (M&P) were contracted to review and evaluate the data processing system of the Electric Division as well as the needs of many other departments who utilize the system to a certain extent.

William Cominos, General Manager of the Electric Division thanked the Council for devoting the time this evening to listen to the report which has been a year in the making. He introduced Steve Robichaud, Manager, National Technology Group, McGladrey & Pullen and Tom Desrosier, Manager, New Haven Office of McGladrey & Pullen.

Mr. Robichaud stated that Larry Rusconi, Principal, New Haven Office of McGladrey & Pullen was called to Washington, D.C. on late notice and was unable to attend this evening. He stated that Mr. Rusconi was very instrumental in overseeing this project and played an integral part in compiling this study and for that he wished to recognize him.

A copy of the study is available for public viewing in the offices of the Town Clerk and Town Council as well as the Electric Division, John Street.

Mr. Robichaud & Mr. Desrosier took a few moments of the Council's time to detail McGladrey & Pullen's credentials.

A needs assessment was determined by conducting interviews with the Registrar of Voters Office; Assessor's Office; Tax Collector's

Office; Electric Division Business Office; Electric Division Data Processing Department; Water & Sewer Divisions and the Electric Division Administrative Offices.

The following is a list of M&P's recommendations/alternatives for developing a long range plan and needs assessment for the Department of Public Utilities:

1. The Department of Public Utilities (DPU) should create a single office of information systems (OIS). This OIS would be a multi-divisional support function, formed to manage and serve the overall administrative and financial information systems needs of the various divisions of the DPU.

Creating this OIS will require consolidating the operational units that currently manage the individual computer systems in the Electric Division, Electric Division Business Office and Water/Sewer Division. The evolution of all these individual data systems that currently exist has allowed independent and separate islands of technology to emerge. The information or data contained on these islands is important and valuable to everyone in the department but it is not shared nor was their original design intended to promote sharing. Currently, there are four general ledger systems, two payroll systems, two accounts payable systems, two inventory systems and two fixed asset systems used within the department.

2. M&P recommends the department consider implementing a new consolidated public utility and a separate non-public utility system. A new consolidated financial and utility billing system would be capable of meeting all the needs of both the Electric and Water/Sewer Divisions. This central system would include a single fully-integrated financial accounting system including Budgeting, General Ledger, Payroll, Accounts Payable, Accounts Receivable, Inventory, Fixed Assets, and Financial Reporting.

The Electric Division is currently processing all applications for the Assessor's Office, Tax Collector's Office and Registrar of Voter's Office. These systems should be converted or migrated to a new separate system which would run and be maintained separately from the public utility system. The Town could instead opt to outsource its tax assessment processing to an outside vendor.

3. M&P recommends the department implement a Local Area Network/Wide Area Network (LAN/WAN) based network. This will provide the communications infrastructure required for all locations to communicate among themselves and the new centralized system through the use of PC based file servers and high speed

communications.

4. It is recommended as part of the long range planning process that the DPU budget for ongoing replacement of PC technology.
5. With appropriate technical training and job restructuring, M&P believes that the current staffing levels in information systems management and operations can be maintained. They recommend that third-party contractors be used, where applicable, to minimize the need for the DPU to hire additional systems staff. After the initial 18-24 month implementation period, the department may wish to reevaluate internal staffing levels.
6. The DPU will need to make a significant commitment to training technical and end-user personnel.
7. A thorough time management and business process analysis should be performed in conjunction with the implementation of the alternative(s) of choice to maximize the use of technology investments and to increase the productivity of human resources.

M&P's overall recommendation is for the Town of Wallingford Public Utilities Department to move forward with the option of either:

1. Creating three (3) new separate systems for the Electric Division; Water/Sewer Division; Non-public Utility Departments including Assessor, Tax Collector and Registrar of Voters or
2. Creating a separate public utility and non-public utility systems (preferably)

Implementing either of the options would require the following steps:

1. Forming the new public utility department office of information systems
2. Completing a network design
3. Developing an RFP for the network and new centralized system
4. Selecting network and system vendor(s)
5. Implementing the network and centralized system

It is noted that the steps can be implemented in phases. Some portions of the phases, however, could be run in parallel to reduce time.

Mr. Knight asked if the computer system currently utilized by the Finance Department was taken into consideration with respect to its capabilities?

Mr. Robichaud responded, no.

Mr. Knight stated, we just upgraded the Finance Department's data processing capabilities to a systems 36. You did not mention an upgrade to a systems 36, am I confusing systems? Do we have a systems 36 in Water/Sewer and another in Finance?

Mr. Robichaud answered, yes.

Mr. Knight asked, what did we buy that turned out to be so attractive to the Finance Department that increased their capabilities, capacity, speed?

Mayor Dickinson responded, the system has greater capacity, it is the advanced 36. The system was ten years old, it had worked well and they wanted to stay with IBM and the current programs they had. They implemented the new system in Finance and everything runs fine.

Mr. Knight asked, would it have additional capacity that they may be able to absorb the Tax Collector and Assessor's work as well?

Mayor Dickinson answered, I don't think they could on that machine; not the reevaluation. That is a large reservoir of data that requires much different capability as far as I know.

Mr. Knight asked for an explanation of the State requirement for statistical reevaluation.

Mr. Robichaud answered, that is just a portion of the Assessor's area. Regardless of what happens with this matter, there are some things the Assessor's Office will have to do to address that matter. It depends on what the State passes or fails to pass. Currently there is a target date of 1998 for the legislation but that date has been moved up and back. One way or another it will effect the Assessor's Office. They will need to make changes to their application.

Mayor Dickinson stated, the Town is in opposition, at this point, to the statistical reevaluation. It will, in fact, cost us more money to be doing that than to perform the ten year reevaluations because of the detail that has to go into the statistical reevaluation. There are so many problems associated with it, my guess is that it may never be implemented.

Mr. Knight asked, then the assumption has to be made that the advanced system 36 is incapable of absorbing the work of these two departments?

Mayor Dickinson responded, that is correct.

Mr. Knight asked, should that not be the case, can you purchase a non-proprietary software and run it on a systems 36?

Mr. Robichaud responded, yes you can. I will note that if you look at the Registrar of Voters, Tax Collector and Assessor's Office, often times just because of the uniqueness of how you have been doing your assessments, that is not always something that you can buy off of the shelf. But on a collection site which really accepts the information from the Assessor's Department, that is a standard package that you can typically buy off of the shelf and run efficiently and not have to program and maintain internally. The voter registration systems are similar.

Mr. Knight stated, you make a note in the report that there is concern that the records are being placed on a system that is more than twenty (20) years old. Has this become a concern?

Mr. Robichaud responded, yes. The across-the-board issue is the year 2000. Dealing with the age of the software specifically for the Tax Office, there are some things that they need to do to make sure that they can address that issue. Some work has been done and an assessment has been made to address the issue.

Mr. Knight asked, in the course of your work did you make a determination as to the adequacy of the backup systems that these computers have in terms of backing up the data on a regular basis?

Mr. Robichaud responded, if you look at the interviews conducted with the various departments and the descriptions of the current systems there are backups that are done. In most cases those backups are also taken off site. It is also important to know that there are always things you can do in regards to have a disaster recovery plan. There are some procedures currently in place.

Mr. Knight asked Mr. Gessert, what is the figure that is used as the Electric Division contribution to the general Town Data Processing budget? I see a figure of \$26,800 used in this report. I seem to remember figures substantially larger than that. Is that a transfer that is made by the Town to the Electric Division for the work that is done?

Mr. Gessert answered, that is the figure reported in the study. He asked Mr. Robichaud if he verified that \$26,800?

Mr. Robichaud responded, yes.

Mr. Knight asked, how many other public utilities has your company examined in this nature with this type of strategic plan?

Mr. Robichaud responded, we are in the middle of conducting several and we are also working with CMEEC right now as a possibility of doing something for all the public utilities as a group.

Mr. Knight asked, would you say we are fairly typical?

Mr. Robichaud answered, it is fair to look at things on a national level more so than in Connecticut. Typically, what you will find is that not everyone runs an electric division, others run gas & electric, so it depends. Normally there is a structure similar to Wallingford's; there is a public utility department and there are divisions within it based on the type of services they provide whether it be gas, electric, water or sewer. Typically, what we find is that there are multiple utility billing systems but normally they are all consolidated under one financial and administrative accounting system. That is the one thing that is unique here. We normally don't see a division on the particular scale that we have detected you have, with multiple accounting systems, especially within one electric division, that is pretty rare. The accounting side of it is pretty generic across the board and you will see that normally it is a consolidated system.

Mr. Knight stated, you make mention of non-proprietary software which seems to break down to those that allow the source code and those that don't. Which do you find more prevalent or do you find both? Which is a better investment to buy, the software which will allow you to alter the source code or does that require such advanced knowledge of the software itself that it becomes dangerous to monkey with it?

Mr. Robichaud answered, some vendors do not want you to have access to their source code but most will. Even if they don't, often times they will place it in escrow, meaning that if they should become insolvent or go out of business you will have access to that source code and you can have it. Typically, what most vendors do is give you a choice, either license the software or for an additional fee you can license the source code. It is important to note that most organizations the size of the Town or the DPU, seem to be following a trend of having their data processing department get out of the programming business per se and get into the service business.

Mr. Centner asked, if we were to undertake one of these projects, where would the funding come from, the utilities' capital reserves? The Town General Fund? How will we fund this?

Mayor Dickinson answered, it would depend upon what component is serving which office. We are in the midst of reviewing this and ultimately will come back with recommendations as to what we think we should do which will include the funding. What ever would serve the Electric Division would be funded by that division; what ever serves Water/Sewer would be funded by that department; what ever serves general government should be funded by general government.

Mr. Centner asked, regarding option #3, "Status Quo" with that package and option completed, what would be the useful life, what kind of service could we expect for the Town?

Mr. Robichaud stated, you would still be running open systems, you would have new systems so that you can continue on with it.

Mr. Centner stated, you have upgraded the systems 36 to the AS400, I don't recall the other areas, and you included a LAN (Local Area Network) for the Electric Division?

Mr. Robichaud answered, yes because that is the only thing that the software would allow it to be run on so there would be a little bit of operating there in a new hardware environment that would be put in place. You may be able to get three years, maybe more, it would depend on how much capacity you would put in place to make sure you carry out far enough. There are still remaining issues with that in the fact that you still have 1970s vintage programs that are still running there. It does not remove that risk at all. If one of those elements of risk should raise its ugly head it might put a halt to what you may think would be the longevity of what you purchased. Maybe you purchased enough capacity and a newer operating system with that hardware to carry you through three years but if something should happen and you lose that source code or something through improper backup, you are in trouble.

Mr. Centner stated, there was some mention in the study of the possibility of considering outsourcing some of the operations such as payroll, in terms of computing your system capacity are we open to outsourcing, was it really addressed, was it left as a remote option?

Mr. Robichaud responded, we tried to include it in the option in Alternative 2. There are utilities out there that are doing this every day on the commercial level and they have systems that are in place. We thought, why couldn't we just have them process for us? That option was considered strongly. When we approached those sources we got a "thumbs down", "We are not interested based on your size", "It wouldn't be financially feasible for us to process for you".

Mr. Centner asked, for payroll services?

Mr. Robichaud responded, that was just for utilities. For payroll, we just stated that it (outsourcing) was an option. Based on the size of your organization I think it is a feasible option for all the alternatives.

Mr. Centner stated, that would transfer some of the risk with some of the systems when we are handling multi-payrolls. In Alternative 5 is the quote to fully install the program as well? What is your estimate as to the useful life of a system such as that one?

Mr. Robichaud answered, the cost we put together is over a five year period. We feel that you could carry yourselves for five years. You will also note that the study states that technology is always changing. If you look at the local area network (LAN) piece one of the things that we pointed out is that once you put that in place, because the technology changes so rapidly, rather than have a huge capital outlay again in five years, let's look at splitting this up into one-fifths or one-fourths and replace one-fourth of this every year and come up with some sort of plan that levels out this expenditure while putting some technology in place in a more timely fashion as we move through the process. With Alternative 5, if you buy the new systems that are available today in the open systems market they are very modular meaning that you may only need four processors and "x" amount of memory. You may want to incur the expenditure of adding a processor at a later time if you know you are going to grow. That is one of the benefits of planning.

Mr. Centner asked, what is an approximate estimate of the dollar value of the hardware that would be turned over? Is it around \$175,000 per year residual?

Mr. Robichaud answered, it is included in the cost already. You will find those figures on page 85 of the study.

Mr. Centner asked, in looking at it in a value judgment, it would mean comparing Alternative 3, "Status Quo" to any of the other alternatives. The price tag that goes with it is \$500,000 compared to \$2.2 million. What you are getting is, with one of them you are simply keeping the system operating and all of its duplication including the waste in there; with some of it there is a possibility that it can be outsourced; the remainder - it seems as though the residual on Status Quo looks about \$36,000 per year to operate this system in year 3-4 or 4-5. In looking at your suggested turning over of hardware to maintain the centralized system of \$176,000 to that, that's provided it does not crash, I am just conducting a value judgment off-hand with the two alternatives and it leaves about \$140,000 per year in terms of turning over hardware compared to maintaining the existing system that has been upgraded. I am trying to see, there was a disparity from the public utilities in terms of their contribution to

operating the processing of \$126,000 annually and we do pay \$26,000 back. Even with all that taken into consideration it still seems that this system, right now in my eyes, upgraded but left status quo would be more economical. That is my concern. I am very open to what can be outsourced and when the State does require that some data based items be carried with them, what that would relieve from our capacity. Our central system is also a big concern to me right now. Off-hand I would prefer to stay with Status Quo fully cleaned up and upgraded and see what avenues we can pursue off of that.

Mr. Robichaud commented, you can almost do a status quo with Alternative 5. Right now there is a lot of cost in there for 100 P.C.s that are not included in the Status Quo alternative. Therefore you have a big disparity right there. If you take that out of the equation and look at the two (alternatives) you will see that gap close. Yet, you can have the advantages of having a consolidated system, get rid of the repetitiveness, those sorts of things. I would advise you to look more closely at Alternative 5 and take a Status Quo approach to it.

Mr. Parisi asked, during your interview process, did you ask them what they wanted and base your proposals on that information or has your firm recommended what is needed?

Mr. Robichaud responded, we tallied up the needs and circulated the information back to the organization and asked that they be prioritized. Based on the prioritization of those needs we came up with these alternatives.

Mr. Parisi asked, did everyone know what the LAN/WAN system was?

Mr. Robichaud answered, better than half the individuals comprehended it pretty well. Others did not but knew it was some way of communicating to the new system in a way that was not happening now.

Mr. Centner stated, for me a large variable in all of the alternatives presented is, what the real potential to outsource any of our operations is and the subsequent impact to any of the listed alternatives. I would like to see whether or not that is a real possibility. Otherwise, I can only place a value judgment on the system as it is operating now even though it is inefficient, it has duplicity in there vs. elimination of all that and is cleaned up but then rolling over a portion of the hardware to keep current so as not to have a shock expense all in one year. But it still exceeds the cost to operate the inefficient system right now. I would like to see more information on how open we are to any outsourcing and its impact.

Mr. Doherty asked, are we going to be spending \$50,000 per year to replace P.C.s under Alternative 5?

Mr. Robichaud responded, that is correct. That is if you decide to implement a LAN that would have 100 workstations.

Mr. Doherty asked, would that be a budgeted item each year?

Mr. Robichaud answered, yes, rather than replacing them all at once.

Mr. Doherty pointed out that the life of the computers are five years, so the claim has been made, therefore at the end of the fifth year of purchasing them over a five year period, the hardware purchased in the first year is now obsolete. He pointed out that in several of the alternatives software is priced at approximately \$125,000 per year. Would someone be hired for that function, would it be a new position?

Mr. Robichaud responded, those costs would be to vendors to conduct the training in your departments for existing users as well as technical people on an annual basis.

Mr. Doherty asked, that would become a standardized cost too?

Mr. Robichaud answered, that number does not sound right to me, where do you find that information in the study?

Mr. Doherty stated, on page 72, Alternative 2, \$125,000 total cost.

Mr. Robichaud answered, that is the total cost over five (5) years.

Mr. Parisi stated, on page 8 the report mentions that although it was not meant to be a job study, M&P did come across considerable duplication. Am I to understand that duplication will lead perhaps to a review of the number of full time equivalent (FTE) positions needed?

Mr. Robichaud responded, yes. There were a lot of things that were being done to make transactions move from system to system based on the functionality of the systems that would be handled automatically by new systems once put in place. Some sort of time analysis study would need to be done to see what that would prove and what the resource impact would be. The costs quoted in the report are strictly for technology. One of the limitations of this particular study is that it does not get into the human resources or business process re-engineering-type functions. The Town will need to keep the business going while implementing new systems. To do that your current staff will need to maintain current systems as well as get things moved over to the new system as soon as they can. You don't have enough resources to make that leap therefore you will need to contract out for some services. You don't want to hire staff to do that for then you will have FTEs on board that you will not need on a permanent basis.

Mr. Doherty referred to page 23 of the study which states that the Water Division is in the process of possibly looking for new software to get off of the Unisys A4-FX system. He asked someone from the utilities to speak to the issue for he was concerned that the Town could be going in two different directions. Is the Water Division jumping the gun?

Raymond F. Smith, Director of Public Utilities responded, no, the Water/Sewer Divisions have been a part of this process and have been advised not to do anything until we come to a conclusion. Their system is the oldest and will need attention in the near future. They are part of this process.

Mr. Doherty next referred to page 34 of the study which states, "The loss of any one of the three critical people in the Electric Division Business Office familiar with these systems would be traumatic." He asked for an explanation.

Mr. Robichaud explained, there are three very strategic people in that area who manage that system of P.C.s that show all the open systems. They maintain a manual general ledger because they don't trust the general ledger that runs on one of those systems now; they manually intervene to get payroll information into general ledger; in order to get inventory information; to get all the systems to communicate they manually intervene in order to move diskettes and data from one system to another to make it look like an integrated accounting system. There are a lot of steps and procedures involved that are not documented but are performed from human memory and brain power as to how it is done on a daily basis. If one of those people were lost it would be very, very difficult for someone from the outside or internally from that organization to pick up that ball.

Mr. Doherty asked, will the OIS eliminate that?

Mr. Robichaud responded, the office per se will but by consolidating the systems so that integration will be automatic and you would be on one general ledger system, that would go away. That risk would be removed by the consolidation of the systems and with a new integrated system. The office, itself, would not solve that problem.

Mr. Doherty pointed out, with regards to the Alternatives (1-5), three of them are all at \$2 million, roughly. Alternative 3, Status Quo, is approximately \$500,000. With regards to Alternative 2 the study notes that you found difficulty outsourcing the utility billing systems here. Is that alternative knocked out of the picture because of that?

Mr. Robichaud answered, yes, it is. It is not a viable option. The reason we left it in the study was because someone may come back later and ask if we considered the option. This study shows that we did and it was not feasible.

Mr. Doherty asked, how will the utilities pay for this? The Electric Division has some undesignated funds in that department, would they be using those funds for the start-up cost?

Mr. Smith responded, yes, that would be a source of funds.

Mr. Doherty asked, how much is in that fund now, roughly? I will not hold you to the figure.

Mr. Smith answered, somewhere around \$8 million which includes all deposits, designated funds, monies that are already committed.

Mr. Doherty asked, would the rates of any of these utilities be effected?

Mr. Smith answered, I don't believe so, no.

Mr. Robichaud pointed out that the costs in the study are conservative and could end up being considerably less.

Mr. Gessert added, we are confusing the definition of liberal and conservative. These numbers are liberal. These are basically the maximum numbers. We know the number of P.C.s are high. That number could be reduced to 75 or 80, we are not sure until we physically interview each person and ask what function they perform and what function they need to perform. There are approximately 100 people who may or may not need to have access to this information.

Mr. Doherty pointed out that the study notes in three separate places that the Electric Division is failing to charge enough for their data processing services to the tune of \$126,000. After discovering that the utility is planning on making some changes or are they going to write that off as Town community service?

Mr. Smith answered, this is not a recent discovery, we have discussed this over years. It would always have been my preference that things are allocated properly because, in the nature of setting electric and/or water rates, that is a built-in cost. It is a hidden charge that the electric customers are paying to support the town in addition to the payment in lieu of taxes (PILOT).

Mayor Dickinson added, historically, there has not been agreement on probably even the allocation arrived at by the consultant here. It always creates discussion about what factors you weigh and how

that allocation is arrived at. There has always been disagreement over what is the appropriate formula. By going to a new system it would be easier to arrive at an acceptable formula that everyone is aware of.

Mr. Doherty stated, Alternatives 1, 4 & 5 all seem to have those three major costs that hit you as you look at them in terms of hardware, the mid-range computer at \$280,000; 100 P.C. workstations at \$500,000; and software training at \$125,000. Would you consider those three ingredients a must in all three plans?

Mr. Robichaud responded, everything but the LAN/WAN would be necessary.

Mr. Knight stated, what really intrigues me is the possibility that through the use of some advanced technology it would translate into some lower salary costs in the Town. It looks like we are doing things over and over and over again. Is there any way to quantify that? What would your approach be?

Mr. Robichaud answered, to do a time analysis study to determine what the current use of people's time is and what that redundancy equates to in true time and effort.

Mr. Gessert stated, this utility has been looking down the road for the past couple of years with regards to our entire meter reading and billing process and also the bill payment process. If you look at Town Hall today there is a whole lot of people on one end of the floor collecting electric payments and on the other end of the floor accepting tax payments. They are all sitting there taking money from town residents. Is that duplication? Wouldn't it be easier for people to go to one location to pay their electric, water and tax bills? Yes. Does it make sense to prepare for that? Yes. It does not make much sense for someone to read your electric meter once a month and another individual read your water meter once every four months. It also does not make much sense to have someone manually log your readings, carry it back to the Town Hall, place that information on someone's desk to have it entered into a computer. It is not too efficient. Does it make sense to combine the services, streamline them, make it more functional, efficient and more cost-effective to our consumers? Of course. Our goal is to get a lot of these things changed by the year 2000. The hardware and software capabilities have to be there to make that move.

Mr. Knight noted that there seem to be millions of memos crawling around the Town Hall throughout the year. Will this system replace that with E-mail?

Mr. Robichaud responded, yes. This would allow for that.

Mr. Zappala asked, if we implement the computer system how many employees would be laid off?

Mr. Robichaud responded, the only way to tell is to perform a time management study.

Mr. Centner stated, it seems as though myself and a number of my colleagues are quite concerned with a labor impact study. Is there any way we can recommend that one be done prior to us voting on the proposal?

Mayor Dickinson stated, keep in mind that we are going to have to run no matter what we come forward with. We will run a duplicate system for a period of years, at least until a new re-evaluation is set up. I don't know that it is quantifiable. It will be a lengthy process to implement this and strategic planning is important and components of it will be more important than other things. It is going to be somewhat complicated. We have some additional meetings scheduled on this issue. I would hope that by the early part of next year, at the latest, we would be able to come in recommending what, administratively, out of the consultant's report what the approach of choice is. At that point we can determine what steps we take from there on. Until we arrive at a decision regarding what alternative or combination of alternatives should be implemented, we are not in a position to do any kind of real study.

Mr. Parisi stated, some of the Council should be included in some of those meetings and the meetings be held at a time that the Council can participate so that we can move forward with administration and have a good, solid understanding of what your goals are.

Mayor Dickinson answered, I don't have any problem with people attending but I don't think it can be evening meetings. I am not going to have all the departments held over for nightly meetings on a topic such as this, I don't think it is fair to them.

Mr. Parisi asked, how many meetings do you expect to hold?

Mayor Dickinson responded, we have weekly meetings on this. It is a major effort that we are having to go through step by step. This report did not deal with a combined billing/revenue collection option either which is something that has come to light out of our discussions. That is something that will have to be factored into this.

Mr. Parisi stated, there are a lot of questions by the Council on this and they are not resolved yet.

Mayor Dickinson stated, tonight was not meant to resolve issues but to present a thorough report.

Mr. Centner stated, I don't think it is out of line for when you are proposing five alternatives for up to \$2.2 million worth of capital expenditures that a comparison in labor be done. I was expecting perhaps a timeline or milestone when a major portion of the project went under way, when you need to install your OIS manager and what ever staff they need to have. An OIS manager is an \$80,000 to \$100,000 per year position. They need assistance of some sort, that would overlap with any labor being removed at that point. That is just common milestone information. Before asking the Council whether or not they support this, I would like to know what I am up against. I would just like to know the labor impact.

Mr. Parisi stated, we can have periodic meetings such as this one. If we are going to be asked to approve this then we had better be able to have our opportunity to give our input and to hear what someone else is proposing.

Mayor Dickinson responded, I don't have any problem with that. I will be up front with you, I am looking to reduce the cost. That is a serious objective.

Mr. Parisi stated, what we are saying is that there are many ways to offset the costs. We are all trying to get to the same point.

Mayor Dickinson stated, if one of the Councilors is interested in attending the meetings, please call my office.

Discussion ensued for a short time with members of the public asking for further explanation of the study.

Philip Wright, Sr., 160 Cedar Street appreciated all the questions the Council asked on the study. He felt that the Council's concerns were valid. He reminded the Council that the \$8 million in funds down there are town funds and if not used for the computer can be used for other projects.

Trudy Brady, Data Processing Manager of the Electric Division of the Town of Wallingford stated, I along with the three members of my staff are the ones who are responsible for the three public utilities, the Town departments, F.O.I., etc. I would like to remind the Council that my office is in room #314 and I am always happy to speak with you and show you my department. This is a complex issue that requires a lot of study, thought and input. I would like to remind you that we cannot stay where we are. Coming July 1st our system will become so antiquated, outdated and small that I predict that the Town will "lock up". That is not an exaggeration. Mr. Cominos has asked that we prepare our budget next week. I am recommending that we get a new system that will

be bigger, faster and handle more things but most importantly, cheaper to run than to perform maintenance on the outdated system. You will see that request in my budget. If I can be of any assistance to any of you, please call me. I would like to serve on the Mayor's committee and be included in these meetings for the data processing future of the Town.

Mr. Parisi thanked everyone for their time and input.

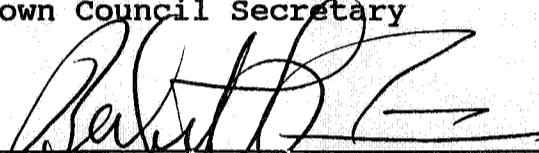
Motion was made by Mr. Doherty to Adjourn the Meeting, seconded by Mr. Centner.

There being no further business the meeting adjourned.

Meeting recorded and transcribed by:

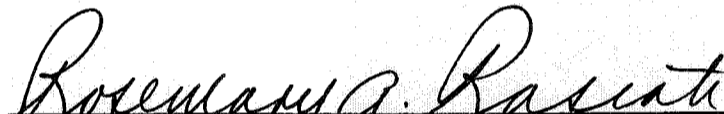
Kathryn F. Zandri
Town Council Secretary

Approved by:



Robert F. Parisi, Chairman

1-14-97
Date



Rosemary A. Rascati, Town Clerk

1-14-97
Date