

TOWN OF WALLINGFORD, CONNECTICUT

REGULAR TOWN COUNCIL MEETING

Town Council Chambers

July 13, 2010

The following is a record of the Minutes of the Regular Meeting of the Wallingford Town Council held in the Robert Earley Auditorium of the Wallingford Town Hall on Tuesday, July 13, 2010. The Meeting was Called to Order at 6:35 P.M. Responding present to the Roll Call given by Town Clerk Barbara Thompson were Councilors Vincent Cervoni, Nick Economopoulos, Jerry Farrell, Jr., John LeTourneau, Rosemary Rascati, John J. Sullivan and Vincent F. Testa, Jr. Chairman Robert F. Parisi and Councilor Craig C. Fishbein were absent from the meeting. Mayor William W. Dickinson, Jr., was present. Town Attorney Janis Small arrived at 6:45 P.M. and Comptroller James Bowes arrived at the meeting at 7:10 P.M. P.M.

The meeting began with an Opening Prayer, led by Deacon Eugene C. Riotte, Most Holy Trinity Church. Those in attendance recited the Pledge of Allegiance. The Roll Call was taken.

Mayor Dickinson distributed special jackets to the Mark T. Sheehan Boys Baseball Team for Winning the State Class L CIAC Championship.

Vice Chairman Jerry Farrell announced that the addendum item was withdrawn until a later date.

3. Consent Agenda

- 3a.** Consider and Approve Tax Refunds (#1- #9) totaling \$4,807.92
Acct. # 001-1000-010-1170 - Tax Collector
- 3b.** Acceptance of a Donation and Appropriation of \$30 Youth & Social Services Special Fund to Donations Account # 213-1042-070-7010 and to Expenditures Account # 213-3070-600-6000, *FY 2009-10* - Youth & Social Services
- 3c.** Acceptance of a Donation and Appropriation of \$30 Youth & Social Services Special Fund to Donations Account # 213-1042-070-7010 and to Expenditures Account # 213-3070-600-6000, *FY 2009-10* - Youth & Social Services
- 3d.** Acceptance of a Donation and Appropriation of \$292 Youth & Social Services Special Fund to Donations Account # 213-1042-070-7010 and to Expenditures Account # 213-3070-600-6000, *FY 2009-10* - Youth & Social Services
- 3e.** Consider and Approve a Transfer in the Amount of \$879 to Purchased Services-Ambulance Revenue Recovery Acct # 001-2030-901-9035 from Regular Salaries & Wages Acct # 001-2030-101-1000, *FY 2009-10* - Fire Chief
- 3f.** Consider and Approve a Transfer in the Amount of \$420 to Tools Shop & Garage Equipment Acct # 394 from Stores Equipment Acct # 393, *FY 2009-10*
– Electric Division
- 3g.** Consider and Approve a Resolution Authorizing the Mayor to contract with the State of Connecticut for a Historic Preservation Grant in the Amount of \$6,000
– Program Planning

- 3h.** Consider and Approve an Appropriation in the Amount of \$6,000 to Revenue-Preservation Town Acct # 228-1010-020-2030 from Fund Expenditure Acct # 228-6030-999-9907, FY 2009-10 – Town Clerk
- 3i.** Consider and Approve a Resolution Authorizing the Mayor to Execute a Memorandum of Understanding between the Town of Wallingford and the State of Connecticut Department of Public Safety to acquire live-scan fingerprint equipment – Police Chief
- 3j.** Consider and Approve a Bid Waiver in the Amount of \$13,500 for software from New World Systems, Inc. to integrate the Functionality of the live-scan fingerprint device – Police Chief
- 3k.** Approve Minutes of Regular Town Council Meeting of June 8, 2010

MOTION Mrs. Rascati made a motion to approve the Consent Agenda, items 3a through 3k.

2ND Mr. Cervoni seconded.

VOTE All Councilors present (7) voted Aye. Councilors Parisi and Fishbein were absent from the meeting. The motion passed.

5. PUBLIC QUESTION & ANSWER

Geno Zandri, 9 Balsam Ridge Circle, spoke about a news article with regard to a lawsuit.

Robert Gross, 114 Long Hill Road, commented on Pension Fund service fees

Joe Ferrara, South Main Street, referred to a news article on arbitration awards.

Robert Gross, 114 Long Hill Road, would like to see a program developed for disposing of large assets like fire engines and police cars. He commented on direct deposit. He stated that a cost analysis needs to be performed on the town's large reserves. He commented on the use of the CRRA funds.

- 6.** Executive Session pursuant to § 1-200 (6)(E) of the Connecticut General Statutes with regard to strategy and/or negotiation with respect to collective bargaining – Board of Education

MOTION Mr. Cervoni made a motion to go into Executive Session pursuant to § 1-200 (6)(E) of the Connecticut General Statutes with regard to strategy and/or negotiation with respect to collective bargaining as requested by the Board of Education.

2ND Mrs. Rascati seconded.

VOTE All Councilors present (7) voted Aye. Councilors Parisi and Fishbein were absent from the meeting. The motion passed.

The Council entered into Executive Session at 7:06 P.M.

MOTION Mrs. Rascati made a motion to come out of Executive Session.

2ND Mr. Cervoni seconded.

VOTE All Councilors present (7) voted Aye. Councilors Parisi and Fishbein were absent from the meeting. The motion passed.

The Council exited Executive Session at 7:23 P.M.

Attendance at Executive Session:

All Councilors present (7). Councilors Parisi and Fishbein were absent from the meeting. Mayor William W. Dickinson, Jr.; Superintendent of Schools, Salvatore Menzo; Board of Education Chairman, Thomas Hennessey and Assistant Superintendent of Personnel, Jan Guarino-Rhone.

7. Discussion and Possible Action on a Tentative Agreement for the Health Service Professional Association effective July 1, 2010 through June 30, 2012 – Board of Education

MOTION Mrs. Rascati made a motion to approve the tentative agreement for the Health Service Professional Association effective July 1, 2010 through June 30, 2012 as requested by the Board of Education

2ND Mr. Cervoni seconded.

*In attendance: Superintendent of Schools, Salvatore Menzo
Board of Education Chairman Thomas Hennessey
Assistant Superintendent of Personnel, Jan Guarino-Rhone*

Ms. Guarino-Rhone explained the highlights of the agreement to the Town Council.

Mr. Cervoni noted the term ‘re-opener’ in the language of the agreement. Ms. Guarino-Rhone stated that it is new and the first time that they have negotiated it. She reported that it seems to be only applied to salary.

There were no further comments from the Council or from the public.

VOTE All Councilors present (7) voted Aye by voice. Councilors Parisi and Fishbein were absent from the meeting. The motion passed.

8. Discussion regarding 424 Cafeteria Workers Union contract – Councilor John Sullivan

*In attendance: Superintendent of Schools, Salvatore Menzo
Board of Education Chairman Thomas Hennessey
Assistant Superintendent of Personnel, Jan Guarino-Rhone*

Mr. Sullivan stated that he asked for this item in consideration of the timeliness of the contract and the timeframes of when it reached the Town Council. He said that he believes that this contract represents 38 employees of the cafeteria food service program in the school system.

Mr. Hennessey asked to read a statement. It was decided that Mr. Sullivan would continue with his questions to Dr. Menzo. Mr. Sullivan said in addition to the timing of when the contract reached the Town Council that he would like confirmation for the future that the logistical issues have been corrected with regard to notification to the Town Council in a more timely way in that we get this type of document almost as soon as it comes in.

Time was spent discussing the timing of the delivery of the contract to the Town Council as it seemed as though delivery was not in a timely way. Dr. Menzo reviewed the timetable and stated that after reviewing the system that measures have been put in place to prevent this type of thing from happening again according to statute and ordinance. He said that they were operating under the assumption that there was a 45-day response time to bring it to the Town Council for approval, when in reality it was only 25 days. He detailed that when the Assistant Superintendent of Personnel receives a document in terms of arbitration awards, tentative agreements and other settlements, it will be time-stamped and immediately faxed, or emailed, to the Mayor, the Town Council Chairman, which is practice, the Town Clerk and the Board of Education Chair person. He said that a written confirmation of the receipt and review of these documents such as the awards, tentative agreements and settlements will be requested from all of the recipients. He continued that any recommendations from Town Hall staff should be received at that time to ensure that the processes are being followed as dictated by law and also by town ordinance. He said that they recognize that this was a misunderstanding but that nothing done was intentional. It was a missed deadline. He offered an apology.

Mr. Hennessey read a prepared statement that offered correction and an apology.

Councilor Testa addressed the detail of dates of material copied to a list of any particular document. He wanted to have the delays explained. The Mayor said that they receive a document dated June 21 on June 28 when it was stamped it. Town Council office distribution of material was discussed. Mr. Terence Sullivan, Personnel Director, Town of Wallingford, responded to the discussion stating that he does not recall saying that there was a 45-day timeframe. He said that statutes have always stated 25 days for binding arbitration awards, and 45 days has to do with tentative agreements.

Mr. Cervoni and the Town Attorney determined that the Council receives something when the Town Council Office gets it and not necessarily just when it appears on an agenda.

Councilor Sullivan commented on this contract when it was before the past Council in September 2009. He stated that the tentative agreement would have allowed for a 1% increase, about \$.10 per hour, or \$6,333 that year, for about 38 employees in this union. He continued with the subsequent years of 2010 and 2011, stating that the increases would have been 1.95% per year or about \$12,000 per year. He said that the importance of this contract is that the Food Service Division in the Wallingford School system is fully self-supporting by the fees it charges for the school lunches. No tax dollars go to the Food Service Department. He said he was astonished that the former Town Council did not pass this contract. As a result, the cafeteria workers opted for binding arbitration.

Councilor Sullivan reminded those present that the Mayor has stated that there will be no wage increases. He reviewed the arbitrators' points in making the award to the cafeteria

workers. The points included - 2009 debt reduction of \$7.5 million, Town's receipt of \$7.2 million in 2009 from CRRRA, that the town will be receiving another \$4.5 million from CRRRA, that the town is in no worse condition than other comparable towns, that the adjusted, equalized, net, grand list per capita ranked 87th out of 169 municipalities and that the Wallingford contracts presented to the arbitration panel revealed that many town employees earned over a 3% general, wage increase for 2009-2010. He stated that one example given by the arbitrator included the Town's middle managers who received a 3.5% increase in 2009, a wage deferral in 2010, and a 3.75 increase set for 2011. The review of Wallingford unions disclosed that 11 of 14 bargaining units have already received at least a 3.25% general wage increase from fiscal year 2009, and many of those workers earn over \$50,000 per year.

Councilor Sullivan stated that in the past he called the administration's no wage increase paradigm a failed strategy, and he still feels strongly that it is a failed strategy and that this arbitration decision strongly supports that. He said that the cost of arbitrating this contract was \$18,130 of tax money. He said that the Mayor has stated that if the town is not successful in arbitration, municipal employees will be laid off. He said that it is happening all over and that it would be a travesty because it will move more Wallingford residents to the rolls of the unemployed, and it will severely impact town services, including police and fire. He stated that we can't fill vacancies now in the police department but we may lay-off more police officers. He said that this would validate the total breakdown of communication and trust that must be the cornerstone of labor-management relations. He recalled the movie "Cool Hand Luke" to illustrate what he feels we have, a failure, when it comes to labor and management in this town.

Councilor Sullivan remarked that we have all been impacted by the condition of the economy in one way or another. He said that the arbitrator tells us that we cannot sit on millions of dollars in the bank and cry poverty and then inform some bargaining units that we cannot afford a wage increase. For the record, Councilor Sullivan said that he did not agree with the initial decision of the Town Council on the cafeteria workers contract and that he does not prescribe to painting this town into a contractual corner by endorsing an across the board no-wage increase paradigm by the administration.

Councilor Sullivan said that it is too easy to point the finger at unions during a period of a spiraling economy and high unemployment; however, there remain many options, available to both management and labor that meet both the needs of the town and those of its employees. Options may include furlough days. Changes in co-pays and insurance coverages just like we did for the health service workers, a full review of the current pension plan. He said that the trust that is broken has to be fixed first before we can move forward. He said that we made a big mistake for which we will see a domino effect as we move forward with public works, the fire department and the police department and that it will cost us thousands of dollars in arbitration fees and that this arbitration money is coming out of our pockets. It is time to put an end to it and to start negotiating in a fair manner and not use mandates and not paint ourselves into a corner where we have to rely on an arbitrator to make a decision that impacts every citizen in this town.

Mayor Dickinson remarked that until we realize that we are in serious difficulties, there never will be changes. He said that he does not know what it takes for the United States and the State of Connecticut, and maybe the Town of Wallingford, to recognize that the times that we are entering into, and have begun and have not been lived by most people

who are alive today. He said that next year is expected to be worse than this year, and it will take everyone to be part of a solution, and that those who are not part of the solution will be the problem. He said that this decision, which Mr. (John) Sullivan points to, is a poster child for what is wrong with the whole program.

Mayor Dickinson said that the panel heard testimony that any wage increase would ripple through other contracts. He said that they heard testimony that Connecticut has been losing jobs and tax revenues. He said that they heard testimony that the town has experienced declines in revenues from permit fees, interest income, conveyance taxes and that, for the first time that anyone can recall, the grand list has declined, but, he said, we can ignore all of those things that represent new money to deal with operational costs. He said that we can ignore those things because the town has received a wind-fall from CRRRA, which won't be repeated, that can be used that for operational costs, and then we can cross our fingers and hope that somehow things will get better. He stated that they won't get better until all of us are part of a solution to make it better. He noted that the arbitrator also pointed out, as Mr. (John) Sullivan read, that all of the other unions have received increases; therefore, every other union should receive an increase. He said that is the very problem.

Mayor Dickinson said what we have said is that in 2009, we are paying increases, but that in 2010-11, we cannot go in that direction because it is hundreds of thousands of dollars, when you add up all of the units. He asked how do you pick one, where you say, OK, we'll give you an increase, and the say, no, to another. He said that we try to be fair to everyone, and everyone keeps their employment. Isn't that worth something? Instead we want to play games ... we have to have a wage increase, and then possibly have some who won't be employed. He asked, "What is the answer to make sure that everyone gets a wage increase and is employed?" He remarked that it would be to raise taxes. He repeated 'raise taxes', the very thing that the federal government doesn't want to do, and the State of Connecticut government doesn't do, but the Town of Wallingford should raise taxes to cover these things. He asked when are we going to change a system that is broken because it doesn't work under the current economic climate.

Mayor Dickinson stated that this decision clearly becomes an example of that, and fortunately tonight, we have an example of a little more enlightened thought process. He said no wage increase and a 'wage re-opener'. He said fine. He stated let's all work together and try to help those who can't pay tax increases, keep our employment, provide the good services. He said that it sounds like that works for everyone but as long as we are trying to just work for ourselves, myself, yourself or him/herself, then our system will not work. He said that there is not enough money to go around unless we are willing to raise taxes for those purposes. He noted that we were not willing in this last budget. He said that the State of Connecticut is not willing, and the federal government still has wage rebates, reductions on its books, which some say should be kept on the books. He asked where does the money come from. He stated that we are all part of an economic decline and disaster.

Mayor Dickinson said that he cannot in good conscience sit as Mayor of this town and suggest that for a moment that any reserve, or one-time payment, be used for operational costs. He said that is the formula that many others have followed, and we can see the bones and skeletons along the trail where they took their last breath.

To the Mayor, Mr. Economopoulos said that the one thing that he wanted to see happen going into the budget process is that he did not want to see a reduction in services. He stated that it seemed that mid-stream between the budget and some of these contracts, the Mayor decided on a philosophy that all unions get a zero percent salary increase this first year and that it is something that you want to stick to one hundred percent because of the times. He said that he thinks that it is impossible that eighteen unions will receive zero percent raise the first year, and it has now been proven by this arbitration award that the fact is, it is the arbitrators who are the people that make the decisions; and therefore, you, the Mayor, as our leader, are supposed to individually handle each one of these union negotiations on a separate basis. He recalled the contract awarded to teachers in the prior September and said he thinks it caused a rift because of the reduction in staff, and now the changing the neighborhood schools. He stated that the Mayor said that these are things he said that he didn't want to do, a reduction in services and that now it might include police and fire and public works. Mr. Economopoulos said that he looked for the Mayor to say that now is the time that there is going to be a reduction in services.

Mayor Dickinson responded stating that the budget message and key elements in the front of the budget book clearly state that there is not money for wage increases and that this message was built upon 2009-yes, but no increases in 2010, and now not 2011. He said that the budget message has stated that, and that we can continue to provide the same services as long as everyone is willing to say that these are tough times. He said he wants to get through these tough times, and then we can deal with the wage increases. He thinks that it was very upfront about this during the budget process. There has been no change.

Mr. Economopoulos said that he was on the last Council and recalled that this contract was going to save money to the Board of Education. He stated that now they are getting a wage increase in the first year, and there will now be no savings. He said that instead it will cost us money.

Mayor Dickinson reminded everyone that there are funds for the first year, 2009, but that it is the 2010 and 2011 years that are the difficulties. He said that the very way that this decision is put together illustrates his very point. He said that it was pointed out that there is a 3.75% (increase) for the managers which is deferred for a year, and then it comes back. He stated that every one of these arbitrations, or agreements, become part of what a next panel looks at. He supposed that if she/he got it, then the next one won't do any less. He asked where does this process stop? He remarked that the public can't take it anymore. He said that somewhere you have to draw a line and say there is not, which is what he recommended and what the budget is built upon – in the 2010, no increase; in the 2011, no increase. He said that we drew a line that you have to stop it somewhere. If you remove a domino, then the rest of them don't fall.

Mr. Economopoulos said as long as the town is prepared for reductions in force and services, then let's go for it.

Mr. Testa remarked on his skepticism with regard to the timeline and the responsibility for the fact that we almost didn't have the opportunity to have this arbitration discussed in public. He said that he makes it plainly clear that he does not hold the Board of Education or their employees responsible for that. He recalled past criticisms that he has made with regard to negotiating strategy and the stance that the administration of this town has taken. He said that this is an example of why he thinks it is a failed strategy.

He said that we agree about the dire economic climate. He said that we agree that there is a need to do things differently. He said that we agree that using wind-fall money, one-time money, for operating expenses is a risky strategy in general. He stated that where we disagree is the negotiating strategy for addressing all of the above. He said that this town appears to be averse to considering anything creative – furloughs, anything that might be a specific to one particular bargaining unit, anything that might be more agreeable to one unit and not necessarily agreeable to another. He stated that there is this strategy of taking a strong, firm line related solely to salaries with across the board with zero, zero, zero. He said that any other way of addressing the financial impact of a contract are off the table. He said that while in principal that may seem a smart way to go, that the net effect is that we lose. We go to arbitration; we lose, and it costs us money. He said that we do not go in good faith to the bargaining units and say that anything is on the table. He said that would be good faith negotiation, that's creative negotiation and that is the type of thinking and strategies that we need to take on, and we're not. He said that is the particular thing that he is critical of and this arbitration award shows us what happens when we take a pig-headed, narrow-minded stance. Mr. Testa apologized for his description.

Mr. LeTourneau said that he wanted to go back to the contract and that he has looked at the contract since the Council received it. He asked what happened to the health benefits. He said that he thought there was a reduction in health benefits on the original contract and now he doesn't see it in the arbitrator's award. Dr. Menzo said that the negotiation for the arbitration was only on wages and that the rest of the contract went forward. Mr. LeTourneau said then we are going to realize some savings. Dr. Menzo said to clarify what he thinks is some confusion that there were two contracts that brought forth at the same time, the cafeteria workers, and there was a custodial contract. He said that the greater benefit will be seen in the custodial contract on the insurance due the change in the carriers.

Mr. LeTourneau said that he thinks that it is important to note that as we move forward with other contracts, not only with the schools but with all of the bargaining units, that we have to seriously look at negotiating better, and we have to keep in mind that there are people behind the numbers in the contracts-husbands, wives, cousins and real people who work in this town and to him they are very important. He said it strikes home a little more because he is married to a town employee. He said that all of the unions and the town itself need to come together in these difficult times and to be able to sit at the table and to talk creatively. He said that this contract was a good thing that happened in one way because it brought up discussion on what we could do. He said that the bad thing is that we had to do this and go to arbitration and that is something that we have to stay away from. He stated that the arbitration costs are going to be phenomenal and we can't go through this with eleven (11) unions.

Mrs. Rascati said that she would not sit and argue with Councilor Sullivan and noted that he was not on Council when the Council voted on the cafeteria union contract. She said that if that were the only union that the Council had to vote on and give a raise to, that would have been one thing but there are all of the other unions to consider. She asked that if you say 'yes' to one contract, are you going to be able to say 'no' to another contract. She said that she does not think that will work. She thinks that all of the unions will threaten going to arbitration. She said she is tired of being threatened of going to arbitration, so if we have to go to arbitration, fine, and if it costs us money, then it will

have to resolve in lay-offs. She said that she is sorry to say that because people need their jobs. She added that if we think there is a surplus to use one year, and then what will we use the following year. She said that she doesn't want to be owing anything at the end of the day.

There were no other comments from the Council or from the Public. Vice-Chair Farrell thanked Dr. Menzo and Mr. Hennessey.

9. Consider and Approve a Transfer in the Amount of \$73,000 to Self-Insurance Workers' Compensation Acct # 001-1602-800-8310 from Property Casualty –General Government \$56,000 Acct # 001-1603-800-8250 and from Property Casualty-Education \$17,000 Acct # 001-1603-800-8260, *FY 2009-10* – Personnel

MOTION Mrs. Rascati made a motion Approve a Transfer in the Amount of \$73,000 to Self-Insurance Workers' Compensation Acct # 001-1602-800-8310 from Property Casualty-General Government \$56,000 Acct # 001-1603-800-8250 and from Property Casualty-Education \$17,000 Acct # 001-1603-800-8260, *FY 2009-10* as requested by Personnel.

2ND

Mr. Cervoni seconded.

*In attendance: Terence Sullivan, Personnel Director
Kurt Treiber, Risk Manager*

Ms. Rascati read the Mr. Sullivan's memo to the Mayor with regard to the transfer stating that that the purpose of the transfer is to increase the workers' compensation reserve fund to the \$100,000 funding level as in past years.

Mr. Terence Sullivan stated that Ordinance 406, which is Chapter 46 in the new code book, establishes a Workers' Compensation reserve account that is designed to pay permanent injury and specific Workers' Compensation awards. He said it has been practice to fund this account at \$100,000 level but on June 30, they had \$27,000 in this account. The transfer will restore the account to the \$100,000 level. Typically, the account is funded from wage accounts that are unexpended due to Workers' Compensation payments usually at the end of the fiscal year, or through Town Council transfers. He explained payments, settlements and the Council's authority to pay settlements, all paid from this fund. He stated that the account is low due to structured, two or three-year settlement plan awards that the Council has approved over the last several years, several of which have been big ones. Mr. Sullivan stated that the Ordinance allows for a balance of up to \$400,000 but they prefer to keep it to \$100,000. He recalled a \$225,000 settlement which was paid over three years, and one settlement of \$50,000 per year for three years.

There were no other comments from the Council or from the Public

VOTE

All Councilors present (7) voted Aye. Councilors Parisi and Fishbein were absent from the meeting. The motion passed.

- 10.** Consider and Approve a Budget Amendment in the Amount of \$11,000 to Maintenance of Wells & Springs Acct # 431-8600-614 from Transportation Equipment Acct # 433-9012-392 – Water Division

MOTION Mrs. Rascati made a motion to Approve a Budget Amendment in the Amount of \$11,000 to Maintenance of Wells & Springs Acct # 431-8600-614 from Transportation Equipment Acct # 433-9012-392 as requested by the Water Division.

2ND Mr. Cervoni seconded.

In attendance: Roger Dann, General Manager, Water Division

Mr. Dann referred to his letter explaining the operating problems they are experiencing with the pump at Well #2 and that inspection revealed that the problem is with the well pump and its associated elements. They need to remove the pump for repair. He said that a recent bid is estimated the cost at \$11,000. Mr. Dann stated that this problem post dates budget preparation for FY 2010-11, hence the need for the budget amendment. He added that funds are available in the Transportation Equipment account since one of the scheduled, vehicle replacements is no longer necessary because of the planned implementation of consolidated meter reading, which will be performed by Electric Division personnel rather than Water Division personnel. He said that they are estimating cost of the pump problem and that he may be back before the Council if the cost of this repair outweighs available funds.

Councilor Sullivan wanted to know about maintenance. Mr. Dann said that they do not remove the pumps from the wells very frequently. He stated that there are only two reasons to do so. one of them is when a well is re-developed, during which time, the pump is inspected and maintained, and the other reason is when there is indication of a problem. He said that it is possible to pull a pump for inspection if it has gone an extended time. In this case, this pump has gone for ten years since the last time it was removed. He added that this is one of two wells at Oak Street.

Mr. LeTourneau noted that the account from which these funds will be taken is budgeted for \$35,000, and that with this transfer the balance will be \$24,000. He asked Mr. Dann if these funds will stay there. Mr. Dann said it will remain in this account and that if they have a need, then this is the most likely account, if more funds are needed.

There were no other comments from the Council or from the Public

VOTE All Councilors present (7) voted Aye. Councilors Parisi and Fishbein were absent from the meeting. The motion passed.

- 11.** Consider and Approve a Five (5) Year Lease Agreement between the Town of Wallingford and Clear Wireless, LLC (Clearwire) for use at West Side Storage Tank for cellular communications equipment – Water Division

MOTION Mrs. Rascati made a motion to Approve a Five (5) Year Lease Agreement between the Town of Wallingford and Clear Wireless, LLC (Clearwire) for use at West Side Storage Tank for cellular communications equipment as requested by the Water Division.

2ND

Mr. Cervoni seconded.

In attendance: Roger Dann, General Manager, Water Division

Councilor Sullivan said that as an employee of AT & T, he is recusing himself as he does not want this to be perceived as a conflict of interest.

Mr. Dann reported that they were approached by Clear Wireless, LLC, who were seeking to locate antennas at the West Side tank. He stated that previously the site was leased to Sprint and Nextel under a common lease agreement, and recently to Pocket Communications. He said they had discussions with Clear Wireless, LLC, and that they modeled a draft lease agreement that is almost verbatim from the approved Pocket Communications lease agreement. Modifications to the language benefit the town. The highlights of the five-year lease agreement allow for four renewals. He said that this allows for a 25-year timeframe, renewable every five years. Lease payments are initially \$3,250 per month with an annual 4% increase per year over the entire term of the lease agreement. Upon request of the Town, Mr. Dann commented that Clear Wireless, LLC has agreed to the replacement of the safety climb system located at the tank. He noted that it is presently a cumbersome system.

There were no questions from the Council.

Geno Zandri, 9 Balsam Ridge Circle, asked if the Water Division services anyone outside the borders of Wallingford. Mr. Dann said that there are a couple of customers in North Haven and a cluster just over the town line in Cheshire. Vice Chairman Farrell said that these occur because of logistics of the land and the pipes. Mr. Zandri said that as he has in the past, he is speaking against the revenue dollars going to the Water Division. He said that these dollars help the ratepayers, but that this includes a benefit to non-resident users. He said if the dollars go to the town instead that it is the taxpayers and the businesses that benefit.

Vice Chairman Farrell said that from an accounting standpoint, it is a Water Division asset, and the income would be credited to the Water Division. Mr. Bowes said yes that it would and that is how the money should flow. He said that Mr. Dann pointed out in his material that it offsets user fees for the division. Mr. Dann added that the tank was constructed pursuant to charges rendered to the ratepayer, so the debt service on this tank is being carried by the ratepayer. He said that to the extent the revenues are generated from these leases, and they significantly help offset the debt service.

Mr. Zandri stated that the Electric Division and the Water Division are still owned by the residents of this community, and the residents should be the ones who benefit.

Bob Gross, Long Hill Road, asked how much this tower pays to the Water Division per month. Mr. Dann said including this new lease being discussed that the total lease payments on this tower would be about \$115,000 per year. He said that there is also another site at Pistapaug Pond, which pays under a new lease \$32,000 per year with the annual increase structure in place as with the other leases. Mr. Gross noted that the land that these utilities sit upon belong to the Town of Wallingford.

Mayor Dickinson responded that the land in question is owned by the Town of Wallingford but it is in the custody of the Water-Sewer Divisions. He said that the land isn't the issue and that Mr. Dann accurately stated that these facilities are being attached expensive facilities that are constructed, owned and maintained by the Water Division. It's not just a piece of land where a tower is going up. It is the water tanks that are attractive for the telecommunications issue. He thinks that for the utilities to be self-sustaining that revenue generated by the areas and facilities under their custody and control should be utilized by them to reduce increases in their rates.

Mr. Bowes added that towns and cities own the properties on which schools reside and are used for purposes of education, including athletic fields. There are many communities in the State of Connecticut whose Planning and Zoning Ordinances allow them to sell signage-advertising at various athletic facilities, and those revenues, for the most part and the ones with which he is familiar, are allowed, either appropriated by the governing body to the school department, the Board of Education budget, as they come in, or on some type of budgetary basis. It is a similar situation where revenue is generated. The town owns the land, not the Board of Education, and the revenues go to the school system. He pointed out that this is not some weird example. Mr. Gross added that he thinks that it is different in one respect in that Water and Electric Divisions are revenue generating functions of the town. He said that it would make their budgets more transparent. He also thinks that more customers, even if in another town, are a good thing for the town.

Mr. Zandri commented that school advertising signage revenues going to the school system and that it benefits the residents of Wallingford. On the other hand the cell tower revenue is helping people that live outside the borders of Wallingford as well and that is the part that bothers him. He said that if there are revenues they should to the residents of Wallingford and the easiest way is to do that is through taxes.

VOTE All Councilors present (6) voted Aye. Councilor Sullivan recused himself from the question. Councilors Parisi and Fishbein were absent from the meeting. The motion passed.

- 12.** Executive Session pursuant to §1-200 (6)(D) of the Connecticut General Statutes with respect to the purchase, sale and/or leasing of property – Mayor

Withdrawn

ADDENDUM

- 13.** Executive Session pursuant to §1-200 (6)(A) concerning the appointment of an employee – Fire Marshal position. –Chairman Robert F. Parisi

Withdrawn

MOTION Mr. Cervoni made a motion to adjourn.

2ND Mr. Rascati seconded.

VOTE All Councilors present (7) voted Aye. Councilors Parisi and Fishbein were absent from the meeting. The motion passed.

Respectfully submitted,

Sandra R. Weekes
Town Council Secretary
Meeting digitally recorded

Robert F. Parisi, Town Council Chairman

Date

Barbara Thompson, Town Clerk

Date