

TOWN COUNCIL MEETING

MARCH 23, 1993

7:30 P.M.

AGENDA

1. Roll Call & Pledge of Allegiance
2. PUBLIC QUESTION AND ANSWER PERIOD - 7:30 P.M.
3. Consent Agenda
 - a. Consider and Approve a Transfer of Funds in the Amount of \$31,000 from Property/Casualty Self-Insurance Acct. #001-8040-800-8250 to Hypertension - Police Acct. #001-8040-800-8400 - Risk Manager
 - b. Consider and Approve a Transfer of Funds in the Amount of \$3,000 from Property/Casualty Self-Insurance Acct. #001-8040-800-8250 to Hypertension - Fire Acct. #001-8040-800-8410 - Risk Manager
 - c. Consider and Approve a Transfer of Funds in the Amount of \$1,000 from Janitorial Services Acct. #001-2001-600-6290 to School Crossing Guards Acct. #001-2002-100-1850 - Dept. of Police Services
 - d. Consider and Approve a Transfer of Funds in the Amount of \$2,500 from Janitorial Services Acct. #001-2001-600-6290 to Electric Energy - Overhead Signal Acct. #001-2003-200-2100 - Dept. of Police Services
 - e. Consider and Approve a Transfer of Funds in the Amount of \$4,000 from Janitorial Services Acct. #001-2001-600-6290 to Natural Gas Acct. #001-2001-200-2020 - Dept. of Police Services
 - f. Consider and Approve a Transfer of Funds in the Amount of \$120 from Comptroller - Copier and Supplies Acct. #001-1400-600-6120 and \$200 from Comptroller State Meetings Acct. #001-1400-600-6550 for a Total of \$320 to Comptroller - Clerk's Wages Acct. #001-1400-100-1300
 - g. Consider and Approve Tax Refunds (#159-184) in the Amount of \$14,001.40 - Tax Collector
 - h. Consider and Approve Merit Increases (4) Approved by the Mayor

(OVER)

3. i. Consider and Approve a Transfer of Funds in the Amount of \$2,000 from Acct. #2032-100-1600, Sick Replacement and \$4,000 from Acct. #2032-100-1630, Workers Compensation for a Total of \$6,000 to Overtime Acct. #2032-100-1400 - Dept. of Fire Services
4. Items Removed from the Consent Agenda
5. Consider and Approve the Re-Appointment of Michael Papale to the Position of Commissioner of Public Utilities for a Term of Three (3) Years to Expire 3/1/96 - Mayor's Office
6. Approve and Accept the Minutes of the February 23, 1993 and March 16, 1993 Town Council Meetings
7. Presentation on the Proposed Recreation Center and Ice Skating Pavilion as Requested by Councilor Susan Duryea
8. Consider and Approve an Amendment to the Electric Division's Budget by Decreasing the Net Income Account in the Amount of \$1,430,000 and Appropriating \$1,430,000 from the Retained Earnings Account to Reflect the Impact of the Credit Rider Extension Adopted by the Public Utilities Commission for the Period of 1/93 to 6/93 - Public Utilities Commission
9. Consider and Approve Waiving the Bidding Process to Award a Contract to The Segal Company in an Amount Not to Exceed \$3,500 to Develop a Formal Plan for the Wallingford Volunteer Firefighter's Pension Plan - Mayor's Office
10. Report Out by the Town Engineer and Mayor on the Status of The Tyler Mill Road Bridge as Requested by Councilor Susan Duryea
11. Discussion and Possible Action on a Senior Citizen Tax Deferral Program as Requested by Vice Chairman David J. Doherty
12. Executive Session Pursuant to Section 1-18a(e)(2) of the CT. General Statutes to Discuss Pending Litigation with Regards to Foreclosure Matters

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SUMMARY

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TOWN COUNCIL MEETING

MARCH 23, 1993

7:30 P.M.

A meeting of the Wallingford Town Council was held on Tuesday, March 23, 1993 in the Robert Earley Auditorium of the Wallingford Town Hall and Called to Order at 7:30 P.M. by Chairperson Iris F. Papale. All Councilors answered present to the Roll called by Town Clerk Kathryn J. Wall. Mayor William W. Dickinson, Jr. arrived at 8:08 P.M. and Town Attorney Janis M. Small arrived at 9:08 P.M. Comptroller Thomas A. Myers was also present.

The Pledge of Allegiance was given to the Flag.

PUBLIC QUESTION AND ANSWER PERIOD

Edward Bradley, 2 Hampton Trail asked what was the status of the Boys & Girls Club Agreement? The document states "...if sufficient funding or construction does not commence by January 1, 1993..." the agreement expires. Where do we stand on this?

Since the Mayor had not yet arrived no response could be given. The Chair, however, stated that this item will be placed on the next Town Council agenda.

Edward Musso, 56 Dibble Edge Road wanted his feelings made clear to the Council that he believes the public should have the right to speak at every Charter Revision Commission meeting.

Mr. Parisi informed Mr. Musso that the Chairman of the Commission has the power to establish the ground rules for the meetings.

Mr. Musso felt that translates to censorship.

Mr. Doherty made a motion to Place the Following Items on the Consent Agenda to be Voted Upon by One Unanimous Vote of the Council, seconded by Mr. Parisi:

ITEM #3b Consider and Approve a Transfer of Funds in the Amount of \$3,000 from Property/Casualty Self-Insurance Acct. #001-8040-800-8250 to Hypertension - Fire Acct. #001-8040-800-8410 - Risk Manager

ITEM #3f Consider and Approve a Transfer of Funds in the Amount of \$120 from Comptroller - Copier and Supplies Acct. #001-1400-600-6120 and \$200 from Comptroller State Meetings Acct. #001-1400-600-6550 for a Total of \$320 to Comptroller - Clerk's Wages Acct. #001-1400-100-1300

ITEM #3g Consider and Approve Tax Refunds (#159-184) in the Amount of \$14,001.40 - Tax Collector

ITEM #3h Consider and Approve Merit Increases (4) Approved by the Mayor

ITEM #3i Consider and Approve a Transfer of Funds in the Amount of \$2,000 from Acct. #2032-100-1600, Sick Replacement and \$4,000 from Acct. #2032-100-1630, Workers Compensation for a Total of \$6,000 to Overtime Acct. #2032-100-1400 - Dept. of Fire Services

VOTE: All ayes; motion duly carried.

ITEM #4 Items Removed From the Consent Agenda:

ITEM #3a Consider and Approve a Transfer of Funds in the Amount of \$31,000 from Property/Casualty Self-Insurance Acct. #001-8040-800-8250 to Hypertension - Police Acct. #001-8040-800-8400 - Risk Manager

Motion was made by Mr. Doherty, seconded by Mr. Parisi.

Mr. Killen asked Mr. Wilson what the strong indications were that led Mr. Wilson to believe that some of the benefit recipients would have their funds discontinued, as stated in Mr. Wilson's March 16th letter?

Mr. Wilson explained that a physician gave one recipient permission to return to work and the budget was decreased accordingly and the benefits were discontinued. A relapse occurred, however, and the recipient had his benefits reinstated. The funds need to be replenished.

VOTE: All ayes; motion duly carried.

ITEM #3c Consider and Approve a Transfer of Funds in the Amount of \$1,000 from Janitorial Services Acct. #001-2001-600-6290 to School Crossing Guards Acct. #001-2002-100-1850 - Dept. of Police Services

Motion was made by Mr. Doherty, seconded by Mr. Parisi.

Mr. Killen wanted to know the reason which prompted the Police Dept. to place this item out to bid?

Deputy Chief Darryl York explained the strain that is placed on the workforce of the department when the patrolmen are pulled from their duties to cover for the crossing guards. To date approximately 800 sick calls have required coverage from the department. By privatizing the service the burden falls off the shoulders of the Town and department and onto the vendor.

The Council was led to believe that an R.F.P. (request for proposal) was solicited through the Purchasing Department which met with opposition on the part of some of the Councilors.

Mr. Parisi asked, why an R.F.P.?

Mr. Killen felt that the Town should not be "playing games" with the bidding system. If we request prices for a service then it should be placed out to bid. Otherwise with R.F.P.s the vendors will no longer wish to participate in the process since they are revealing their price for service prior to bidding on it.

Mr. Doherty asked, how much lower did the bid come in for Janitorial Services than was budgeted for?

Mr. Killen responded, \$13,000.

This response drew fire from Mr. Frank Wasilewski, 57 N. Orchard St. who informed the Council that \$49,209 per year has been budgeted for the past two years for janitorial services. He urged the Council to keep this in mind during budget workshops.

Mr. Myers explained the difference between an R.F.P. and a bid and reminded the Council that the Charter does not formally recognize an R.F.P.

It was determined at this point in time that the document was a bid and not an R.F.P. due to the assignment of a bid number.

Mr. Killen stated that he would like the Council kept informed of the impending action on an issue such as this prior to it being set in motion.

VOTE: All ayes; motion duly carried.

ITEM #3d Consider and Approve a Transfer of Funds in the Amount of \$2,500 from Janitorial Services Acct. #001-2001-600-6290 to Electric Energy - Overhead Signal Acct. #001-2003-200-2100 - Dept. of Police Services

Motion was made by Mr. Doherty, seconded by Mr. Parisi.

VOTE: Zandri, no; all others, aye; motion duly carried.

ITEM #3e Consider and Approve a Transfer of Funds in the Amount of \$4,000 from Janitorial Services Acct. #001-2001-600-6290 to Natural Gas Acct. #001-2001-200-2020 - Dept. of Police Services

Motion was made by Mr. Doherty, seconded by Mr. Parisi.

VOTE: Zandri, no; all others, aye; motion duly carried.

WAIVER OF RULE V

Motion was made by Mr. Doherty to Waive Rule V of the Town Council Meeting Procedures for the Purpose of Taking Up a Public Works Item, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

Motion was made by Mr. Doherty to Approve a Transfer of Funds in

the Amount of \$7,000 from Contingency Reserve for Emergency Acct. #001-8050-800-3190 to Overtime Acct. #001-5040-100-1400 - Dept. of Public Works, seconded by Mr. Parisi.

VOTE: Killen, no; all others, aye; motion duly carried.

Motion was made by Mr. Doherty to Move Agenda Item #7 Up to the Next Order of Business, seconded by Mr. Parisi.

VOTE: All ayes; motion duly carried.

ITEM #7 Presentation on the Proposed Recreation Center and Ice Skating Pavilion as Requested by Councilor Susan S. Duryea

Mr. Chris Migliaro of CSM Special Inc. gave a detailed report on the benefits of this proposal to the Town of Wallingford.

The proposal is to build new recreational facilities through a combined effort of public, private, and non-profitable forces and resources. A new recreation center and ice rink would be built. These new facilities would be paid for with funds generated by the ice rink operations. The Town would help secure the funding for the project through the use of the Town's bond rating. The Town would also get ownership of these facilities at the end of the loan (twenty years).

The recreation center would be staffed, operated, maintained, and insured by the Town. The ice rink would be managed, staffed, operated, maintained and insured by a management company owned by Chris Migliaro. The ice rink will generate a surplus revenue stream which can support additional debt service to finance the cost of constructing a new recreation center. The surplus revenue exists only if the loan is secured at a fixed low interest rate. The Town has the ability to help secure a loan with the needed fixed low interest rate.

The proposed recreation center will total 25,000 square feet while the ice rink with offices and conference rooms; food concession and seating; film and meeting rooms; pro shop; locker rooms with showers and seating for 1,000+ people will measure in at 40,000 square feet.

The cost of the combined facilities built as one project will be approximately \$3.9 million with an annual debt service of \$350,000. Unfortunately, the ice rink operations cannot support the entire debt service load in a positive manner of both facilities in the first five years, based on the proposed design from the Park & Recreation Department's wish list. The cumulative revenue shortfall projected over the first five years is approximately \$300,000. Year six (6) has a positive cash flow as do all subsequent years.

Shortfall options available to the Town:

Wallingford can make up the \$300,000 shortfall which occurs the first five years; or

Wallingford can contribute enough funds toward the cost of the recreation center to lower the cost of the recreation center's debt service so that rink operations can cover it; or

The new recreation center can be downsized so the cost of the construction will be lower so that the recreation center debt service can be lowered and covered by the excess of rink operations.

The project would require a minimum of six acres with parking for 400 cars plus. Additional acreage would allow for fields and outside play areas for the recreation center. The Town would have to purchase land or existing land and buildings to utilize them in accordance with the theme of the project. There is a remote possibility that a private donation of six acres to the Town may be forthcoming. Negotiations are ongoing.

Mr. Zandri questioned the legality of the Town being involved in the joint venture with regards to the bidding requirements?

Mr. Myers responded that the construction would be handled by the private side of the venture.

Mr. Zandri asked how much money the Town has invested in its pension fund?

Mr. Myers responded, \$60,000,000.00 earning 10-10 1/2% interest each year.

Mr. Parisi asked, if a shortfall is forecasted for the first five years how do we know that it will not continue for the second five years?

Mr. Migliaro responded that ice rates increase every year, revenues increase and with a C.O.P. (certificate of participation) you have a fixed rate similar to a mortgage.

A C.O.P. is a tax-exempt lease purchase arrangement. The facility can be built with funds borrowed at or near standard municipal interest rates.

Mr. Migliaro continued, the projections by VSC Sports for usage are based on approximately forty hours. With the expansion of ice time with some of the more off-peak hours available for rent, that is how the profit and dollar revenue stream would increase over the course of the five year period. The start-up year will be the worst one, obviously.

Mr. Parisi asked, then you will need to take people from other

places to come to this facility at the "downtime hours"?

Mr. Migliaro responded, not only other people but the Wallingford Youth Hockey will skate here but their program has grown almost 100% from last year to this year. The last page in section two shows what the growth rate has been for figure skating and ice hockey.

Mr. Parisi asked if the management company suffers any loss or is it just the Town?

Mr. Migliaro answered, it is not so much that the management company suffers a loss or the town...we have to make the debt service payments. The Town, up until the time that we fail, the Town has not made any payments at which case the Town would end up having..... most likely this project would never go back to the bond holders. The Town would step in and pay for the balance of the debt; pay it off, refinance it, re-structure it in some manner. It is on Town property and these are lease-hold improvements.

Mayor Dickinson stated that we are obligated on any debt that is issued in the name of the Town of Wallingford.

Mr. Doherty asked if the facility will meet the standards required of a host rink for U.S.A. Hockey Tournaments and I.S.I.A. competitions? They have strict requirements regarding locker room facilities and various other benefits for their tournaments. Mr. Migliaro is boasting this rink as one that can host these functions as a selling point for the project and Mr. Doherty wanted to make sure that those selling points are valid ones.

Mr. Migliaro responded that VSC Sports is assisting in the design of the facility and they have made recommendations specifically for that purpose. He has been negotiating to bring in a Junior "C" team to the rink.

Mr. Killen asked if the land that may potentially be donated or the existing sites being considered have enough area for sufficient parking?

Mr. Migliaro responded that additional parking areas would have to be created at both. His plans require 400 parking spaces for the facility. The rink will seat approximately 1,000 in the bleachers. That translates to 250 cars. The remaining 150 spaces will be available for parking for the recreation center.

Many representatives of the public spoke in favor of the rink. Most of them had children who were involved in the sport of hockey and told stories of how they must rise at extremely early hours of the morning or stay out late into the night to travel out of town for ice time for practices.

The next step would be to appoint a committee to share information. Ground-breaking should occur by next March or April to have the project completed by September of 1994.

Mr. Charles Johnson, Chairman of the Parks and Recreation Commission, reminded everyone of the need for a new facility for Parks and Rec which has clearly outgrown Simpson School. This proposal has the backing of the commission solely for the reason that it is offering a new facility for them.

Mr. Holmes was in favor of appointing a committee.

Ms. Papale stated that she will make sure that the next Town Council Agenda reflects an item to establish a committee to study this proposal.

Ms. Papale thanked Mr. Namnoum and Mr. Migliaro for their presentation.

The Chair declared a ten minute recess.

ITEM #5 Consider and Approve the Re-Appointment of Michael Papale to the Position of Commissioner on the Public Utilities Commission for a Term of Three (3) Years to Expire March 1, 1996 requested by the Mayor's Office

Motion was made by Mr. Doherty, seconded by Mr. Parisi.

Mr. Parisi read correspondence into the record from the Mayor dated March 12, 1993 (appendix I).

Mr. Zandri made the following statement: "When I was elected to fill this position I realized that I would have to make some tough decisions. Unfortunately, some of these decisions have turned old friends into new enemies. I am faced with this situation here tonight. I feel my responsibility in making my decision should reflect what I think is in the best interest of the Town of Wallingford. Regretfully, I will not be supporting the Mayor's choice for this position here, tonight. Thank you."

Mrs. Duryea made the following statement: "I also have to say that this is one of the most difficult votes I have ever had before me. Mr. Papale has been a friend to my family for many years going back to when I was a child. In my eyes, Mr. Papale is kind, generous, easy going and a good democrat, and I mention that because this is a democratic appointment. But that is not what the vote is about tonight. There are slots where people fit and where they don't. Although I will be voting in the negative on Mr. Papale's appointment with the Public Utilities Commission. I truly believe in my heart that he could be valuable to the Town of Wallingford on other committees. I am truly sorry to vote no on the Mayor's re-appointment of Mr. Papale. Thank you."

Mr. Parisi made this statement: "I will be voting for Mr. Papale this evening and, not because he is the appointment of the Mayor, but I think that Mike is the type of an individual that brings a hands-on expertise to a job. As a member of the P.U.C. his is certainly knowledgeable in the Water and Sewer Division where

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he was in charge for many years that very type of work in the City of Middlebury. Granted, he is not the most outspoken person but as I view the P.U.C. I think that they have a very, very good mix. They have a commissioner who is outspoken who, in many years, has not hesitated to call the shots as he sees them and we all know who he is. We have the stability of another commissioner who has served many years on the Town Council who has since led the P.U.C. and then we have Mr. Papale who is very knowledgeable and can explain the technicalities as I stated. I respect the position of my colleagues and I understand their difficulty. In my own mind I find that we have a well-balanced P.U.C. and I believe that Mr. Papale has earned the right to serve again. Thank you."

Mr. Doherty made this statement: "In the previous appointment I made some particular statements that I would say I have to apply in this particular case too. For an operation that spends \$40 million per year and is considering contracts that will get into the \$300 million and \$400 million range in the next ten years, if we go in that direction, it is a group that amazes me at the lack of questions. There is certainly one commissioner that seems to be asking all of the questions. It just amazes me that this type of operation, with this amount of money being involved, that there are not more questions being asked by the other commissioners. They seem to be totally in sync as far as their votes are concerned, 3-0 unanimous voting goes on and on and on and I just cannot see where someone does not disagree once in a while just to shake the whole place up. It doesn't happen. I am disappointed in some of the people down there in terms of their ability to do research and homework and to ask questions and I cannot support this particular nomination."

Mr. Holmes had the following comments to make: "I think many times with public service and public positions the questions have to go beyond the scope of questioning a particular individual on subject matter. I think anytime there is a question of the ability of the person serving on a commission or board comes down to personal integrity and their belief in what they are doing is good for the Town, and when I look at the P.U.C. I don't see any evidence of mismanagement, I don't see any of the problems that occurred many years ago in the department, I think the utilities are well run and I think that the P.U.C. has done their job properly and have executed their duties to the best of their ability and have served the Town well and I will support Mr. Papale's nomination. Thank you."

Mr. Solinsky commented: "I have known Mike for six or seven years now and I have worked with him on two particularly large projects, the Town Hall being one of them and I find him to be very thorough and very capable and I will be supporting him on this vote."

Mr. McDermott: "I have known Mike Papale for several years, all of my life, and I have known him to be a person who gives of himself, unselfishly, to the Town of Wallingford. He has served on various committees in this Town for many, many years and has been giving unselfishly of himself in the devotion that he puts back into the Town of Wallingford that has given him something

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I think is honorable and respectable that he wants to give so much of his energy and time back to the Town of Wallingford by continuing to give his service to the Town. I will be supporting Mike Papale tonight."

Ms. Papale stated that Mr. Papale is not present this evening due to the fact that his son is being honored as the Coach of the Year for the wonderful work by the Sheehan High School Basketball Team.

Mr. David Gessert, 90 Seiter Hill Road, P.U.C. Commissioner spoke very highly of his working relationship with Mr. Papale on two building projects; the new police station and the town hall project. He praised Mr. Papale for his expertise in the construction phase of the project. He went on to say that two major projects totalling more than \$40 million have been ongoing over the past two years: the Sewer Treatment Plant and Water Filtration Plant. He admitted that although Mr. Papale may not ask very many questions at the P.U.C. meetings, he asks them before the meeting. Mr. Papale does not engage in public debate but is a very conscientious member of the Commission. He was on-site to ask questions of the contractors at the Sewage Treatment Plant. He was on-site while the Water Filtration System was being constructed to oversee the work of the crews and ask questions of a construction nature to protect the interest of the utility and the interest of the Town. He felt Mr. Papale was a valuable asset to the Commission.

Mr. Al Kovacs, P.U.C. Chairman, agreed that Mr. Papale is an extremely quite man, however, he is in touch with Mr. Kovacs six days a week. He assured the members of the Council that Mr. Papale is dedicated to the P.U.C. He knows more about Water and Sewer projects than possibly Mr. Gessert or Mr. Kovacs will ever know. He is quite and very astute. Mr. Papale should be re-appointed to the P.U.C. for another term, especially with the other projects coming up in the future.

VOTE: Doherty, Duryea, Killen and Zandri, no; all others, aye; motion duly carried.

ITEM #6 Approve and Accept the Minutes of February 23, 1993 and March 16, 1993 Town Council Meetings

Motion was made by Mr. Doherty, seconded by Mr. Parisi.

VOTE: Killen passed; all others, aye; motion duly carried.

ITEM #8 Consider and Approve an Amendment to the Electric Division's Budget by Decreasing Net Income by \$1,430,000 and Appropriating \$1,430,000 from the Retained Earnings Account to Reflect the Impact of the Credit Rider Extension Adopted by the Public Utilities Commission for the Period of 1/93 to 6/93 - Public Utilities Commission

Motion was made by Mr. Doherty, seconded by Mr. Parisi.

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Mr. Zandri read the following statement into the record: "I am not against giving a credit rider. Actually, I am for well-managed utilities, Electric, Water and Sewer that allows the best possible rates all of the time. What bothers me is the way that this whole credit rider issue has been handled. The proper time to account for this was during the budget process that took place one year ago, but it was not. At that time the credit rider was put in place for only the first six (6) months of the budget year. Prior to the credit rider running out the Director and the P.U.C. got together and decided to extend the credit rider through the remaining six (6) months of the budget year. They called a Public Hearing and extended the credit rider with no money in their budget to allow this to happen. At this point in the process is when I challenged their decision stating that I did not believe they could extend the credit rider without the proper funds in place first. I would like to point out that no other department in Town is allowed to spend money until the money is allocated first. A legal opinion was requested on this issue and the Town Attorney agreed that if a credit rider was extended and caused the P.U.C. to use unallocated funds it would have to get approval of the Mayor and the Council. This is why this item is on the agenda tonight. Three months after credit has already been extended to our customers we are here, tonight, to put the money in place to allow this to happen. What kind of a position do you feel this Council is in under these circumstances? In the future I hope that the P.U.C. has the courtesy to come before the Council first to secure the funds before it extends credit. At this point I would like to explain my reason for not supporting this item tonight. The P.U.C. is planning on extending this credit rider from Retained Earnings for savings. Time and time again this Council has been told that these funds have been allocated for future capital projects and cannot be touched. Every request by this Council to use these funds has been denied. If this Council were to use these funds it would jeopardize our Electric Division, so we have been told. However, I still feel that the credit rider can be funded. With two-thirds of our budget year recorded, there are \$2.3 million of unallocated funds available in the regular and capital budgets. I feel that there is plenty of money available in their existing budget to fund this credit rider without dipping into the savings. Thank you."

Mr. Doherty asked to hear from some of the Electric Division's customers whether or not this credit rider is of any significance to them. The four or five largest customers of the division are the ones who are benefiting from this credit rider, not the average homeowner on the street.

Mr. Kovacs had in his possession correspondence from Bristol-Myers, American Cyanamid, Times Wire and Cable, Amtek and Allegheny-Ludlum. He said that they all basically stated the same thing, thanking the Town of Wallingford for the credit rider. Representatives from these firms were in the audience to reiterate the benefit of the credit rider as stated in their letters.

Mr. Gessert read excerpts from the letters into the record (appendix II). He stated that the P.U.C. views the rider as an investment in survival for some of the town's customers. Some of the customers won't be here a few years from now if we don't help them today. Forty percent (45%) of the division's revenues come from twenty-five (25) customers. It is imperative to keep those customers in business during these difficult times.

Mr. Doherty agreed with the investment and the jobs that it is saving. With the economy the way it is it would continue to be a smart investment. He thanked the representatives in the audience for their attendance this evening.

Mr. Zandri felt that any businessman would be a fool to refuse some sort of relief, no matter where it came from. It was his understanding that CT. Steel received an additional break above and beyond what the Town has given them through negotiations with the other utility.

Mr. Gessert agreed. CT. Steel applied for and received rate relief from Northeast Utilities. We now have the option to reduce their power or cut them off at any time during the year. We can utilize that option several times during the year. Certain companies can survive an option such as this and others cannot. The risk for CT. Steel was well worth the reduced costs.

It must be noted for the record that the Town enjoys better rates than most other customers in the State, normally, even when there is not a credit rider.

Mr. Zandri re-emphasized the fact that he is not against the credit rider and re-emphasized the fact that there is sufficient money in the existing operating budget of the utility to fund the credit rider. That is the reason he is not supporting the rider this evening, not because he is against the rider but he is against source of the money for the transfer.

Mr. Killen concurred with Mr. Zandri's statements. He pointed out that there was no attempt made on the part of the division to offer to cut expenditures. They took the easy way out, retained earnings. He asked, what if the P.U.C. extended this credit rider too deeply and there was no reserve to take from? The taxpayer would have to pick up the tab. You (the businessman) would have to pick it up as well.

Mr. McDermott stated that he is in favor of a credit rider. We (the town) reduce rates and we have a credit rider, but the reduction will not last forever. At which time we will be hit with a 7% increase plus more when the rates turn around, remember that as well. It is a temporary fix in a bad economy. He referred to Mr. Gessert's statement that twenty-five (25) customers make up forty-five percent (45%) of the revenues and added that those twenty-five (25) customers do not make up forty-five percent (45%) of the tax base in the Town. He stressed the point that the

\$1.5 million that is being taken out of Retained Earnings account, is our money whether it goes through the electric bill or tax rate it is our money that is accumulated. The average homeowner is realizing a savings of only \$4.85 per month on a \$75.00 invoice. He reminded everyone that there are other projects that need to be done in the Town, Community Lake being one of them. Some of the Retained Earnings could be used to restore the lake or to help make the ice rink/rec center come to fruition. He would rather be able to tell people, when challenged on how the savings were drained by the politicians, that the funds were used for tangible items such as Community Lake where the residents could go and utilize the area for recreational purposes rather than reminding them that their electric bill was \$4.85 smaller each month for a limited amount of time. There are many projects that can be done with that money. Since we are three months into the extension at this point in time and only three months remain, he was in favor of approving the rider this evening. He asked if it is possible to fund the rider with unencumbered funds in the division's budget as mentioned by Mr. Zandri?

Mr. Raymond Smith, Director of Public Utilities responded that, specifically, through February the division has not expended, nor encumbered approximately \$1.3 million or half of the capital budget. Some of the projects on the capital side related to the substation or some overhead conductors or devices that will be constructed adjacent to the substation. The funds may not be spent in total by June 30, 1993 due to the timing of the substation.

Mr. Thomas Sullivan, Officer Manager of the Electric Division took the time to explain to the Councilors why some funds appear to be unencumbered in a variety of accounts.

Mayor Dickinson explained that if revenue exceeds expectations and that is not part of the authorized appropriations for expenditure it will fall out to Retained Earnings replenishing what might have been taken. We are not losing anything in this process.

Mr. Killen reminded everyone that the Charter clearly states, "any portion of an annual appropriation remaining unexpended and unencumbered at the end of a fiscal year shall lapse..." You are carrying funds forward year after year as if they are annual appropriations. Only funds that are appropriated for permanent improvements shall not lapse until three years have gone by. He accused the utility of taking advantage of a grey area. The dollars are not being expended. The Council has no way of knowing that the particular dollars set aside for capital projects are actually going to be spent.

Mr. Smith stated that some of the funds have already been expended. They have not been capitalized yet. More than \$600,000 has been expended on the substation to date. A total of \$1,244,000 has been encumbered through purchase orders. You don't capitalize and identify a project until the entire project is completed even though the funds have been expended.

Mr. Smith reminded Mr. Killen that the Council agreed to fund the substation. It was presented to the Council under the auspices that it would be funded for three years out of appropriations. It cannot be built entirely in the first year and the funds cannot be spent entirely in the first year.

Much discussion ensued surrounding the financial statements of the division and their clarity, or lack of it in Mr. Killen's opinion, when it comes to dollars that are attributed to construction work in progress.

Mr. Sullivan assured Mr. Killen that the figures may be confusing but they certainly do not misrepresent the facts. The figures are all audited by Mr. Sullivan's department, reviewed by Mr. Myers and then scrutinized by the firm of Levitsky & Birney, our auditing firm.

Mr. Killen informed Mr. Sullivan that during his second or third term on the Council the auditing firm in place at that time made a \$4 million error. They are not infallible.

Mr. Bradley, as a shareholder in the electric division, thanked Mr. Zandri for bringing this issue forward. If it were not for him it would have been "business as usual". He had a problem with the fact that Bristol-Myers, a multi-million dollar company who is receiving millions of dollars in tax breaks from the Town, graciously accepts a rebate of \$233,000 from the credit rider. They don't need it. There are people out there that are truly hurting that could use that tax break. Some senior citizens need the assistance.

He asked, on the income side, wasn't the division over budget last year?

Mr. Smith could not respond with exact figures.

Mr. Bradley asked, what is the budgeted income/revenue for '92-93?

Mr. Smith: \$42,734,800.

Mr. Bradley asked, how much are you over budget this year?

Mr. Smith was not sure that the division is over budget.

Mr. Bradley recalled that these are the same two questions that he asked of Mr. Smith several months ago. He believes that the division is over budgeted in an amount of approximately \$1 million.

Mr. Killen responded, \$1,052,596.00 net income.

Mr. Bradley asked, if you are that much over budgeted why can't the money be taken from there instead of Retained Earnings? If not, aren't we, in essence, saying that we continue to overcharge people?

Mr. Smith: Whatever, if that is your interpretation. When this budget transfer was put together, I want to remind people that this was presented to the P.U.C. back in December of 1992 and they were going to act on it the first meeting of January 1993. At that time the budget statement showed that we were \$800,000 short or at a loss at that time. I think it is impossible to spend every last dollar of seventy-five (75) different accounts that the division is required to maintain.

Mr. Bradley referred to the Electric Division Study performed by CDM in 1991 which recommended a total reserve for the division of \$3.6 million. The balance of short term investments that fiscal year ending 1989-90 was \$15.4 million and that indicated a surplus of approximately \$12 million. The surplus will probably increase by the end of the fiscal year '91-92. That occurred and we will most likely see it again in '92-93. One of the recommendations in the study was how to distribute the \$9 million surplus from the rate settlement. It was recommended that it be refunded back to the division's customers or to set aside a portion of the surplus to be used to reduce the impact of CL&P's wholesale rate increase in 1993.

He asked, what are we anticipating for a rate increase in 1993 if any?

Mr. Smith responded that no one from CL&P has shared that information with him. They have held off on the rate increase pending some sort of arrangement negotiated with them last year. Right now it is in the hands of the bonding attorney for his review. There could be a rate increase if we chose not to go forward with the CMEEC membership or an arrangement which includes Life of Unit (LOU) contracts. The only guess that Mr. Smith can base the increase on is what is being done at the retail level which is somewhere between ten and fifteen percent (10-15%).

Mr. Peter Gouveia, 39 Lincoln Drive Ext., asked what the budget surplus was for fiscal year ending June 30, 1992?

Mr. Sullivan responded, the Net Income figure was \$1,342,818.

Mr. Gouveia was in favor of continued lower rates, however, he disagreed with the way that the P.U.C. handles business. The rate reduction should continue until \$7,622,953. are returned back to the ratepayers of Wallingford because it is to them that this money belongs. He was opposed to the way that the P.U.C. was handling the situation because it is just another example of poor fiscal management and poor planning on their part. He proceeded to explain the history of the rate settlement case. The rates were never rolled back to the original rate once the case was settled and the twelve percent (12%) increase charged to everyone until the case was settled was never returned to the customers. His final question to the Council was, when is the P.U.C. going to have to learn to live within their own budget?

Mr. McDermott stated that he would vote in favor of this motion solely because of the immediate impact of dollars on the local economy.

VOTE: Duryea, Killen and Zandri, no; all others, aye; motion duly carried.

Mr. Smith reminded the Council that a tour of the Water Treatment Plant will be held on Tuesday, April 6, 1993 at 5:00 P.M. all Councilors are invited.

ITEM #9 Consider and Approve Waiving the Bidding Process to Award a Contract to the Segal Company in an Amount Not to Exceed \$3,500 to Develop a Formal Plan for the Wallingford Volunteer Firefighter's Pension Plan - Mayor's Office

Motion was made by Mr. Doherty, seconded by Mr. Parisi.

Mr. Killen asked where the funds are located in the budget? Under what heading does it appear?

Mayor Dickinson responded, it appears under the Length of Service Awards. The Finance Department's view is that it is a legitimate expenditure for the Length of Service Awards which should be known as the Volunteer Firefighter's Pension Plan.

Mr. Zandri stated that it was his understanding that the \$20,000 that was set aside for each department was set aside for the plan itself. He assumed that there was a line item specifically for that.

Mayor Dickinson stated that there is a line item for each volunteer company entitled, "Length of Service Awards" with \$20,000 in each one.

Mr. Zandri argued that dollars are being spent for something other than what they were intended for. There would have to be a transfer of funds to correct it.

Mr. Myers stated that the funds were in Contingency in the amount of \$80,000.

Chief Lefebvre stated that each volunteer department has \$20,000 set aside for the program. The funds have been budgeted in the same manner for the past three or four years. In the past Company Seven's budget had been earmarked to withdraw the needed secretarial funds and any other funds needed to get the program going.

Tim Wall asked that the record show that Chief Tim Sweeney, Co. 4; Chief Mike Saul, Co. 5; Joe DaCunto, Co. 8 and Tim Wall representing Co. 7 were present at the meeting tonight.

It was determined that a transfer of funds is required in order to begin the program. To this end motion was made by Mr. Killen to

Table This Item, seconded by Mr. Parisi.

VOTE: Doherty was absent; McDermott and Parisi, no; all others, aye; motion duly carried.

ITEM #10 Report Out by the Town Engineer and Mayor on the Status of the Tyler Mill Road Bridge as Requested by Councilor Susan Duryea

Motion was made by Mr. Doherty, seconded by Mr. Parisi.

Ms. Papale stated that the Town Engineer was in attendance at the meeting from 7:30 P.M. to 8:00 P.M. He had a prior commitment at 8:00 P.M. and therefore had to leave. The Council will discuss this item and if any questions remain unanswered Mr. Costello will be requested to appear before the Council to answer them at the next meeting.

Mrs. Duryea stated that she had heard through the grapevine that the Tyler Mill Road Bridge Project had been dismissed. A lot of people have invested time and research in this project and she would like a formal answer as to where the project stands at this point in time.

Mayor Dickinson responded that on or about February 11th the departments involved met and it was reviewed. The consensus was that there was no need to proceed at this time. A decision was not necessarily made because it effects the Capital and Non-Recurring budget. Some of the decision making involves whether there are higher priorities that should absorb those funds. The Town's share was \$350,000. Since then there has been further confirmation that we no longer are experiencing dumping in the area. There is no concern on the part of the emergency services with regards to a through connection as was earlier the case. Other projects have since achieved higher priority. The Town Engineer brought the Dayton Hill Road bridge to attention as one of those priorities. There are also road drainage projects that have been brought forward as part of the Capital and Non-Recurring this year. In order to do those projects we must absorb the financing capability that was earlier dedicated to Tyler Mill Bridge. That is where it stands at this point in time.

Mrs. Duryea stated that the Council was asked to approve funds in the amount of \$350,000 to go ahead with a bridge. It was through the efforts of a taxpayer that it was brought to the Council's attention that we should be considering a timber bridge which was agreed to a a separate meeting. Now there is no immediate plans for this project. Perhaps when a circumstance such as this occurs a memo could be forwarded from the Mayor's Office to the Council to keep us informed of the change in plans. It avoids having to bring it forth as an agenda item for discussion. Several Councilors have been asked repeatedly by residents what the status is. Out of courtesy a letter should be sent to the Council informing them of the status so that information can be passed along.

Mayor Dickinson explained that nothing can happen without the Council's approval and unless something is brought forward again nothing can happen. An indication of moving forward would be an agenda item pertaining to the issue. Until he knew what he was to do this coming year with the Capital and Non-Recurring Fund it was difficult for him to frame any type of response on this issue.

Mr. Killen asked, what budget year were the funds for Tyler Mill Road Bridge allocated? It does not appear in this current year. If it was in a prior year a Public Hearing would have been held on it at which time the public would have spoken on it. Now we (the public and Council) are being told that our wishes are being side-stepped because something else has come along.

Mayor Dickinson explained that any change in Capital & Non-Recurring has to be approved by the Council. What happens is that this money is absorbed by the projects. It is not that the public will not be involved because there will have to be a public hearing and adoption of a new Capital & Non-Recurring Ordinance.

Mr. Killen responded that an ordinance was adopted. The public let their chance to challenge it go by after the twenty-one (21) days lapsed following publication. That ordinance now exists as a matter of law. If we had gone to bonding you would not be able to touch those funds. You may not be able to touch those funds now. We are losing sight of our procedures here. Our system will begin to deteriorate at this rate.

Mayor Dickinson stated that the Council had already indicated an unwillingness to go forward with the project.

Mr. Killen and Mrs. Duryea disagreed. The Council did not wish to go forward with a concrete structure but they want to go forward with the project.

Mayor Dickinson reminded everyone that the motion covered all aspects from changing the design to not going forward with any structure at all.

Mr. McDermott stated that he amended the original motion to include not having any bridge at considered with the other options and to have the Town Engineer examine all options equally.

Mr. Killen apologized for not remembering Mr. McDermott's motion and also apologized for letting that motion go ahead because it is not in the Council's purview to change the rules after an ordinance has been adopted.

Mayor Dickinson explained that the existing bridge is safe for pedestrian traffic but there is concern with the abutment which is constructed of concrete and field stone. When the Muddy River floods it puts a significant test on the abutments. An obstruction

has been put into place to prevent vehicular traffic from crossing the bridge. It is safe for foot travel only.

Phil Wright, Sr., 160 Cedar Street asked what Mr. Costello had to say with regards to the wooden bridge? What is his position on this matter?

Mayor Dickinson stated that he will obtain a report from Mr. Costello on the wooden bridges.

Kathryn Wall, Town Clerk read the motion made at a previous Town Council meeting as follows: "Original Motion was amended by Mr. McDermott to Temporarily Halt the State Process for Application for a Concrete Bridge and for the Town Engineer to Study the Options of a Wooden Bridge; Covered Wooden Bridge or No Bridge". That motion was passed by the Council.

Mr. Killen asked, where do we stand then? Mr. Costello was given the project, are we going to hear from him? We gave him that duty. We are now being told we will have no bridge. We did not receive a report from him.

Mr. Solinsky stated that Mr. Costello did present the Council with a proposal for a wooden bridge and he was not in favor of it in his initial proposal.

Mr. Killen stated that the last order of business with Mr. Costello was for him to report back to the Council with his findings on all the options.

Mayor Dickinson stated that a report can be obtained from Mr. Costello but to understand that the Council is asking the very limited resources of the Engineering Dept. to spend a lot of time on something where they are not identifying it as the high priority now. There are more important matters than this.

Ms. Papale insisted that a report be made by the Town Engineer at the next Town Council Meeting.

Phyliss Corneal was under the impression that the Council controls the Tyler Mill Road area since they have designated it a scenic road. They should be informed when the current bridge is abandoned as well as those residents who were involved in the issue. She stated that our Town Engineer viewed the \$737,000 super structure he proposed to the Council a few meetings ago as very important. All of a sudden we no longer need a bridge there. If we spend no money at all on the project it is fine with her. If money is going to be spent, she urged the option of a wooden bridge be considered. She told of a wooden bridge in Bangor, Maine which is 117 years of age of which school buses cross over every day.

No action was taken.

ITEM #11 Discussion and Possible Action on a Senior Citizen Tax Deferral Program as Requested by Vice Chairman David J. Doherty

Motion was made by Mr. Doherty, seconded by Mr. Parisi.

Mr. Doherty moved that the Town of Wallingford, through its Town Council, establish a local option elderly tax deferral program by ordinance based upon the criteria established in Section 12-129(c) of the CT. General Statutes with no interest charged. This ordinance is to take effect on July 1, 1993 for fiscal year '93-94, seconded by Mrs. Duryea.

Mr. Doherty explained that the intent of the program is to allow elderly homeowners on fixed incomes or low incomes to live as long as they wish in their own homes. It is a first small step during these hard economic times to assist the elderly to better handle rising taxes. The number of elderly residents in Wallingford is rising. The NESDEC Study performed by the Board of Education has indicated that our elderly population has grown from eleven percent (11%) in 1980 to fourteen percent (14%) in 1990. Four hundred seventy-one (471) residents in Wallingford were covered under the Circuit Breaker and Freeze Programs offered by the State in 1992. There may be many others who won't ask for the aid but it doesn't mean that they don't need it. The Board of Tax Review indicated in their report that many elderly residents were not aware of the State programs. The Town Assessor is on record as stating that there is a need for this type of program in our area. The Council has given breaks to others during the hard times, the credit rider is one example and the dairy farmers and fruit growers have received tax deferrals. Under this program there will be no tax loss to the Town. The tax is deferred and repaid at the death of the individual or the sale of the property. The Town is protected in the meantime by placing a lien on the property. There is no extra burden staff-wise in the Assessor's Office with this additional form that is based upon income forms already used for the Circuit Breaker program. Other towns have met this need, forty-eight of them have one program or another. The Elderly Tax Relief Commission appointed by the Mayor in May of 1991 made, as a secondary recommendation, a similar program to this particular one proposed tonight. Several towns have ordinances for this type of program and we can review them and use them as an outline or model. Trumbull and Tolland are two such towns.

Mr. Parisi asked for an explanation of the Circuit Breaker Program and how it differed from this proposal.

Mr. Myers stated that when an elderly individual qualifies under the State Circuit Breaker Program the total taxes are paid but the elderly resident pays a portion and the State pays a portion. It is based on income levels.

Mr. Parisi asked, how many people will we have eligible for the program?

Mr. Doherty responded, according to figures provided by Rep. Mary Fritz, 447 homeowners in the Town of Wallingford currently qualify for the Circuit Breaker Program. He felt that the numbers will be very small, approximately 40 or so people will most likely qualify.

Mr. Parisi asked, wouldn't these people be existing on our tax rolls currently as being in arrears?

Mr. Myers responded, no. A lot of elderly people will forego buying food to pay their taxes for fear of being humiliated or in jeopardy of losing their homes. The highest collection rate in the Town is with the elderly.

Mr. Doherty read the criteria for which one must meet to qualify for the Circuit Breaker Program as follows:

1. The taxpayer must be 65 years of age or older;
2. must be the property's principal resident;
3. must live in the house for one year in the State and
4. must have an adjusted gross income of \$6,000 or less.

Mr. Parisi was not in favor nor in opposition of the program at this time. He would like to see more data compiled on this issue before voting on it. He wanted to know how many people this would effect.

Mr. Doherty felt that the number would be low due to the fact that the elderly are frightened of a lien against their property.

The general consensus was in favor of drafting an ordinance to address this proposal.

Mr. Doherty withdrew his motion and Mr. Parisi withdrew his second.

Motion was made by Mr. Doherty to have the Town Attorney's Office with Assistance from the Town Assessor Draft an Ordinance Based Upon Section 12-129(c) of the CT. General Statutes to Establish an Elderly Tax Deferral Program and Have it Ready for the Next Town Council Meeting, seconded by Mr. Parisi.

Mr. Edward Musso, 56 Dibble Edge Road spoke in favor of a PILOT program for the elderly.

VOTE: All ayes; motion duly carried.

ITEM #12 Executive Session Pursuant to Section 1-18a(e)(2) of the CT. General Statutes to Discuss Pending Litigation with Regards to Foreclosure Matters

Motion was made by Mr. Doherty to Move Into Executive Session, seconded by Mr. Parisi.

VOTE: Duryea was absent; all others, aye; motion duly carried.

Motion was made by Mr. Doherty to Move Out of Executive Session, seconded by Mr. McDermott.

Mr. Holmes left during the Executive Session.

VOTE: Holmes was absent; all others, aye; motion duly carried.

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

VOTE: Holmes was absent; all others, aye; motion duly carried.

There being no further business, the meeting adjourned at 12:30 A.M.

Meeting recorded and transcribed by:

Kathryn F. Milano
Kathryn F. Milano
Town Council Secretary

Approved: *Iris F. Papale*
Iris F. Papale, Chairperson

April 13, 1993
Date

Kathryn J. Wall
Kathryn J. Wall, Town Clerk

April 13, 1993
Date

4-5-93
RECEIVED FOR RECORD
AT 12:27 P.M. AND RECORDED BY
Kathy J. Wall TOWN CLERK

Appendix I



WILLIAM W. DICKINSON, JR.
MAYOR

OFFICE OF THE MAYOR
TOWN OF WALLINGFORD
CONNECTICUT

March 12, 1993

Wallingford Town Council
Wallingford, CT 06492

ATTN: Iris F. Papale, Chairperson

Dear Council Members:

This letter will serve as official notification of the appointment of Michael Papale to the Public Utilities Commission. Mike has served on the Commission for the past three years and has devoted much time and effort on its behalf. This three year term is effective immediately and will expire March 1, 1996.

Please consider confirmation of this request at your meeting scheduled for March 23rd. Thank you.

Sincerely,

William W. Dickinson, Jr.
Mayor

jms

cc: Michael Papale

Connecticut Steel Corporation

35 Toelles Road
P.O. Box 928
Wallingford, CT 06492
Telephone: 203-265-0615
Telefax: 203-284-8125



March 23, 1993

Town of Wallingford Connecticut
Department of Public Utilities
100 John Street
Wallingford, CT 06492

Attention: Raymond F. Smith, Director

Dear Mr. Smith,

During these difficult economic times many companies in Connecticut are struggling to keep their doors open. We are no exception. Low prices for the steel products we produce have forced several of our competitors to close down over the last several years. Without the support and assistance of our shareholders, we would have been forced to take similar action.

Therefore, it is with great appreciation that Connecticut Steel Corporation expresses its thanks for the assistance that has been provided by Wallingford Electric. The "Credit Rider" that was established by Wallingford Electric, in early 1992, has been an integral and very important part of our cost cutting efforts. Fortunately, unlike many other Connecticut companies, we have been able to maintain a constant level of approximately 180 employees for the last several years. We feel these jobs are very important to the Wallingford community and are proud to be part of a community that takes a pro-active approach in the retention of its industrial base.

Thank you for your kind assistance.

Sincerely,

Charles E. Volpert
Charles E. Volpert
Vice President - Finance



Bristol-Myers Squibb Company

Pharmaceutical Group

5 Research Parkway P.O. Box 5100 Wallingford, CT 06492-7660

March 22, 1993

RECEIVED

MAR 24 1993

DEF
B.P.

Mr. Alexander Kovacs
Chairman, Public Utilities Commission
100 John Street
Wallingford, Connecticut 06492

Dear Mr. Kovacs:

This letter is offered in support of continuation of the electric rate Credit Rider program.

The Credit Rider has saved Bristol-Myers Squibb \$233,500 during 1992. This savings was used to offset the continually rising fuel cost adjustment charges on our electric bills. Without the Credit Rider other areas of growth and investment would have been sacrificed to meet the site's utility budget.

As you probably are well aware, Bristol-Myers Squibb Company has many sites world wide and is continually evaluating available options regarding further expansion needs. The Credit Rider program indicates the positive attitude the Town of Wallingford has regarding further development in the area.

I would like to take this opportunity to also convey to you the general consensus here at Bristol-Myers Squibb regarding the current electric rate structure. I believe much can still be accomplished by taking the time to reevaluate the positive attributes of rebates for energy conservation projects, a lower off-peak rate structure and a more positive attitude for industry co-generation projects.

If you would like to contact me regarding this memo I may be reached at 284-6093.

Sincerely,


Bernard E. Blessinger
Senior Director Facilities Administration

cc: Raymond F. Smith, Wallingford Electric Division



American Cyanamid Company
Polymer Products Division
P.O. Box 425
Wallingford CT. 06492
(203) 269-4481

RECEIVED

JAN - 6 1993

DEPT.
PLANT

January 4, 1993

Mr. Ray Smith, Director
Department of Public Utilities
Town of Wallingford
100 John Street
Wallingford, Connecticut 06492

Dear Ray:

The decision by Wallingford Electric to continue the 5% rebate for 1993 is very much appreciated by American Cyanamid.

This rebate was significant for all of our businesses in 1992 and will continue to be a factor in our maintaining economic viability during 1993.

During 1992, we were able to operate our plant on a steady schedule and maintained continuous employment for our 635 employees.

While we cannot predict all the factors that will influence our operations in 1993, it is good to know that Wallingford Electric is pro-actively in support of our operations as well as those of other businesses in Wallingford.

Sincerely yours,

Robert A. Leitzman
Plant Manager

RAL:ek

cc: The Honorable W. W. Dickinson, Jr.



March 17, 1993

RECEIVED
MAR 18 1993
FEDERAL BUREAU OF INVESTIGATION

Mr. Alexander Kovacs:
Public Utility Commission
45 South Main Street
Wallingford, CT 06492

Dear Mr. Kovacs:

Armand Catti and I appreciate the time that you and the public utility commissioners spent with us. We welcome suggestions regarding conservation measures we should be adopting and in this regard look forward to the plant tour. We are also anxious to take advantage of the expertise of conservation consultants. (Ray Smith agreed to explore)

Times Microwave Systems strongly endorses retention of the electrical credit rider. Abandoning this credit in today's business environment would have a very negative impact upon companies such as Times Microwave Systems which are struggling to survive. We are also open to exploring any other options which could provide temporary electrical and/or water/sewer rate relief.

We look forward to working with you.

Sincerely,

Allen L. Torpie
Allen L. Torpie
Executive Vice President

ALT:bbc
puc3-17.at

AMETEK

SPECIALTY METAL PRODUCTS DIVISION • 21 TOELLES ROAD, P.O. BOX 5807, WALLINGFORD, CT 06492

TELEPHONE: (203) 265-67
TELEX: 984931 ASMD UD
FAX: (203) 294-0196

March 22, 1993

RECEIVED

MAR 22 1993

DEPT. OF PUBLIC UTILITIES

Raymond Smith, Director
Wallingford Department of Public Utilities
Electric Division
John Street
Wallingford CT 06492

Dear Ray:

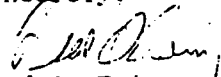
Ametek. Specialty Metals Division supports the electric divisions continuance of the credit rider on electrical service.

This credit helped Wallingford industry remain competitive in a Connecticut environment that doesn't make it easy!

The fact that Wallingford does have its own electric utility is appreciated by local industry because the electric rates in Wallingford have been lower than surrounding utilities but we still have a long way to go to match our competitor's utility rates in other parts of the country and overseas.

The dollars that are being used to fund the credit rider (from capital reserve funds) were collected from rate payers in anticipation of the building of a new generating plant. Since this is apparently not going to happen it seems only right that these dollars be returned to the rate payers. The credit rider is a fair and equitable way to accomplish this.

Sincerely,


Fred O. Ewing
Mgr. Engineering Services

FOE/an



Allegheny Ludlum Steel

DIVISION OF ALLEGHENY LUDLUM CORPORATION

1000 SIX PPG PLACE • PITTSBURGH, PA 15222-5479

PHONE (412) 394-2800

WALLINGFORD PLANT
80 VALLEY STREET
P.O. BOX 249
WALLINGFORD, CONNECTICUT 06492
203-269-3361

March 19, 1993

Ray Smith
Department of Public Utilities
100 John Street
Wallingford, Connecticut 06492

Dear Ray:

I'm sorry that I won't be able to attend the Council meeting on March 23, 1993 to lend my support for extending the credit rider for an additional year. As we discussed many times, Connecticut is a difficult state in which to do business because of high energy costs, high workers compensation and unreasonably high freight costs. I find it very gratifying to operate a manufacturing facility in the community of Wallingford where the Town leaders are sensitive to the needs of business. The relief over the past year in the form of a credit rider on our electrical energy consumption allows us to be a little more profitable and allows us to continue our investment in our facility in Wallingford.

Sincerely,

L. A. Greco
Plant Manager

LAG:edc



FACTS

BULLETIN ALLEGHENY LUDLUM CORP.

February 12, 1993

The following was released to the news and trade media:

Pittsburgh PA — Allegheny Ludlum today announced a capital expense project that will substantially increase precision light gauge stainless steel strip production capacity. The expansion is at the Company's Wallingford and Waterbury, Connecticut specialty strip finishing facilities.

"We see significant growth for precision light gauge stainless strip products in both domestic and international markets," said Bob Bozzone, President and Chief Executive Officer. "This production capacity expansion will allow us to meet this market growth and will help to further improve our quality and delivery performance to meet the ever increasing demands of our customers around the world."

Light gauge stainless steel strip is used in both consumer and capital goods applications. A few familiar products are computer diskette shutter doors and center hubs, video cassette springs, fiber optic cable wrap, automotive piston rings, hypodermic needles, specialty springs and cathode ray tube parts for computer and television screens. In addition, several new potentially high volume applications are currently in development.

-M O R E-

The new equipment incorporates the latest generation of microprocessor-based process control systems to produce a high quality product and optimize performance. Included are optical temperature controls, a laser control for strip tension, an X-ray strip thickness measuring system, and new shape enhancement components. The high performance digital coordinated drive systems are capable of maintaining precise, uniform strip tension which, together with a computerized interactive rolling mill management system, provide more consistent product quality.

"These investments will help us continue to be a cost competitive producer of specialty materials," Bob Bozzone said. "We plan to make major quality improvements that meet changing customer requirements and to seek specialty niches less sensitive to competition, our long held publicly stated core strategies."

The project is planned for completion by the fourth quarter of 1993.

Allegheny Ludlum is a leading producer of a wide range of specialty materials including stainless steels, electrical steels, and high technology alloys. The Company which reported sales of over \$1 billion in 1992, is listed on the New York Stock Exchange (Symbol: ALS).

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WALLSALM

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WALLINGFORD

SPECIAL TOWN COUNCIL MEETING

MARCH 29, 1993

6:00 P.M.

AGENDA

1. Roll Call and Pledge of Allegiance
2. Remove From the Table to Consider and Approve a Waiver of Bid to Award a Contract to the Segal Company in an Amount Not to Exceed \$3,500 and a Corresponding Transfer of Funds to Develop a Formal Plan for the Wallingford Volunteer Firefighter's Pension Plan

ADDENDUM

Consider and approve a Transfer of Funds in the Amount of \$11,000 from Waste Disposal & Composting Acct. #001-5060-600-6540 to Roof Repair Acct. #001-5230-999-9902 - Dept. of Public Works

SPECIAL TOWN COUNCIL MEETING

MARCH 29, 1993

6:00 P.M.

A Special Meeting of the Wallingford Town Council was held on Monday, March 29, 1993 in the Robert Earley Auditorium of the Wallingford Town Hall and called to Order by Vice-Chairman David J. Doherty at 6:00 P.M. All Councilors answered present to the Roll called by Town Clerk Kathryn J. Wall with the exception of Chairperson Iris F. Papale who was on vacation. Mayor William W. Dickinson, Jr. was also present. Town Attorney Janis M. Small and Comptroller Thomas A. Myers were absent.

The Pledge of Allegiance was given to the flag.

ITEM #2 Remove from the Table to Consider and Approve a Waiver of Bid to Award a Contract to the Segal Company in an Amount Not to Exceed \$3,500 and a Corresponding Transfer of Funds to Develop a Formal Plan for the Wallingford Volunteer Firefighter's Pension Plan

Motion was made by Mr. Killen to Remove the Item From the Table, seconded by Mr. Holmes.

VOTE: Papale was absent; all others, aye; motion duly carried.

Motion was made by Mr. Killen to Approve a Transfer of Funds in the Amount of \$3,500 from General Government Contingency Acct. #8050-800-3230 to Volunteer Firefighter Pension Acct. #2036-500-5850, \$875; to Volunteer Firefighter Pension Acct. #2037-500-5850, \$875; to Volunteer Firefighter Pension Acct. #2038-500-5850, \$875 and to Volunteer Firefighter Pension Acct. #2039-500-5850, \$875.00 - Dept. of Fire Services, seconded by Mr. Parisi.

Mr. Tim Wall, Chairman of the Length of Service Awards Committee stated that Chief Joe DaCunto was present in the audience; Chief Tim Sweeney representing Cook Hill volunteers could not attend; Chief Mike Saul was present to represent Yalesville volunteers and Chief Jay Warren of North Farms Volunteer Company could not attend this evening. Committee members were also present in the audience.

Chief Wayne Lefebvre thanked the Council for holding this special meeting for this business at hand.

Mr. Killen asked, how much was put in contingency for this entire program?

Chief Lefebvre responded, \$80,000. for this fiscal year.

If the plan is beginning now it appears as though the \$80,000 will not be spent prior to year's end, Mr. Killen stated.

March 29, 1993

Chief Lefebvre stated that it is his understanding that the funds have to remain in that account until the plan is established.

If the balance of the funds are not used they will lapse at the end of the fiscal year.

Mr. Zandri asked, why the funds are being transferred into each volunteer firefighters pension account instead of being placed into an account designated specifically for the study?

Mayor Dickinson stated that the effort was to show that all the volunteer companies were participating in this venture. A separate set of books are kept for this pension plan.

Mr. Zandri felt that since it is accounted for separately then he will vote in favor of it.

Mr. McDermott asked why this process took so long?

Chief Lefebvre explained that it is a long, involved process.

Mayor Dickinson explained that there was some uncertainty as to whether or not the plan would be administered internally or externally. All of that would had to have gone out to bid. There was an effort on the part of the Personnel Department to structure a bid. It was then placed out to bid and it was received back just before Mr. Seadale, former Personnel Director, retired. He recommended that the program be administered internally and one or two meetings were held on that topic subsequent to the return of the bids.

Mr. McDermott asked, how long will the final process take?

Mr. Wall stated that the Segal Company has informed him that they can complete it in three weeks.

Mr. Wall wanted clarification on exactly what the next step is. The reason that this process has taken so long is due to the fact that key personnel have been absent from meetings and the business is tabled. He asked if the plan has to come back before the Council again?

Mayor Dickinson responded, yes, the formal document must come back with the transfer before the Council again to allow for the investment of the remaining \$76,000+- for the plan. All this must be accomplished by June 30, 1993.

Chief Lefebvre will contact the Segal Company tomorrow to obtain the necessary information for the drafting of a purchase order which the Chief, himself, vows to walk through the proper channels to expedite it.

Mr. Holmes stated that \$80,000 is a small amount compared to the millions of dollars saved each year in personnel costs and other associated costs within the department. The volunteers perform

valuable service and the money is well spent.

VOTE: Papale was absent; all others, aye; motion duly carried.

Mr. Killen made a motion to Waive the Bidding Process and Award the Contract to the Segal Company Not to Exceed \$3,500 to Develop the Formal Plan for the Volunteer Firefighters Pension Plan, seconded by Mr. Parisi.

VOTE: Papale was absent; all others, aye; motion duly carried.

Addendum Consider and Approve a Transfer of Funds in the Amount of \$11,000 from Waste Disposal & Composting Acct. #001-5060-600-6540 to Roof Repair Acct. #001-5230-999-9902 - Dept. of Public Works

Motion was made by Mr. Killen, seconded by Mr. Parisi.

Mr. Killen read correspondence from Henry McCully, Director of Public Works to the Mayor into the record (appendix I).

There was confusion over what the \$11,000 is specifically for.

No bid waiver is required since the firm of Fisher and Kuegler is proceeding under the existing bid waiver for the Board of Education.

The bid was waived at the March 9, 1993 Town Council Meeting at the request of the Mayor's Office for the purpose of hiring an architectural firm to develop specifications for repair work to the Yalesville School Roof.

The \$11,000 is being requested to cover the following cost estimates as detailed by Fisher and Keugler in their correspondence (appendix II) to the Mayor:

\$ 9,500	Design Phase Services Only
500	Test Cuts
<u>300</u>	Asbestos Tests
\$ 10,300	Total

The fee proposal includes the general review of the underside of the roof decking. If significant staining and deflection of the gypsum board are found then a more detailed structural review will be required. This cannot be determined until additional on-site observations are performed. It is anticipated that costs associated with this structural work could range from \$2,500 to \$5,000 depending upon the effort required. It is proposed that bidding and construction phase services be compensated on an hourly rate basis. A budget could be established once the extent of the scope of work is known in the construction schedule.

The firm would also be responsible for drafting the bidding specifications. We are paying them \$9,500 for design of the roof only.

March 29, 1993

Mr. Zandri felt that once Fisher and Keugler has identified all work to be performed, our own Purchasing Department can then prepare the bid documents and place it out to bid ourselves. The firm's services are no longer required.

Mayor Dickinson felt that they should still be involved in the construction phase since it is their design being constructed.

Mr. Zandri asked if there is any way for us to know at this point in time what the fees will be for the construction and bidding phases?

Mayor Dickinson responded that it is very difficult to know that in advance. They have stated that they will prepare contract drawings and specifications suitable for competitive bidding and submission to the State Department of Education for a cost of \$9,500. If there is work involved in the bidding beyond what is outlined above it will result in additional fees charged. The construction phase is not included in the pricing and will be charged at an hourly wage fee.

Mr. Zandri was concerned with proceeding to hire this firm without some estimate of costs. We could find ourselves being charged an unreasonable hourly rate or percentage for costs and our hands are tied at that point.

Mr. Zandri asked if all the costs associated with the roof repair, including these architectural fees, are included in one account entitled "roof repair"?

Mr. McCully responded, yes, it is being transferred to the existing line item for roof repair. The Finance Department felt that it would eliminate the need to appear before the Council and establish a new line item for this service.

Mr. Zandri was opposed to placing the expenditure for architectural services into an account entitled "roof repairs".

Mr. Killen withdrew his motion due to the fact that it was not clear what the town would be receiving in the way of service for the cost of the \$11,000.00 from Fisher and Keugler.

Mr. Parisi withdrew his second.

Mr. Killen made a motion that the Council Approve a Transfer of Funds in the Amount of \$11,000.00 to an Account Titled "Roof Repair" for the Duties Performed by Fisher and Keugler as Outlined in their Correspondence and Appended to the Minutes of This Meeting, seconded by Mr. Parisi.

Mr. Solinsky asked if there will be an additional cost for Fisher and Keugler to review the bids?

Mayor Dickinson responded that the letter reads, "...it is proposed that bidding and construction phase services be compensated on an hourly rate basis...". It seems that they would charge to review the bids when opened.

Don Harwood, Chairman of the School Additions Building Committee urged the Council to look very carefully at the design of the roof to be sure that we are not limiting our options with regards to the additions. If we maintain the same flat roof design it limits the creativity of the potential future additions to the structure. It limits the flexibility. He went on to say that it seems as though dialogue has taken place between Mr. Fisher and Mr. McCully at the school. It was his impression that the building committee was to be included to offer their views on this matter. It was very discouraging. He asked for an explanation.

Mayor Dickinson responded that it was only the initial visit by Mr. Fisher to make an observation as to what the charge for services would be. That was the only meeting that the Mayor was aware of. His feeling was that the roof should be repaired and if that means foregoing some architectural innovations to it, that is one of the penalties involved. He had a hard time sitting back and letting it continue to leak for the next eight months. It has to be addressed.

Mr. Doherty stated that it is his understanding that the roof is leaking onto the gym floor and through to the area where boiler repairs are being made. Is this correct?

Mr. McCully responded, due to the heavy snows and the ice on the areas directly above the boilers have caused part of the stucco material on the ceiling above the boilers to peel off and fall on top of the workers. The contractor removed his workers from the area. When the roof is replaced that part of the school will then become functional once more.

Mr. Zandri pointed out that we have had the same problem with all of the roofs at all of the schools and that is why we established a committee and that body has chosen a design for these roofs to alleviate the problem in the future. The design is not a flat roof any longer. It has a crown to it to drain the water away from the middle. The design has already been thought out and he has no problem with going forward with it at this point in time.

Mr. Holmes asked if the original structure was ever scheduled for demolition? He was under the impression that one of the proposals brought out a few years ago was to demolish the old section of the school down.

Mr. Zandri was not aware of that fact.

Mr. Holmes felt if it was true then there was no need to cover that portion of the building.

Mr. Harwood stated that there are variables. The old part of the school where the cafeteria is in the basement will probably be changed. The cafeteria will have to come up a level. The committee is trying to determine how long the damage has been occurring. Are we going to have any more decay if we wait sixty or ninety days to go out to bonding? There are variables. The Council may decide this is not an appropriate fix. The committee feels that fees could be spent to hire an engineering firm to button up the place until a decision has been made on the intended expansion of the building. It may be impacted significantly or insignificantly but all those issues need to be factored into the decision process. Maybe we have to move faster.

Mr. Holmes asked Mr. Harwood what his instructions to the architect would be?

Mr. Harwood responded that he could be presented with the NESDEC study to give some thought to while reviewing the roof.

Mr. Solinsky commented that he believes that the roofs will remain flat. They are not crowned, but flat. They may add drains to them. His opinion is that we have waiting quite a long time on this issue so we should move on it. Changes can be made down the road.

Mr. Zandri was under the impression that Mr. Fisher informed the Council at a past meeting that the roofs were crowned. He did not want to spend money on a building that would be demolished. He asked that the information be denied or confirmed.

Mayor Dickinson will investigate it.

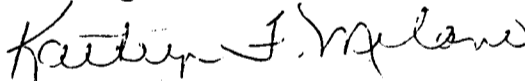
VOTE: Papale was absent; Killen, no; all others, aye; motion duly carried.

Motion was made by Mr. McDermott to Adjourn the Meeting, seconded by Mr. Parisi.

VOTE: Papale was absent; all others, aye; motion duly carried.

There being no further business, the meeting adjourned at 7:05 P.M.

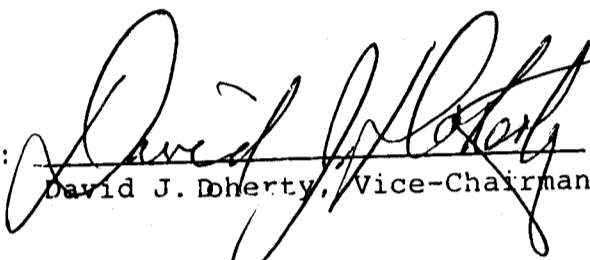
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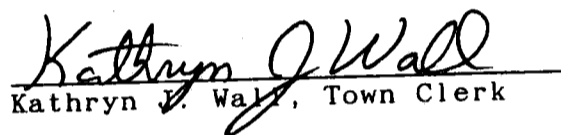
Kathryn F. Milano
Town Council Secretary

March 29, 1993

Approved:


David J. Doherty, Vice-Chairman

April 13, 1993
Date


Kathryn J. Wall, Town Clerk

April 13, 1993
Date

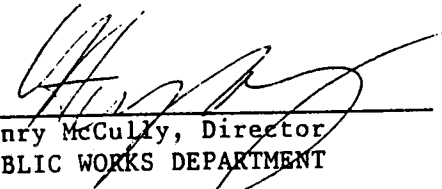
PUBLIC WORKS DEPARTMENT
INTEROFFICE MEMORANDUM

TO: Honorable William W. Dickinson, Jr., Mayor
FROM: Mr. Henry McCully, Director of Public Works
SUBJECT: TRANSFER OF \$11,000.00 TO ACCOUNT NUMBER
DATE: March 26, 1993

Dear Mayor Dickinson:

In reference to the above subject transfer funds are needed for Architectural fees for the roof at Yalesville School.

We are able to make this transfer based on our projected costs for resident disposal for the balance of the fiscal year due to the changeover at the Landfill on April 1, 1993. There is a remote possibility that these funds may need to be reinstated.


Henry McCully, Director
PUBLIC WORKS DEPARTMENT

HMC:atf
Enclosure

FISHER & KUEGLER, P.C.

Appendix II

Consulting Engineers

2679 WHITNEY AVENUE, HAMDEN, CONNECTICUT 06518

PHONE: (203) 281-6895
FAX: (203) 287-8728

March 6, 1993

Mr. William Fischer
31 Sunrise Circle
Wallingford, Ct. 06492

Dear Bill:

The following is our proposal for professional services related to the re-roofing of the Yalesville School.

As a result of our general on-site observations on March 2, 1993 it is apparent that the roofing is in extremely poor condition. Leakage was significant in the building.

The scope of work would entail the replacement of the roofing at the entire facility. Contract drawings and specifications would be prepared suitable for competitive bidding and submission to the State DOE.

It is proposed that design phase services be compensated in the lump sum amount of nine thousand five hundred dollars (\$9,500). Printing expenses would be reimbursable. In addition, costs should be budgeted for a contractor to perform test cuts (\$500) and for asbestos testing (\$300).

This proposal does not include a moisture survey. It is anticipated that all of the existing roofing will have to be removed. Thus it is our opinion that a moisture survey is not warranted and that test cuts will suffice.

As a result of our brief observations and review of the design drawings, it appears that a majority of the roof construction is comprised of gypsum board and a poured gypsum fill. Our experience is that this material will deteriorate and lose its structural integrity when it becomes wet. Obviously, water infiltration has occurred at this building.

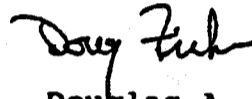
Our fee proposal includes a general review of the underside of the roof decking. If significant staining and deflection of the gypsum board are found, then a more detailed structural review would be required. This cannot be determined until additional on-site observations are performed. It is anticipated that costs associated with

this structural work could range from \$2,500 to \$5,000 depending upon the effort required. For example, on past projects of similar construction we have had to become involved in load testing of the decking to determine its structural integrity.

Please note that this proposal is for design phase services only. It is proposed that bidding and construction phase services be compensated on an hourly rate basis. A budget could be established once the extent of the scope of work is known and the construction schedule.

I appreciate the opportunity to submit this proposal and trust that it is acceptable. Please contact me if you should have any questions or comments.

Sincerely,



Douglas A. Fisher, P.E.

DAF/df