

COUNCIL INFORMATION SESSION

INFORMAL MEETING

NO VOTES TAKEN

AUGUST 26, 1986

An informal meeting of the Wallingford Town Council was held on this date in Council Chambers. Answering present to the roll called by the Council Secretary were Council members Bergamini, Gessert, Killen, Polanski and Rys. The meeting began at 7:50.

Chairman Gessert began the meeting by addressing the two items which would be discussed. The first item, New State Funding for Education and the second item, Reports from the Comptroller on recent Bond Anticipation Note Sales. Chairman Gessert chose to begin with Item two, because it would be shorter.

Chairman Gessert introduced Mr. Joe Fasi, Mr. George Post and Mr. Tom Myers - Comptroller, to discuss Item Two, the recent Bond Anticipation Note Sale.

Mr. Myers began by stating on August 15th, he sent a report to all the Council Members. On August 19th, we sold Notes in the amount of \$800,000 for the 1986 - 1987 Capitol Improvement Program authorized by Ordinance, which we refer to as our Capitol Nonrecurring Fund and in the amount of \$1,700,000 for the 1986 - 1987 Electric Fund Capitol Budget. The Bids were taken, there were six Bidders, the Notes were issued and awarded at an interest rate of 4.69%. The high Bid was from Shearson Lehman & Co. at 5.10%. Of particular interest in issuing these Notes, are two factors. One, we issued the Notes for a one year term, that's the maximum amount allowable under the Statute at any one time for the term of one year term. By issuing the one year term, we're going to be crossing two Fiscal periods. That was some concern to me, when George, Joe and I set this issue forth, but the overriding weight in this decision was the impending tax law change, again. I'm sure you've all been reading the paper recently, and you know from your past meetings, we've kept you pretty much informed, to the best of our ability, we're still sitting on the brink of tax reform. We're not sure what exactly it's going to be but we know it's going to be something. It changes from day to day, week to week, hour to hour. The impact is going to be felt by Tax Free Municipals Securities Market, it will result in additional dollars, cost at the local level to pursue any project in the form of higher interest rates, rebates of income earned on investments to the Federal Government, as well as limiting who the interested purchasers, perspective purchasers, of the securities might be in the market place. It's going to narrow, there are going to be less people, supposidly, in purchasing Tax Free debt instruments

Mr. Myers continues by stating, on the positive side, the Electric Fund is operated on a crue basis, so we will account in crue, the interest expense on this one year Note for the period 86-87 through June 30th. In the Capitol Non-recurring Fund, it's going to create a reverse situation. Accounting standards don't allow us to approve the interest expense, so the money I've budgeted for 86-87, will in fact, not be expended, fall into fund balance and will have to re-appropriate it in 87-88, so we have a double clause during the year 87-88 of course again on when we renewed them. When I weighed that, I figured, and I discussed it with Joe and George, that it would be more prudent to issue the notes while we can issue them under the old law and avoid the rebate and whatever else might come out of tax reform and then handle the accounting in-house.

Chairman Killen asked if there was any awareness that we might not be able to use the interest accrued during this fiscal year at that time, or did you have to wait the outcome of the tax law.

Mr. Myers answered by saying they are awaiting the outcome of the tax law. Right now, this issue is un-obscured by the tax reforms. All the interest will belong to the town and anything we earn on it will stay with the town.

Councilman Killen added he was more worried about the impact on the taxpayer, or the fact that we were appropriating in a year where we wouldn't be using the money.

Mr. Myers said this matter concerned him also, but even though we've raised it, and will have in effect, collected those dollars, we'll reserve them, even if they are reserved in the Fund Balance.

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Councilman Polanski asked Mr. Myers if he noticed a decrease in the number of people that are bidding on our Bonds.

Mr. Myers said that only to the extent that we put this issue out for one week, which is very short notice, when we were looking for Bids. On the other hand, it's a relatively small issue on the Market Place. What we are going to try to do is combine all our issues so that we can advertise further in advance, provide more notice and attract more Bidders. The question you have here is, would a Chemical Bank, would Chase Manhattan, or City Trust bid on 2,500,000 dollars. Chances are they would not. Of particular interest, and what we have to spend some time planning, are the issues that we know that are coming forward, because that's where we're going to feel the recap, Parker Farms, Handicapped, asbestos removal and the Water Plant. We've got other issues coming up, the Robert Earley issue that the tax reform will impact as well.

Councilman Killen added: "That's why the money is so important on what we're getting for these buildings, concept may be fine but what we get for these buildings and what we might have to pay in interest if we take a smaller amount and bond the rest, makes a difference. From the very beginning, we should have the figures.

Chairman Gessert agreed with Councilman Killen on this point and asked if there were any more questions.

Chairman Gessert introduced item one and welcomed Mr. Frank Soldan, Superintendent of Schools, Mr. Inglese, Assistant Superintendent of Schools and Mr. Scott Bohinsky, Legislative Assistant to the Commissioner of Education. Chairman Gessert added, the reason we are doing this item tonight is because Mr. Bohinsky's calendar is very full and if we didn't get a chance to talk to him tonight, it might be several months before another opportunity arose.

Mr. Inglese stated, as you already know, Mr. Scott Bohinsky is the Legislative Assistant to the Commissioner of Education, and Ms. Cle Palsco, following the meeting a week or so ago in Hartford, was kind enough to collar Scott and ask him if she could sneak in and grab one of his very few days left on his schedule. He, without a doubt, is one of the most knowledgeable people in this state in reference to this Enhancement Act, especially that portion which pertains to the general minimum salary.

Mr. Bohinsky began by saying: I have said this to so many groups with so many different interests, that at least I'm confident that my message continues to be a consistent one and thank-you for the opportunity to come, and true, there have been a lot of requests for my time. Obviously, when I talk about the bill and again as I said, I have talked with various groups, from many towns in the state from down the shoreline to Waterbury, down to Fairfield County and the Northwestern part of the state, I think I have talked to a substantial amount of towns. Basically, most of the time, I have spoken to Superintendants, local Board Members, Board of Education Members, and because of the nature of this act increasingly, with Mayors, Selectmen, Town Managers, Fiscal bodies, the Chief Legislative body, like the Town Council here in Wallingford and my basic goal is two-fold, so you know what my perspective is and what my bias is as I explain to you.

Mr. Bohinsky continues: One- To increase the level of understanding on how the Bill operates, and I try to be as objective as I can about that. Two- Wearing the hat of a person from the Department of Education, to be as encouraging as I can to the people to whom I speak, to encourage them to participate in the program. To demonstrate to them that their benefits number one to their educational program and to the extent that towns throughout the state participate in the Education Program of all school districts in the state. And two that there are some financial benefits to the town to encourage them to participate and that when you judge and make a decision as to whether to participate or not, you have to be mindful of what the benefits are to participate, but also what the impact may be for each individual town if it chooses not to participate, and not to participate is clearly a choice you have. The Bill was written to give you this choice, and the first thing that must happen to participate in this program, is in every town in this state, the Fiscal Body, which in this town is the Town Council, has to take some affirmative action. It has to act and authorize the Board of Education to enter negotiations, to reopen the Contract and negotiate, if the Board then so chooses with the Union, which in every case also has an opportunity not to participate, as unlikely as that may seem, at least to me.

Mr. Bohinsky:

In terms of what Wallingford can gain basically, I will try to go through this very quickly. There are essentially three Grant Programs which Wallingford can benefit from.

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The first is a Minimum Grant Program, and this Program essentially provides you an opportunity at state expense, to increase the salaries of those Teachers earning under \$20,000 a year, to bring them up to a salary of at least \$20,000 within the next three years, counting the current year as year one. The state will pay no less than 100% of those increases, and in some cases, perhaps even more than 100% of the increases, to raise all salaries in the district to \$20,000, and if we did that, and if the law provided only that, it would be similar to maybe ten or eight states in the country that have done that, set up some voluntary mechanisms to bring all salaries to a minimum point. But, what makes this piece of legislation unique, and in my mind, clearly sets Connecticut ahead of every other state in the country, is it addresses the natural extension of increasing the minimum. That is if you increase certain people significantly at the bottom of the salary structure, you're going to have a rather significant depression of the salary structure, and so there needs to be money to address the salaries of the people earning more than that minimum, and why do we have this Bill and why do we need this Bill, why do we need to increase Teachers salaries, and the fact of the matter is that the quality of Teacher, person that we are attracting to public education is rather minimal. In fact, the Commissioner says, we're no longer attracting the best people to education, we're having difficulty attracting average students, to careers in public education. I won't go through the littyeny of documentation that I can provide you with, like SAT scores from people who mark that when they take their SAT's that they intend to go into education, that the average of combined SAT's of around 800, you know you get 400, just by putting your name on the paper.

Chairman Gessert told Mr. Bohinsky : "You are hitting very close to home".

Mr. Bohinsky: That's the fact, in fact we have all kinds of different criteria now, before someone can become a Public School Teacher. One of those hurdles, we implemented this past year and that's a test, a basic skills test for all people who want to enter a Teacher Preparation Program, not graduate from it, but enter it, in College, have to pass, if they don't have combined board skills of 1000. The overwhelming majority of students do not have a combined scores of over 1000, and through the first two administrations of that program, approximately 50% of those people, could not pass this basic skills exam. That to me, demonstrates that we are having a problem attracting people to education, and probably, the primary reason is the salary is least initially the beginning salary to attract them, and then we have a problem retaining Teachers. It looks, from most studies, that the people who tend to leave, not in all cases, but tend to be the better Teachers. So, not only do you need to increase starting salaries in order to attract a better quality of person, but then you need a salary structure, that will provide some incentive for them to remain Teachers. When the Governors Commission, which was the basis of this legislation, studied this issue, they found that Teachers salaries, compared to other professions that require similar training, that starting salaries were lower than all comperable professions, and that the salary schedules were flatter, than all comperable professions, so not only do they start lower, but over time the gap increases. That was the problem. One way to address it was to develop the Salary Program. As I said, the minimum program, whatever degree you develop the salaries up to \$20,000. the state will pay you that exact amount, over the course of 3 years. However, if and let me make a point, by using a one Teacher example. Suppose your lowest Teacher is currently earning \$17,000. In year one, you move that person to \$18,000, the state pays you \$1,000. In the second year, you move that person to \$19,000, the state then pays you, not only the second jump, but also we pay you for the first jump again. We pay you \$2,000, and then if the person goes to \$20,000 in year three, we pay you \$3,000. So over the course of 3 years, we pay you \$6,000 to do it. For each year of the program, we will continue to provide first year increases in year two. In year three, we will pay you year one's increase and year two's increase, plus the third years increase.

Chairman Gessert asked Mr. Bohinsky if he knew what percentage of our current Teacher population is under \$20,000.

Mr. Bohinsky addressed the question to Mr. Inglese, stating all people earning under \$20,000.

Mr. Inglese: I would say that would be less than 10%, we are talking about out of 450.

Chairman Gessert: We're talking about 40-45 people which would be targeted for that program. Thank-you.

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Mr. Bohinsky: There are some bonus provisions available, because as you know, when this bill was debated, one of the big issues was whether or not to mandate, that everybody had to raise the lowest salary up to the figure of \$20,000 or \$19,000. As an alternative to that, the Legislature said, "We're going to put some incentives in to encourage Council to participate, particularly the towns with the lowest salaries. So what they did was provide two bonus provisions as incentives: one of them relates to towns where the lowest salaries are under \$16,000, that does not relate to Wallingford. Wallingford's lowest salary this year will be somewhere around \$17,300. Therefore, if Wallingford agrees to move that \$17,300 salary to \$20,000 in one or two years, it will receive in the first two years of the minimum grant a 50% bonus. So, instead of moving that person to \$18,000, we move that person to \$18,500 an increase of \$1,500 you would get another \$750.00 Board of Education money. That applies for all the Teachers earning under \$20,000. Then if you move that person to \$20,000 in year two, the gap is now \$3,000, because we always go back and we give you another 50% increase, so you get \$4,500. That applies even to the Teacher who went from \$19,000 to \$20,000. Everybody under \$20,000 gets a 50% bonus in year one and year two. Then you get your regular Grant for year three which in fact is all bonus, because everybody is already above \$20,000. That's just the Minimum Program. That's the smallest program in this whole package. The state's only budgeted about 4 Million Dollars for that Program. There aren't that many people under \$20,000. However, as you head East you find a greater percentage of people in that category.

Mr. Bohinsky continues: The second Program that I began to talk about, was the Program to increase salaries of those making in excess of \$20,000. This is the piece, again that relates to retaining some Teachers. Saying to our College Students that you can not only get a good starting salary in Public Education, but you can make a decent salary throughout your career, How this program works, is in the statute, it lists, by town, by school districts I should say, which in this case is the Town of Wallingford, the maximum amount the state will pay in each of the three years. To increase salaries of people earning more than \$20,000, and in Wallingford's case, it is a substantial amount of money. The first year it's in excess of \$520,000, in excess of a half a million dollars, and every succeeding year, it increases by approximately a half a million dollars. So you go from \$520,000 to \$1,042,000 in year two and \$1,062,000 in year three. So we are talking about 3.1 million dollars eligible to receive. How do you receive the money? It's earmarked to receive this money, you have to increase the salaries of those Teachers earning more \$20,000 by that amount

Councilwoman Bergamini: You keep saying the state will pay back, what have they done to enable us to get these payments, remembering that we have had problems collecting from the state from the year one.

Mr. Bohinsky stated that he will be addressing that issue later on. First of all how do you get the money and then we'll talk about when will the state make payments. In the Legislature, it tells you a deadline, when the state must make a payment. It depends on when you make an application.

Let's deal with year one, 86-87, and I am aware that Wallingford has a three year contract already. But as you know, every district has a Contract for 86-87, and the intent of the Program, is to increase the salaries above the amount that the towns would have increased salaries because, remember it is not a case of state money supplanting local money. It's to supplement local money. Because, the message that we want to send out to the public is that you can make a decent wage in Public Education and that good people who have moved to other professions, because they thought they could not make it in a Public Education, now can re-think that. So, to do that, you have to raise the whole plateau level of salaries across the state to send that message out. And so, Wallingford has \$520,000 for eligibility. If you decide to reopen the Contract and negotiate increases of an amount under \$520,000, let's say \$300,000 worth of changes, the state will pay Wallingford \$300,000, the additional \$220,000 stays in the states pocket. There is no tension between money going to the town vs. money going to the Teachers. That was done intentionally. So here is the money, you can take any of it or all of it, depending on what commitments you make to increase salaries, anything you don't use stays in the states pocket.

Councilman Killen: Why do you say that doesn't cause any tension?

Mr. Bohinsky: Well, there's no direct tension between, well if we keep the amount we pay the Teachers down, then the town would get the rest.

Councilman Killen: In that way, but the town is also being obligated to the Teachers. If they have any brains they are going to say, you have an opportunity to take the half a million dollars, and we know you are looking ahead saying, it's only for three years, you might have to pay more later, we could appreciate that, but you still have the opportunity. There is tension, and I can see both sides of the coin.

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Mr. Bohinsky: I'm not saying that there is no tension, what I am saying is this mechanism doesn't in itself, create any tension between the town saying it would be our money if we didn't have to give it to the Teachers. Just in that limited way.

Councilman Killen: You're still saying to us, either give it to them, or don't give it to them at all. It falls on our shoulders, to make the decision. We're going to be the bad guys, we can't win unless we give them 100%. If they have any brains at all, that's what they are going to ask for. We're going to be the fall guys. You don't have to be a brain to figure that one out.

Mr. Bohinsky: Absolutely, but you can't have someone saying to you, let's give a small piece to the Teachers, so that the town could benefit from the rest of the money.

Councilman Killen: I can understand that aspect of it.

Mr. Bohinsky: If you increase salaries beyond \$520,000, we'll never pay you more than that amount. The intent is not to cause any additional tax burden on the town. The state is saying, we'll make the increase. The way the \$520,000 figure was derived, is basically looking at current salary structures in every town, looking at the relative wealth of their community, and setting some money aside as an inducement, which I will talk about in a moment. The remaining amount is set aside for salaries, and that's the \$520,000. Again, that money increases. The base is always the Contract for 86-87, that was negotiated prior to July 1. Each year's subsequent Grant plays off that. Always compare what the total salary account is, compared to what it is after it is re-opened. The state wants to get the money out, and it's done so that hopefully towns take full advantage of all the money.

Chairman Gessert: Let me ask you, what happens after three years.

Mr. Bohinsky noted that was a very important question, which is a major concern for all communities, and it will be covered shortly.

Mr. Bohinsky continues: The third part of the Program is General Aid. General Education Aid. Much in the same way as General Education Grants. This is the same type of money. A certain amount is set aside for the community. It essentially reflects a certain percentage of what your town pays in total salaries. For the town of Wallingford in year one it's about \$223,000, and in year two and three it increases by that same amount. So in the year two, it's \$446,000 and in the year three it's \$669,000 or about 1.3 million dollars over the course of three years. How do you get the General Aid money? You get all of that money, if you do two things.

1. You participate in the Minimum Program. If you do that and you re-open your Contract, for the people making more than \$20,000, then you get the full General Aid amount. It is a provision in here to allow you to get half the General Aid amount, and that is if you only participate in the Minimum Program or only deal with people making more than \$20,000, which is plenty, but there is no reason to do that.

Chairman Gessert: Is there any specific designation on the General Aid that also specifies that it goes to salaries?

Mr. Bohinsky: No, the Minimum Grant and the Teachers salary range, goes to the Board of Education's Account. The General Aid goes to the town. You can spend it on whatever priority you have. It could be education, we'd be very pleased if you decided there were other educational purposes, however, it can be used for Tax Relief, it can be used for filling pot holes, it can be used for new Fire Engines, any municipal priority. Again, the Fiscal Authority, in this case, the Town Council must grant authority to the Board to re-open the Contract. The Board cannot move until that happens.

Mr. Inglese: I have a question. I understood from what you just said before, that half the General Aid can be obtained by participating in the

Minimum or for the other, say the Salary portion which is the opener, the Enhancement portion. But on August 13th, at the Lincoln Theater, I thought I clearly heard you say that it was necessary to participate in the Minimum in order to get the salary.

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Mr. Bohinsky: In order to get the salary range \$520,000 you must be participating in the Minimum Program. The Minimum is the key. Again, it is voluntary, but any subsequent Grants will always be contingent upon your participating in the Minimum, and that was done, speaking from a Legislative standpoint, because they decided to make a Minimum voluntary. Therefore, they tried to put as many carrots that they could, as Bob Jenko, the Majority Leader said, the carrot's so big, it's a club. To get half your General Aid, if you are only willing to accept that, then you must participate in the Minimum or re-open a Contract to participate in the Salary. The or does not make any sense, because I would think the town would never re-open a Contract to only participate in the Salary, meaning people making more than \$20,000, because you would not be eligible for a Grant. So in my mind, some Legislators didn't think through the process when they put that in and it was a throw away. The town would not be wise to do that because, they could create some potential liabilities for themselves.

Chairman Gessert: You can do A or B, but it would not be logical to do B only.

Mr. Bohinsky: You can do A only, and then you would be sure the state would cover all of the increased salary costs. But if you only did B, you would be paying for it with tax increases.

Mr. Inglese: You have to participate in both to get the General Aid, which is 100%. You can get Salary only by participating in Minimum.

Councilman Killen: The word "voluntary" is the most misleading part of all of it. They took the money from us in the first place, now they are saying to you, you can have your money back again under our terms. Someone else saying that is saying "Give it to me" with a gun at your head. Now they are saying it's voluntary, otherwise, I'll blow your brains out. They have a funny sense of humor up there.

Mr. Bohinsky: The choices they had, what they might have done with the money, if they hadn't put it into the Education. There obviously are a number of alternatives, you could reduce the state debt with it, put it into the rainy day fund.

Councilman Killen: They might try a voluntary program that I would recommend, that anyone aspiring to go to Hartford, would have to first serve on the Legislature somewhere, or in his home town, put some money towards that, then they might find out how we tic down here, then we would all be hitting on the same level at some time or another.

Chairman Gessert: If you can get that one passed, then you can walk on water.

Cle Palsco (Board of Education) : I'm sure Scott will get to this but, one of the things that impressed me the most from this Workshop that we went to a few weeks ago, was that in order to get any of this money Wallingford must decide to speak in year one, year one is the absolute key, to getting a three year program.

Mr. Brohinsky: To participate in the Minimum Program, you must participate in 86-87 and you must re-open this contract and you must move in order to participate in the Minimum. You must move the lowest paid Teacher, 1/3 the distance, at least 1/3 the distance between what that person is making and \$20,000. That \$17,300 is a difference of \$2,700, you've got to increase that person no less than \$900.00 as a minimum. So if you want to take advantage of the Bonus, you have to be at \$20,000 within two years. If you do not participate in 86-87, you're out of the program. As you know, if you don't play the minimum game you are out of the program completely.

Chairman Gessert: If you like these funds and you say O.K., nice goal, I'm interested in doing it, especially getting into it for the new Teachers. Let's say the Board says, We're going to increase all our Teachers under \$20,000 by \$2,000 and we are going to increase all those above \$20,000 by \$1,000 a year.

Mr. Brohinsky: If the Fiscal Authority grants it's approval, to re-open that Contract, then the next step is if the Board and the Union must each agree over that Contract, Both sides must agree. Once it's opened we fall

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under the Teaching Negotiation Act. When you talk about the minimum, under the law, it says all you discuss is the Minimum Salary, increasing the minimum salary. If the parties voluntary want to talk about conditions of employment or other salaries, they can do it, but they are not required to. In addition, if the parties agree, to waive binding arbitration, they could waive binding arbitration. When you open the Contract, for purposes of negotiating increases for people earning more than the minimum automatically, salary and conditions of employment are on the table. The parties can limit if and the Union only wants to talk about money. But we fought hard for an opportunity for Boards which chose to argue for other things, if they wanted to increase the work year, for instance, and pay the Teachers appropriately, they could do that. If they wanted to get some things back that they may have given away, some perogatives, in lieu of giving money in prior years, this was an opportunity to put those issues on the table.

Mr. Brohinsky continues: From our standpoint, we fought hard for the Boards to have that opportunity. If they don't want it, thats fine, many Boards don't. In addition, if the parties mutually agree to waive bonding arbitration they could do that.

Cle Palsco: Once we open that Contract, we are under binding arbitration. Which would mean, for this year negotiations should begin by early October, by January we would be in mediation.

Mr. Inglese: The answer to binding arbitration last year came in March, because we were talking about language items besides dollar items.

Chairman Gessert: If we go full process and walk back into the quicksand of labor negotiations and binding arbitrations and mediation and all the rest of that stuff, we could be finally finding out what the agreement is next March. Is that right?

Mr. Brohinsky: That's very possible. It will be in all cases retroactive. The payment will cover the full salary increase retroactive to the beginning of the school year. All Teachers and negotiations, if they are not aware of it already, will not get the payment until the earliest payment the state will make is February 15th. There are three different application dates, depending on when you reach settlement, no matter whether it's arbitrary settlement or non-arbitrary settlement. An application is submitted to us on or before November 30th. We will pay you on or before February 15th. If the application is submitted on or before March 30th, we will pay you in May, and the last date to submit an application is April 30th, in which case you get paid June 15th. Payment from the state goes out in one payment. Obviously, it's an incentive to reach the settlement without going into arbitration. It's in the Teachers interest so they can get the money sooner. In every case, there will always be a retroactive payment for the first of the year.

Chairman Gessert: Are there any limitations that you can put on it, say you reach an agreement on this particular thing, which you can limit to discussion of the wages and you don't have to get into who gets a state Holiday because they are great friends, and all the rest of that stuff that ends up in a Contract.

Mr. Brohinsky: My sense is that if the Board is only willing to talk about wages, you will hear not a utter from you. In fact, the Union was very unhappy that we put other conditions of employment into this bill. We put it in again, to give the Boards an opportunity to get things they couldn't have received otherwise, like pay for a longer work year for Teachers, or get some sick day policies, whatever, that they may have given in lieu of increases over the past years. If the Board only wants to talk about money, you will get no arguement from me. I don't think an Arbitrator would ever issue an award that will give more money to Teachers and additional benefits. We have met with the Arbitrators and Mediators who have said this.

Councilman Killen: The decision starts with us but, after that we have no say as to whether the entire package will be opened. It will be the Board that will make the decision.

Mr. Brohinsky: It follows the same procedures. Normally, the Board should be able to provide some general paramiters and guidance to the Board of Education, as the Board of Education enters negotiations. The Board of Education is responsible in negotiating good faith with the Union.

Councilman Killen: That's the point, unhappily as it may seem we are natural adversaries at budget time. We are doing the same thing here. We may to open this particular packet of worms for the dollars here, but no more than the dollars, but we are going to have no say in that. So

we either have to open it for the dollars and from that point on, we have to trust and have good faith in the Board of Education that they will see it our way. There are loopholes in this thing, I don't care how carefully it was thought out up there.

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Cle Palsco: Burt, I would just like to remind you that we just finished almost a year long process of negotiating a three year Contract and the Board has not taken a stand specifically on this point, but we did deal with a great many language issues in the past and it seems to me that we would certainly be concentrating on the salary part of the package.

Chairman Gessert: I am tired of seeing Board Members spend 90% of their time on this damn negotiation process and I don't want to condemn the process, but I would like to lock two people in a room and say, :You've got 48 hrs. to come out with an agreement, so that you can spend the rest of your time looking at the other things that have an impact on education like curriculum. It scares me that we are going to start a waltz that is going to end up next March, and you are going to have to spend a lot of time with the Board Members, sitting there going through night after night of negotiations.

Mr. Inglese: Dave, that's essentially what would happen here. In fact I don't think, based on the discussions with the Board, they have no intention at this point, that I know of, using a Negotiator to discuss distribution of dollars. And I think that's what it really amounts to.

Chairman Gessert: I'd like to lock them in a room and tell them they have 12 hours to come to an agreement, if you can't come to an agreement, we tell the state to keep the money, because we have other things to do. So, If you are not interested in coming to an agreement and you can't solve it then just keep the way we are and we'll be out of it. Let's start something, put it to bed and get on with running the system. The fear of sitting here with binding arbitration, I don't want that.

Cle Palsco: My assumption is that we would be dealing with the Enhancement salary portions of this. I can't guarantee there would be no other language items, but the vast majority of the items will center on this.

Mr. Brohinsky: Any condition of employment that anybody wants to put on the table is negotiable. Nobody puts a condition of employment on the table and I don't think you will see the union put it on, if the Board chooses not to, and all you are going to be talking about is salary.

Chairman Gessert: If the Union is represented, and not here at this table how long do you think it would take to hammer out an agreement if all you were talking about was salary? What if this Council authorized going ahead

Chairman Gessert continues: with this program in a September meeting and we gave people 30 days to come to an agreement. If they hadn't come to an agreement, then forget it. Can we put that type of limitation on a Board or not?

Mr. Brohinsky: I don't think you can force them to do that. There's some question of debate as to how limiting can the Board of Finance, the Fiscal Authorizes which the statute calls in this case is Town Council. How limiting can that Council be. I think you have to allow the Board to negotiate in good faith.

Chairman Gessert: How can we control the snowball, once we create it. I don't mean control, because I don't want to sit there and pull strings, but how do we prevent sitting here tying up Roberta, Cle, Jim and everybody else for the next nine months.

Roberta Shaw comments: I think my perspective would weigh that this is different than sitting down here a year ago this time, was that we already have the parameters here. Basically, you know what the bottom line is and you are talking about salary distribution, it's not the back and forth in terms of percentages, and you don't know what those percentages or the distribution is going to be. You know what the bottom line is going to be, if it's \$520,000.00 then it's \$520,000.00 and you're talking about distribution. There are still certain parameters on the thing that are quite different than when we sit down and start from scratch negotiating the whole Contract.

Chairman Gessert asked if this is something that could be settled in a short amount of time?

Roberta Shaw answered yes to Chairman Gessert's question.

Chairman Gessert: The purpose of the program is to address the problem that everybody says they are concerned about. If everybody says they are concerned about solving the problem, then I would say in all your debating in how to solve it, and how quickly you solve it, the solution is money. The question is how much and how quick.

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Councilman Polanski: I think the faster they settle it the faster the money goes to the people involved. That's going to be an incentive on their part.

Councilman Rys: The third part of this General Aid money you're talking about, \$223,000.00 increase in money to the town in the first year and then increases by that same amount over three years, which means in the second year it's \$446,000.00. That money will not be given to us unless we meet criteria one and two. If they were so concerned why didn't they just say, you should deal with number one and two, instead of throwing that third thing in there and saying here's a few extra hundred thousand dollars in there. It doesn't seem like the concerns there.

Mr. Brohinsky: Let me just say, one of the big debating issues before the General Assembly this year was whether to target the money or whether to just give substantial amounts of General Aid to communities and let them decide, the local level, how to spend the money. If they felt Teachers salaries were a problem, then they would be wise to put it into Teachers salaries. That was one of the big debates.

Councilman Rys added: Teachers salaries are a problem, you have custodian people out there making \$21,000 a year and an individual who is suppose to be educating our children are out there making less than \$20,000.00. That's a problem, there's no doubt about that. But I don't like that third part of the program.

Mr. Brohinsky: This was compromise piece of legislation and it doesn't all fit together as a neat package.

Councilwoman Bergamini: You said that if we excelerated Minimum, there is a bonus involved. That bonus is over in the by-line what they are giving us for the salaries. Do you ear-mark what that bonus has to be used for?

Mr. Brohinsky: No, the bonus, the way the legislation is written, the bonus goes into the same account with salary money and Minimum Grants paid. That means the account from which Teachers salaries are paid. In essence, that conceivably could be extra money for the School Board.

Councilwoman Bergamini pointed out that would be in the salary account.

Mr. Brohinsky: I would argue this, if the Board has not encumbered themselves, on the bonus amount of money, then the Board could conceivably at some point move that money within it's budget. The Grant is paid into that account, but remember, for the Minimum Grant without the bonus and the Grant to increase salaries of people over \$20,000, we only pay you once you have comitted yourselves to pay that in increased salaries. So you know that money has to go to Teachers salaries, but now we are giving you additional money.

Councilwoman Bergamini: You are talking three years, what happens after three years?

Mr. Brohinsky: First of all, this was made intentionally a three year program. Number one because it has an intended purpose and the state wants to see whether it's going to fill it's purpose. What will happen in year four? Number one: Whenever the state has started a major program, particularly in the area of education, it has never backed down from continuing to fund it.. We have had some exceptions on the municipal level, but on education level, even though in GTB you could say they didn't phase it in as quickly as they said they still gave angle increases even in the tightest Fiscal Year, 20-40 million in each year. They have never backed off and education funding has always increased.

Councilman Killen: But, why did they? They went back to Court again, Horton vs. Meskill was fought about three times in Court, because the state didn't come forward with the funds. You may say they did this, but they did it under pressure. They were ordered to do it. We don't have the power to order them. I'm very well aware of why they came forward with the funds, because the Courts said, "Look it, we gave you a time table, you never met the time table, get on with it".

Councilman Killen: That's what shakes us all the time, as I said, that Contract was signed for three years that you are possibly asking us to open up, we are stuck with that, we are not the State of Conn. The State of Conn. has reneged time and time again, we can't renege.

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Mr. Brohinsky: I think that ultimately, what will insure that the state continue to fund this program is to the extent to which town participate in this program. Essentially, I would guess, probably, at least 80% of the towns are substantially benefited under this program. My guess is that an extremely high percentage of those towns, if not all of them, will in fact participate. At that point, the overwhelming majority of legislators are going to come from those towns. There is no way for them, if they ever hope to be re-elected, not to continue funding this program. There is just no way that that can happen politically for them to sustain themselves in office if they did not continue to fund this program in some form. In addition, the State Department of Education, when the Governor finally endorsed the concept this past year, there's a concept of 50/50 spending. And it is that the state ought to be an equal partner with communities in funding education. Currently, the state funds about 40% of education losses, and I say spend, if an equal partner can be advertegate so that total local spending equals total state spending, but then the state will distribute it's money on an equalized basis, which means towns like Wallingford can look forward to substantial increases all the time in state funding. This program almost gets us the 50/50 when it's implemented in the third year on top of the GTB package. I think we will see that in legislation next year and that will add an additional confort level. I don't want to mislead anybody. No session of the Legislator can bind any furture Legislature to anything. So you can have a law that says this thing will last forever the next year the General Assembly can come in and do away with it.

Councilman Killen: One of the reasons that the state is making this money available in this given year, are the dollars that have piled up. Nothing was done in Hartford, nothing magic, all of a sudden the economy picked up and they have dollars. It was only a few years ago that they were taking license plates away from us and everything except the kitchen sink was taxed, and that's when they reneged on programs. If three years down the pike, we ventured into a Contract, we've raised our salaries at this point, and they have no money to give us, we still have to go, not even at that point, we're still going to be opening them again. Where are the dollars going to come from when the State of Conn, is dredging the bottom of the barrel.

Mr. Brohinsky: What I am saying to you is even if the budget gets tight, or revenues get tighter, the state has committed itself, virtually, tied its hands, for three years, but I think beyond that.

Councilman Killen: Well they said you can't if you have no money, and they said they haven't even paid off the debt with this year.

Mr. Brohinsky: Even when the state was pulling license plates off cars, you still saw education funding increasing rather substantially even in those tight years.

Councilwoman Bergamini: If they would allow us that bonus money to go into the Teachers Salary Account fine, just to leave it there. If we didn't have to spend it on this program I bet, not just in this town, we'd reply. The financial body has no control of it once it's in their funds. There is no way we can say to them, O.K. you've got another for another three years, and that would at least take the town off the books. The General Aid Fund cannot be retained.

Councilwoman Bergamini also added: It's too bad they didn't go one step further to help us cover that increase.

Frank Soldan: Marie, I think you had better ask this gentleman who these funds are paid to. Because it is my understanding from the Conference, I attended along with Mr. Inglese, and Ms. Pasco, those funds are not paid to the town. The funds are going to be paid to the Board. These are the funds used for the General Aid, future salary Grant.

Mr. Brohinsky: Teachers salary and the Minimum is paid to account from which Teachers salaries are paid. But the General Aid Grant is paid to the town.

Frank Soldan to Mr. Brohinsky: That's not what you said at the conference. You said that if it was paid to the account from which Teachers salaries come from, it's paid to the town. At the Conference, you were very specific, and said it was paid to the Board of Education, not the town.

Mr. Brohinsky: In response to Mr. Soldan, it's very complex, in essence, the money in reality goes to the town which must credit the account from which salaries are paid. It is actually a reduction in expenditures. In essence, the bottom line is, it's the Boards money. The Boards money cannot be treated as town revenue.

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Frank Soldan: What I think, Dave, rather than belabor the point, as long as the Gentlemen from the state says it's optional, we could file then our normal appropriation process.

Councilman Killen: Another thing that is very important is figures, not just the figures you are able to give us. Has anyone from the Board, found what it would cost us in the year four? In other words, you have a Contract now, which calls for in the line of 13 or 14 million dollars in round figures for Teachers Salaries. Now, you have a three year Contract. I have no idea what it's going to cost at the end of three years under the present set-up. You have to take into account that 45 other Teachers are going to be getting the minimum and the rest assuming that there are going to be no other changes except salary changes. Have you projected what it would cost us in the fourth year if we were to take all these dollars and put them into place?

Mr. Inglese: We're working on that projection right now.

Roberta Shaw: What would be the effect of it in the future on our GTB's, if we do not participate?

Mr. Bohinsky: If you did not participate in this program, I would say that it would probably have no effect because, your effort is what your effort is now. Assuming there are no changes in the GTB Law, my answer is, I stand, however, One of the things we were talking about is the fact that the State Board has just begun this task of working with the study committee and to work a new GTB formula that would go into effect as this program ends in the fourth year. That GTB formula among other things, incorporate who is receiving funds under the Salary Program. I am quite convinced that would be the case. The state has to insure that it will pay every town at least what it was getting in GTB and under this program in year four. To that extent, it could conceivably have an impact. Most neighboring towns participate in this program, and most stand to benefit substantially, whether they be Meriden, Cheshire or North Branford, Southington or even if you go up to Lyme. One of the problems concerning a town which may not participate is that when your Contract runs out, and your salaries are then substantially lower than your neighboring towns. You may have to increase your salaries through the Arbitration process, being in a position where you are going to have to pay for those increases by yourselves. In one way you can increase the salaries at state cost or later increase them perhaps at your own cost. You must also consider the impact it will have on your education system, if you have trouble attracting new Teachers or conceivably retaining the best Teachers you have now. They'll go to the next town. Referring to the GTB Process, mostly it's the data collection that's most difficult. The basic elements are not that difficult to understand. The greater the effort at the local level, the more money you get from the state. The greater the need in terms of economic need educationally, the greater the money you get from the state, and the poorer the town, the more money you get then the data element determines if you're wealthy or if your effort is high or if your need is great.

Mr. Bohinsky continues: This issue was the biggest issue before the General Assembly. A compromise bill was put together in the last few days of the session. On the last day of the session, it passed the House of Representatives within two or three votes. The Republicans and Democrats really came together on this. It then went to the Senate, and the Republicans were not a part of the negotiations. They did not participate and they had enough votes to block any action. The session closed, no action, the Governor immediately announced he was calling them to a special session to deal with this Bill. It took six weeks and made some modifications, and essentially it was the same Bill six weeks later and it was signed by the Governor in the beginning of July.

Cle Palsco, stated that she would just like to point out that first of all Scott Bohinsky did exactly what we hoped he would do tonight and that is to deal mainly with the salary aspects of this package, but there are many, many other parts of this package that local bodies have no control over, but there are many other provisions in there, all mandated changes but the salary part is voluntary. She also noted that more information will be going to the Council in other summaries.

Chairman Gessert thanked Scott, Jim Manus, Frank and the members of the Board for coming tonight. At that point, the Board of Education members left and the meeting continued.

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Chairman Gessert (speaking on the conditions of the wells on East Main St.), introduced Mr. George Yasensky who will address the condition of the wells in question

George Yasensky : My opening statement is the primary responsibility for the protection of the ground waters in the State of Conn. lies with the Department of Environmental Protection. On August 14th, I was notified by a resident, who through refinancing their house, had their well water tested and it was found to have the taste of Trichloretholene. There are instances that concur the single well was bringing up traces of Trichloretholene. Subsequently, a second well was found to also contain traces. As required, I notified the State Dept. of Health so they could bring samples up to the State Lab. I contacted Mr. Delveccio who opened the State Lab. I also contacted D.E.P. in an effort to contact the right people and was cut off several time and the end result was that no one was available to talk to. Subsequently, I called Commissioner Pack's office and said I wasn't getting through and I had a problem. Within 20 minutes of contacting the commissioners office, I had a call from the right department of the D.E.P.. The D.E.P. states that they do have the authority and it is within their jurisdiction, however, they would not act until confirmation came from the State Testing facility.

Chairman Gessert then asked Mr. Yasensky, how long after the 14th, did it take him to notify the D.E.P. to which Mr. Yasensky responded: 2 or 3 days.

Mr. Yasensky continued that he had left out the fact that after the second instance was found, I drafted up a letter that was suppose avoid any panic in the area, but to alert the people to the fact that there was a potential problem. This letter was placed in all the mailboxes along Grieb Road and East Main Street. What the letter said in essence was that for piece of mind they should have their water tested. At that point, we were concerned with ground water. It was at that point that D.E.P. stated that they would not take any action until they received confirmation from the State Lab. Samples were taken by me to the State Lab of ten houses. The State of Conn. told me which houses to take tests from. Today, I took five more three of which were provided by the State, and two of which I took from surrounding areas of Cider Hill and North Elm St. to see if it went that far. Tomorrow at 9:00 A.M. a representative from the D.E.P. is suppose to be in my office and thus far I have not gotten any results from the State Lab. Pressure has been put on the people in Hartford, so the D.E.P. is sending someone down, without getting the actual results yet.

Councilwoman Bergamini asked if it took that long for the test to be administered? Mr. Yasensky responded probably so, it has to do with the equipment they use and when they use it.

Councilman Killen asked if these Labs were licensed, and Mr. Yasensky responded that they are certified by the State.

Mr. Yasensky added: Anytime that a C.O. is going to be issued to a new house on well water that well water has to be put through well water analysis and it must be a Certified State Lab. That analysis goes to a local Health Dept. for approval before a C.O. is issued.

Mr. Yasensky complained that because of the new Mortgage rates, that some re-financing organizations only require bacteria tests. But these particular people had the full test done and that is how the Trichloretholene was discovered.

Chairman Gessert : What is the solution available to Homeowners if they have a problem and if you cannot find the source or cannot correct the problem. What is the alternative for the Homeowner?

Mr. Yasensky answered by stating that he had done some research on several types of filters available and there are firms that will rent activated charcoal filters to people who just want to ride out the storm. City water is available. There is also legislation to reimburse some of that cost.

Chairman Gessert added that if there were municipal lines in that area and if there were problems could they connect to those lines? Mr. Yasensky added that his only capacity is to be the leg man for the State Agency, by driving test kits back and forth from Hartford.

Councilman Rys asked what level the Trichloretholene was at.

Mr. Yasensky responded that Trichloretholene is a suspected carsynogen. The state level is 24 or 25 parts per billion. We've had levels of between 30 and 200 parts per billion already. As of this time, the D.E.P. is not providing alternatives such as bottled water.

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Mr. Yasensky insinuated that the D.E.P. may be dragging their heels on this matter.

Chairman Gessert stated to Mr. Yasensky that if they didn't come down tomorrow, to let him know.

Mr. Yasensky stated that there are hydrant hookups available through the water department. They also have a 300 gallon tank.

Mr. Yasensky noted that there were somewhere around 10 homes being affected. He added that there are other suspected areas, but he cannot comment on them until there is conclusive proof.

Councilman Polanski stated that he didn't believe there was any way that Mr. Yasensky could test all the wells in Wallingford to which Mr. Yasensky responded that if someone calls him and complains, that he does the best he can to get a test or a representative test of the area. He also stated that if the state wanted to, they could charge \$70.00 a test to put a stop to it. At that point, I might have to come to the Council with a \$7,000.00 Bill.

Ed Musso: If the well is contaminated, will the state pay up to 70% of the hook-up to city water? Won't it be cheaper especially for people with a long run to a city main, to instead install a filter?

Mr. Yasensky agreed with Mr. Musso stating that is exactly what was done at the Trailer Park.

Chairman Gessert responded to a member of the audience and asked him to identify himself. The gentlemen responded by saying that he was George Zetergrin.

Mr. Zetergrin stated that he was the one that started all of this recent expos'e.

Mr. Zetergrin was alarmed that there was a rumor to the fact that there was contamination in the area months ago and it was known. He asked Mr. Yasensky to respond.

Chairman Gessert said that before Mr. Yasensky responds he would like to note that Mr. Gouvera made the statement that 9 months ago we all got a letter, but the letter was never received by anyone on the Council to his knowledge. All other members present agreed.

Mr. Yasensky then responded to the question by Mr. Zetergrin by saying, that there was an individual well problem approximately a year ago and that problem was Trichloretholene. What was theorized at the time, was that the persons well seal had deteriorated and that's how the contaminant was entering his well. He subsequently hooked up to city water, after which we tested several houses around his house and nothing was found and therefore, nothing was publicized. With more than one instance, we would put out an alert.

Mr. Zetergrin felt that was reason enough to alert people and Mr. Yasensky disagreed.

Chairman Gessert asked Mr. Zetergrin what his situation was at his home now. Mr. Zetergrin responded by saying he had hooked up to City Water 2 months later. Mr. Zetergrin also noted that originally he was concerned that he had to have his water tested when he re-financed his home, but now he was glad that it came about. He also stated that after the confusion of whether his water was being tested at a certified lab was cleared up, he was more than satisfied with the Town Council. He further stated that he thought they were all doing a fine job.

At that point, Chairman Gessert and the Council Members thanked Mr. Yasensky for attending the meeting and bringing them up to date on what he thought was the current situation.

Mr. Zetergrin was also thanked by Council Members for attending the meeting and for his input.

Chairman Gessert informally ended the meeting at 9:59 P.M.

Respectfully submitted,
Susan M. Baron
Council Secretary