

TOWN COUNCIL MEETING

OCTOBER 24, 1995

6:15 P.M.

AGENDA

*** NOTE EXECUTIVE SESSION AT START OF MEETING ***

1. Roll Call and Pledge of Allegiance
2. Executive Session Pursuant to Section 1-19a(b)(9) of the CT. General Statutes with Respect to Records, Report and Statements of Strategy or Negotiations with Respect to Collective Bargaining
3. Consider and Approve the Educational Administrators' Association of Wallingford Contract for a Four Year Period to Expire 06/30/2000
4. Consider and Approve the Re-Appointment of Ruth Kennedy to the Position of Commissioner on the Housing Authority for a Term of Five Years to Expire 10/31/2000
5. Consider and Approve Authorizing the Borrowing of Funds in the Amount of \$12,306 from the General Fund to Support S.C.O.W. Program Expenses Pending Receipt of State Grant Funds - Mayor's Office
6. Discussion and Possible Action Regarding a Five Year Lease Agreement for Use of Town Property by Brothers II Restaurant Requiring Termination of Said Lease At the End of the Five Year Period as Requested by Town Attorney Janis M. Small
7. PUBLIC QUESTION AND ANSWER PERIOD - 7:30 P.M.
8. Discussion and Possible Action on Overriding Action Taken by the Public Utilities Commission at its Public Hearing on October 17, 1995 With Regards to the Setting of Electric Rates as Requested by Councilor Albert E. Killen
9. Discussion and Possible Action on Entering Into an Agreement with Northeast Transportation Co., the State's Contractor for In-Town Bus Service - Mayor's Office
10. Consider and Approve a Contract with Northeast Transportation Company, the Local Bus Service, in Conformity with the D.O.T. Schedule - Mayor's Office
11. Consider and Approve a Transfer of \$1,950 from Contingency Reserve for Emergency to Committee on Aging for the Hiring of an Architect to Assist in Senior Citizen Site Selection - Committee on Aging
12. Consider and Approve Tax Refunds (#33-63) Totalling \$2,072.73 - Tax Collector

(OVER)

13. Note for the Record Financial Reports of the Wallingford Public Library, Visiting Nurse Association and the Senior Citizen Center - Mayor's Office
14. Approve and Accept the Minutes of the October 10, 1995 Town Council Meeting
15. Executive Session Pursuant to Section 1-18a(e)(2) of the CT. General Statutes with Regards to Pending Workers Compensation Claim

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6:30 P.M.

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TOWN COUNCIL MEETING

OCTOBER 24, 1995

6:15 P.M.

A regular meeting of the Wallingford Town Council was held on Tuesday, October 24, 1995 in the Robert Earley Auditorium of the Wallingford Town Hall and called to Order by Chairman Thomas D. Solinsky at 6:17 P.M. All Councilors answered present, except Mr. Gouveia and Mr. Zandri, to the Roll called by Town Clerk Kathryn J. Wall. Mayor William W. Dickinson, Jr and Mr. Gouveia arrived during Executive Session and Corporation Counsel Adam Mantzaris arrived at 6:32 P.M. Comptroller Thomas A. Meyers was also present.

The pledge of Allegiance was given to the Flag.

ITEM #2 Executive Session Pursuant to Section 1-19a(b)(9) of the CT. General Statutes with Respect to Records, Reports and Statements of Strategy or Negotiations with Respect to Collective Bargaining.

Mayor Dickinson and Mr. Gouveia arrived during Executive Session. Mr. Dale Wilson and Mr. John Wooding also were present.

Motion was made by Mrs. Duryea to go into Executive Session, seconded by Mr. Rys.

VOTE: All ayes; motion duly carried, except for Zandri who was absent.

Motion was made by Mrs. Duryea to come out of Executive Session, seconded by Mr. Killen.

VOTE: All ayes; motion duly carried, except for Zandri who was absent.

ITEM #3 Consider and Approve the Educational Administrators' Association of Wallingford Contract for a Four Year period to expire 06/30/2000.

Mr. Dale Wilson outlined the changes of the new contract approved by the Wallingford Board of Education.

- A. Salary - four (4) year agreement
- | | |
|----------|------------------------------------|
| 1996-97 | 2.7% increase (+.20 increment) |
| 1997-98* | 2.6% increase (includes increment) |
| 1998-99 | 2.6% increase (includes increment) |
| 1999-00 | 2.6% increase (includes increment) |

*In 1997-98, each member will receive \$2,133 (This represents an increase of 2.6% overall)

*In 1999-00, each member will receive \$2,245 (This represents an increase of 2.6% overall)

B. Medical Co-payment

1996-97	5%	Caps	\$550	\$650	\$750
1997-98	7.5%	Caps	550	900	1000
1998-99	7.5%	Caps	800	1300	1500
1999-00	10%	Caps	850	1400	1700

C. Longevity

Present members will continue to receive current longevity. Members hired after July 1, 1996 will not receive longevity payments.

D. Grievance Procedure

A new grievance procedure was negotiated.

E. Retirement or Death Benefit

Administrators must inform the Assistant Superintendent of Schools by November 15 preceding the fiscal year they plan to retiree. Failure to do so may result in delay of severance payment.

Pasquale Melillo, 15 Haller Place, Yalesville questioned the 10% increase in years 1999-2000.

Mr. Wilson clarified that this was not an increase but a 10% co-pay on their medical benefits.

Frank Wasilewski, 57 North Orchard Street, made comment on the economy. There needs to be a cap on the wage increases. He wanted dollar figures not percentages and the projected salaries for 1999-00.

Motion was made by Mrs. Duryea, seconded by Mr. Rys,

VOTE: Killen and Solinsky, no; all others, aye; motion duly carried, except for Zandri who was absent.

ITEM #4 Consider and Approve the Re-appointment of Ruth Kennedy to the Position of Commissioner on the Housing Authority for a Term of Five Years to expire 10/31/2000.

Motion was made by Mrs. Duryea, seconded by Mr. Knight.

Letter from Mrs. Kennedy read into minute. (Appendix I)

Mr. Gouveia acknowledged Mrs. Kennedy's service and thanked her in behalf of the council.

VOTE: All ayes; motion duly carried, except for Zandri who was absent.

Town Clerk Kathryn J. Wall swore Ruth Kennedy to her commission.

ITEM # 5 Consider and Approve Authorizing the Borrowing of Funds in the Amount of \$12,306 from the General Fund to Support S.C.O.W. Program Expenses Pending Receipt of State Grant Funds - Mayor's Office.

Motion was made by Mrs. Duryea, seconded by Mr. Knight.

Mr. Don Roe explained that we have been assured of the funds and only need to borrow money from the General Fund and then reimburse the General Fund when the State Funds have been received.

VOTE: Killen, no; all others, aye; motion duly carried, except for Zandri who was absent.

ITEM #6 Discussion and Possible Action Regarding a Five Year Lease Agreement for Use of Town Property by Brothers II Restaurant Requiring Termination of Said Lease at the End of the Five Year Period as Requested by Town Attorney Janis M. Small.

Motion was made by Mrs. Duryea, seconded by Ms. Papale.

Mr. Mantzaris explained the details of the cooler being replaced and set on town property by approximately 3 feet. A lease was suggested for \$200.00 a year for a five year period.

Mr. Gouveia brought forth the point that no building permit had been obtained. Also pointing out Planning and Zoning might be the proper forum to address this matter, wanting to make the point that people can not add to any building without following proper channels.

Ralph DeMatteo, owner of Brothers II Restaurant, said that he believed he could build to the curb. He replaced the cooler and then enclosed the cooler and attached the roof to the existing building.

Mr. Mantzaris pointed out that this will go round and round. Town Council needs to okay the lease and then to go to Planning and Zoning to follow all the proper channels. He needs the legal right to be on Town Property.

Ms. Papale gave brief history of the property.

Mrs. Duryea proposed the possible sale of these property to Mr. DeMatteo.

Motion to approve a five year lease for Brothers II Restaurant for a cooler/addition contingent upon all necessary approvals being met by the owner of Brothers II Restaurant.

Motion was made by Mrs. Duryea, seconded by Mr. Knight.

VOTE: Killen, no; all others, aye; motion duly carried, except for Zandri who was absent.

ITEM #9 Discussion and Possible Action on Entering Into an Agreement with Northeast Transportation Co., the State's Contractor for In-Town Bus Service - Mayor's Office.

Motion was made by Mrs. Duryea, seconded by Mr. Knight.

Mr. Gouveia has a concern with item 2 of the Agreement. This states "The town will reimburse the Company, monthly, in the amount of the difference between the Company's total expenses attributable to operations within and for the Town and the sum of the total operating revenue generated by such operations and such reimbursement with respect to such operations as may be provided by the State of Connecticut (DOT). The Town's reimbursement shall not exceed the annual amount budgeted for this service. The town reserves the right to cancel this agreement when the funds are exhausted. Etc." Why can't we have a payment schedule to guarantee that the transportation will be available?

Mr. Knight reviewed why this would not work. Costs vary depending on the number of riders. The State will subsidize the fare by up to \$3.00 per rider and the fare box pays a small portion of the cost. The costs will be lower than last year because of the change to a one bus doing an hourly loop. There is a variable, the number of riders. We do have the possibility of tracking the costs per month.

Motion to Waive Rule 5 to waive the bid and to enter into an agreement with Northeast Transportation Company was made by Mrs. Duryea, seconded by Mr. Killen.

VOTE: All ayes; motion duly carried, except for Zandri who was absent.

Motion to waive the bid to enter into an agreement with Northeast Transportation Co. the State's Contractor for In-Town Bus Service was made by Mrs. Duryea, seconded by Mr. Knight.

VOTE: All ayes; motion duly carried, except for Zandri who was absent.

Approve the Contract Agreement. Mr. Killen wanted it specified whom would handle this contract. Stating that the Town Council is not in a position to follow and notify Northeast Transportation Co. It was determined that the Town Attorney or Mayor's Office would be responsible for keeping track of the contract.

VOTE: Killen, no; all others, aye; motion duly carried, except for Zandri who was absent.

PUBLIC QUESTION AND ANSWER PERIOD

Pasquale Melillo, 15 Haller Place questioned investments of pension fund, could either of the managers handling these investments mismanage and end up in bankruptcy.

Mr. Myers stated that neither manager would go against the instructions that they have been given. If they made investments other than with companies with an A1 rating they would loose the accounts.

ITEM #11 Consider and Approve a Transfer of \$1,950 from Contingency Reserve for Emergency to Committee on Aging for the Hiring of an Architect to Assist in Senior Citizen Site Selection - Committee on Aging

Mr. Killen asked when it was decided that the town needed a new Senior Center.

Caryl Ryan, president of the Committee on Aging, and Dianne Saunders, chairperson of the Space and Building Expansion Study appointed in 1993 by the Town Council, have come up with several things: the present facility is inadequate, also having a parking problem and secondly what would be an appropriate size to house the facility (minimum size would be 18-20,000 square feet with multi purpose rooms). At that point they began to look at sites: 284 Washington Street (existing site)

- Simpson School
- The former Caplan/Wooding property
- Fairfield Boulevard

these properties are being considered because they are town owned properties.

Mayor Dickinson states that this committee is serving the function of trying to plan for the future. This committee is proceeding with a planning and development issue for the town bodies that are responsible ultimately. A member of the Council, Steve Knight, has been part of this planning, they are only functioning at the behest of the Council.

Mr. Killen commented that the Council has not said that these town owned properties are available and that the Mayor has not recognized funds for this project. He stressed the need for planning.

Mr. Zappala asked for the square footage.

Dianne Saunders replied 6900 usable square feet with just over 7000 total square feet.

Mr. Knight stated that in 1993 some long term planning was being done. They are looking for some expertise from the Council. What direction do we want them to go.

Mr. Gouveia brought up that two definite points are being brought up, the planning for the future of the Senior Center and also the financial planning for the Senior Center. Not all the locations for consideration are appropriate; the Fairfield Boulevard was not a good choice for Park & Rec. and for the same reasons not suitable for the Seniors.

Phil Wright, 160 Cedar Street, why has this issue been brought up now. The first he heard of this issue was in the Republican brochure. This should be put on hold until after the election when it is out of the political arena.

Dave Cantor, 4 MeadowsEdge Drive, said this should be part of a long range plan.

Jon Walworth, 28 Laurelwood Drive, requested the names of the people who have worked on this committee.

Dianne Saunders read the list of names: Dianne Saunders as Chairman, Madeline Erskin as Vice-Chairman, Ros Gallagher, Walter Hannel, Jack Sheehe, Robin Wilson from Chamber of Commerce, Ex-officio Caryl Ryan -Chairperson of Committee on Aging, Virginia Phillips -Senior Center Director, Steve Knight -Council elision, and a few members lost to other commitments: Larry Borland, Steve Kneer and Walter Sawalick.

Jon Walworth "On behalf of the taxpayers of Wallingford, thank you for spending your personal time and the time you are going to spend to try and find a solution, a long range plan for our Seniors. And I would expect that would come from the Council as well." Make sure that you use the architect to his fullest- checking on traffic and utilities asking what they would need for the various sites. Suggests that they try to look at two additional sites.

Walt Hannel commented that the study committee, he is a part of, has been working diligently for about 2 years. And hopes the Council will support Dianne and the study committee.

Pasquale Melillo, 15 Haller Place, Yalesville questioned the safety and health of the Seniors.

Virginia Phillips, Director replied that all safety standards are being met, but that the space is inadequate. There is not a sufficient kitchen facility, storage and cleaning.

Mr. Knight as part of the Committee, they advised him that they are serving people from 60 to 100 years. That their needs are very different. And that this is a very important project.

VOTE: Killen, no; all others, aye; motion duly carried, except for Zandri who was absent.

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Caryl Ryan and Dianne Saunders asked for direction, do they expire now or will they continue with the new Council members. They were told that they would continue and be reappointed by the new Council.

PUBLIC QUESTION AND ANSWER PERIOD (2)

Jon Wadsworth questioned Phase 3 on Center Street in Wallingford; have innovative concepts been considered to minimize the disruptions in downtown.

Mayor Dickinson responded that it is in the design stage and not yet out to bid. It is under design and not scheduled for work.

The Chair declared a five minute recess at this time.

ITEM #12 Consider and Approve Tax Refunds (#33-63) Totaling \$2,072.73 - Tax Collector

Motion was made by Mrs. Duryea, seconded by Mr. Knight.

VOTE: All ayes; motion duly carried, except for Zandri who was absent.

ITEM #13 Note for the Record Financial Reports of the Wallingford Public Library, Visiting Nurse Association and the Senior Citizen Center - Mayor's Office

Motion was made by Mrs. Duryea, seconded by Mr. Knight.

VOTE: All ayes; motion dully carried, except for Zandri who was absent.

ITEM #14 Approve and Accept the Minutes of the October 10, 1995 Town Council Meeting

Motion was made by Mrs. Duryea, Seconded by Mr. Rys

VOTE: Killen, abstained; all others, aye; motion duly carried, except for Zandri who was absent.

Waive Rule 5 for the Purpose of Discussion Concerning the Williams Property.

Motion made by Mr. Killen, seconded by Mrs. Duryea

VOTE: all ayes; motion duly carried, except Zandri who was absent.

Motion for Williams Property purchase be brought forward for purposes of information to the member of the Council.

Motion made by Mr. Killen, seconded by Mrs. Duryea.

Mr. Killen wants to know the situation, are we going to purchase this property.

Mayor Dickinson said that it is a pending negotiation, you can not force people to sell property. The state is aware of this. We can not force people to sell. It is not over price but over the willingness to sell. Don Roes office is handling the contact with the landowners.

Mr. Solinsky questioned how they could have agreed on price but not to sell. This grant is four and a half years old at some time would it not have made sense to look at some other property.

Mayor Dickinson stated that they have not indicated that they do not want to sell. But they have not reached a point when they are willing to sell.

Mr. Knight question how this all got started. Was this property offered to the town for sale at one time.

Mayor Dickinson stated that they reviewed what land was out there, the owners seemed to have a willingness to go ahead. For reasons personal to the owners they are hesitant.

Mr. Knight brought up open space along the Quinnipiac River that was considered for purchase.

Mayor Dickinson said they have not proceeded with that. All this was discussed in an Executive Session back in 1994.

Phil Wright, 160 Cedar Street, wanted to know when other people would be enlightened on this property. Why do the Council members not have details on this proposal.

Mayor Dickinson responded that the purchase of property is a confidential issue not subject to Freedom of Information. The Council can have any information on this subject by just asking, not to be discussed in an open session.

Frank Wasilewski, 57 North Orchard Street, Town Council meeting of January 10, 1995 the Council appropriated \$600,000 to buy this property, it was presumed to be bought then. It has not been brought up since that time.

Mr. Killen asked the Mayor when the grant was due to lapse.

Mayor Dickinson replied "I believe it is December 31st 1995."

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Mr. Killen felt the Council should know that this was going to happen so that they might take some action on their own. If the people are unwilling to sell, why?

Pasquale Melillo, 15 Haller Place, Yalesville questioned if the money could be used for any open property.

Mayor Dickinson responded that the grant was for Williams property only.

NO VOTE - Discussion only.

ITEM #15 Executive Session Pursuant to Section 1-18a(e)(2) of the CT. General Statutes with Regards to Pending Workers Compensation Claim

Motion made by Mrs. Duryea, seconded by Ms. Papale.

VOTE: All ayes; motion duly carried, except Zandri who was absent.

Adam Mantzaris attended the Executive Session.

Motion made to come out of Executive session made by Mrs. Duryea, seconded by Mr. Killen.

VOTE: All ayes; motion duly carried, except Zandri who was absent.

Move to Authorize the Town Attorney to Settle Claims of Joseph Riopel Discussed During Executive Session

Motion made by Mrs. Duryea, seconded by Mr. Rys.

VOTE: All ayes; motion duly carried, except Zandri who was absent.

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ITEM #8 Discussion and Possible Action on Overriding Action Taken by the Public Utilities Commission at its Public Hearing on October 17, 1995 with Regards to the Setting of Electric Rates as Requested by Councilor Albert E. Killen

Motion was made by Mrs. Duryea, seconded by Mr. Killen.

Motion was made by Mr. Killen to Override the Action Taken by the Public Utilities Commission at its Public Hearing on October 17, 1995 with Regards to the Setting of Public Rates.

Mr. Killen stated that his reason for making such a motion is that it is his opinion that the general public has gotten the "short end of the stick" in this matter. It is their plant, it is their obligation, to shoulder the costs. If there is no profit made one way or another, even if there is a profit made, the monies for running that plant come out of the general taxation and it is about time that the little guy got a break and it is about time that the P.U.C. paid some attention to the people who are their bread and butter.

Motion was seconded by Mrs. Duryea.

Philip Wright, Sr., 160 Cedar Street pointed out that there was no one present from the P.U.C. for this matter.

Mr. Solinsky stated that Raymond F. Smith, Director of Public Utilities called him today to remind him that the P.U.C. was holding a public hearing tonight, however, if his presence was necessary at the meeting that a call be placed to him requesting his attendance. He left a telephone number with the Town Clerk who has tried to reach him but has been unsuccessful in doing so. No one is answering the phone. She has requested that a page be placed for him.

Mr. Solinsky expects Mr. Smith to show for he gave his word that he would do so.

Mr. Wright agreed to wait until Mr. Smith arrived to ask his questions on this issue.

Dave Canto, 4 Meadows Edge Drive asked Mr. Killen to explain how the public is being short-changed with an 8.5% decrease in their electric rates?

Mr. Killen stated, the decreases which were extended to commercial, industrial and residential customers were "juggled" around at the night of the public hearing with no particular rhyme or reason to the method and final figures arrived at except that they appealed to the P.U.C. There was a supposed cost power study conducted and they put all the costs in alright but the ones that they did not like they either discarded or moved them around. They were constantly trying to benefit the larger manufacturer and users of electricity. It is not the duty of the P.U.C. to take care of the larger users. In the meantime the rank and file individual is getting absolutely nothing from the proceeds of the Electric Division or the new rates that they are setting.

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Mr. Canto asked, doesn't the 15% rate reduction apply to small businesses as well?

Mr. Killen responded, yes, some are receiving the break but the ones who are getting short-changed are the residential customers.

Mr. Canto stated, it is hard to understand why there is something wrong with an 8.5% decrease. He wished the taxes were the same way.

Mr. Killen responded, our taxes could be like that if some of the funds from the Electric Division were used wisely, but they weren't and we got the short end of that stick, too.

Pasquale Melillo, 15 Haller Place, Yalesville asked, why is the P.U.C. holding a public hearing on the night of such an important issue such as this?

Mr. Solinsky stated that the public hearing was scheduled for this evening weeks in advance. The Town Council only has fifteen days in which to override action that the P.U.C. has taken, therefore the action has been proposed at this meeting tonight.

Mr. Melillo agreed with Mr. Killen and commended him for looking out for the taxpayer in town and have the courage to buck the big guys. The large users have no right to receive a larger increase than the residents. He was opposed to the hiring of a consultant from Kansas by the P.U.C.

Mr. Gouveia stated, his biggest concern has always been, what is going to happen to the resident/ratepayer? This action, he feels, proves his point. We are protecting the largest customers, although they constitute only approximately 20% of the customers. We are protecting them by carrying them on the back of the resident ratepayers. He is aware of the fact that there is a savings to be had because of the new contract, however, he would be happy if the same percentage were to be given across the board to both residents and businesses. To give residents an 8% decrease when you are giving a 15% decrease to approximately 20% of the customers, is not fair and not right. Let's not forget that not all residents will receive 8%. Only those who use up to 700 kwh of electricity will receive only a 4% decrease in rates. There are quite a few residents who are in that discount range. That is a large disparity. There was also no attempt to pay the Town a higher contribution than was bore out by the study that was performed five years ago by Camp Dresser & McKee. He stated he will vote in favor of the motion because he believes it is the right thing to do.

Mr. Solinsky stated that he agreed with Mr. Gouveia, the percentage of decrease should have been higher to the residents. He would have preferred to see a 10% decrease in the rates across the board for both residents and businesses. Any business large or small would still appreciate the 10% reduction in rates. It is his opinion that offering a 15% decrease is reacting to the threat of retail wheeling much too soon, we are a few years off from that occurring and we could have set the rates at a 10% decrease across the board and then reviewed them again in three years.

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Philip Wright, Sr., 160 Cedar Street stated that it is a crime that the P.U.C. is not here tonight. It shows that the P.U.C. holds the Town Council in disdain. They feel that they are an entity unto themselves, they answer to God, maybe, but they certainly do not answer to the Council. They don't care to come and present their case to the public. He hopes that the public will remember this, will remember who sits on that commission, how they got there, who put them there and make certain that they do not serve again. This is an insult to the taxpayers of this town that the P.U.C. does not feel obligated to come here and discuss the issue for the benefit of the public. We have hired a consultant to tell us what Ray Smith has been saying for years. The consultant legitimized Mr. Smith's feelings because he is considered a consultant. Did we really have an opportunity to discuss anything at the P.U.C. public hearing the other night? The arrogance that was exhibited the other night is what we have always seen from the P.U.C. They try to intimidate. Intimidation and arrogance used to work back in the days before the camera was present. In the days of the trash plant issue, you could get away with that then, you cannot now. The P.U.C. is not here tonight, another indication of their arrogance. The P.U.C. indirectly reports to the taxpayers of this Town. The Board of Directors of Cytec and Bristol Myers are not elected. They do not elect the Mayor who appoints them. The average homeowner and small businessman in this Town should be getting the breaks out of this deal. It was strictly a negotiated deal. The statement was made by the P.U.C. at their public hearing that they tried fourteen different rates. Number fifteen may be in favor of the people who really own that utility. Not one of the commissioners was in a position to answer a question that evening, no one came with a calculator, what are we paying people like this for? He asked the public to remember the empty seats before the Council this evening, the seats that the P.U.C. should have occupied to discuss this issue tonight. He hoped that everyone remembers those seats when it comes time for re-appointment.

Ms. Papale asked, aren't the P.U.C. commissioners at another public hearing as we speak?

Mr. Solinsky responded, there was a public hearing scheduled this evening, yes. Raymond Smith indicated, however, that when the Council placed a call at the number that he left for them, he would come to attend the meeting.

Mayor Dickinson responded, that is true. The P.U.C. is holding a public hearing.

Ms. Papale stated, the P.U.C. cannot be in two places at one time.

Mr. Wright approached the microphone to tell Ms. Papale that she should not try to justify an unjustifiable position. They all knew that they should have been here and they did not show. That public hearing is long over and done.

Joe Pendleton, 40 Morningside Terrace asked, doesn't the Council have anything to say to the P.U.C.? Doesn't the Council give them orders?

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Don't they work for the Council? Isn't the Council in charge of the P.U.C.?

Mr. Solinsky responded, Mr. Smith informed Mr. Solinsky that he would be present this evening. Why isn't he? He does not know.

Mr. Pendleton asked, does the Council have to just sit there and take what the P.U.C. tells the Council? Don't you ever ask the question, why are they doing this? Is that a bastard outfit?

Mr. Solinsky responded, after tonight I will ask the question.

Mr. Pendleton asked, why hasn't the question been asked before? He has attended a lot of meetings and it seems as though the P.U.C. bosses the Council around. They are working for the Council aren't they?

Mr. Rys stated, the P.U.C. is appointed by the Mayor.

Mr. Pendleton asked, the Council doesn't have a thing to say about it?

Mrs. Duryea answered, that is right.

Mr. Pendleton asked, you have to go by the Mayor? You can't override anything they are doing?

Mrs. Duryea responded, no, the Council cannot do anything about them.

Mr. Killen stated, that is an excellent question, the problem is that the Council are puppets.

Mr. Pendleton stated, it seems as though the P.U.C. is not part of the Town. The Council never says anything about it...you take what they tell you. That is sorry.

Mr. Gouveia stated, something else that concerns him is the special rate of electricity for those employees who work at the Electric Division. That concerns him greatly because over the past eight years there has been so many discussions on the division that no one, including the Mayor, knew that this special deal existed. What else don't we know that is going on down there? Why do they continuously hire the same firms? He has spent a lot of time trying to learn the workings of the Electric Division for many years and he never found out that the employees of the division were receiving a special electric rate. Now, to his astonishment, no one else knew. This is of great concern if the Mayor, himself, was not even aware of it as he stated. Although it is a small amount, someone must have known of it. Regardless of how small it is, it should not be.

Mr. Zappala stated, he has attended many meetings of the P.U.C. as most of the Council has, and that is the time to ask a lot of questions. Many people did. The reason that the people of Wallingford are paying less for their electricity is because we have large users. If we are receiving an 8% decrease it is due to the fact that we have Cytec, steel mills, companies who use a large amount of electricity which gives us the opportunity to buy cheaper energy. If

we did not have those large customers, we would be paying a lot more for electricity. He is not defending the fact that the P.U.C. is not here, he is not sure why they are not. The public had their chance to attend the numerous meetings held on this topic. It was only last week that the public hearing was held and only a handful of people attended which shows support for what has been taking place at the Electric Division. We do have a lot of factors that we are not happy about but they are not all that bad. For that reason he will vote against the motion.

Mr. Gouveia asked Mr. Zappala, don't you think that the ratepayers, stockholders, owners/operators of this facility should at least receive the same reduction as other entities? He is only looking for a fair and equitable distribution of the savings that came about because of this new contract.

Mr. Zappala stated, he has faith that the person hired by the P.U.C. to set the rates has more knowledge on the issue than he (Mr. Zappala) has. He strongly believes that the people of Wallingford owns the Electric Division and should be the benefactors, however, if the large users were not around we would pay more money.

Mr. Gouveia stated, the reason why the Electric Division is able to provide electricity at a cheaper rate than Northeast Utilities or United Illuminating is because our Electric Division does not pay property taxes, income taxes, corporation taxes, dividends to the stockholders. Someone a long time ago had the vision to provide for the residents of this community by creating such a division (utility) and therefore afford the opportunity to get better rates without paying the different taxes and dividends mentioned above. That is the reason we are afforded lower rates.

Mr. Zappala reiterated his statement that if we did not have the large users we would be purchasing less electricity, therefore costing the Town more money.

Mr. Gouveia stated, he could not help but feel that the hiring of a consultant was nothing more than a smoke screen. We had the in-house expertise to set these rates. He would not be surprised if the so-called experts were told which rates to set.

Mr. Killen stated, the bottom line is that the larger users are already receiving a larger break than necessary. They received even a larger break with the credit rider. None of the big industries are complaining about the electric rates in Wallingford they have been and will continue to enjoy what the little guy, who is responsible for it all, is enjoying. That is what the utility was built for, the little guy.

Mr. Knight stated that the public hearing held by the P.U.C. last week lasted approximately two and one half hours, included handouts, testimony from the consultant and was attended by all three P.U.C. commissioners present. He asked if Mr. Gouveia had attended the meeting?

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Mr. Gouveia responded that he had not.

Mr. Knight stated, Mr. Gouveia is making accusations that the fix was in on the study and that the residents are constantly getting screwed because the big guys have got the ear of the P.U.C. and Mr. Gouveia was not even in attendance at the meeting. He asked Mr. Gouveia if he reviewed the study and/or handouts from that meeting?

Mr. Gouveia responded, he was unable to attend the public hearing due to a previous commitment but he will put up his record of attending meetings against anyone on the Council. Even before the meeting he read the article in the paper where it indicated that the resident ratepayers would receive a 10% discount and 15% for large users. That was not sufficient for him then. It should have been an across the board reduction, equally, perhaps 11% for everyone, equally.

Mr. Knight asked, are you, Mr. Gouveia, aware of the basis upon which the study was held?

Mr. Gouveia did not.

Mr. Knight responded, cost of service. It was based on how much it would cost to serve various types of users of electricity. There are twenty-three very large users, 200, 300, 400 large users of electricity in the community. The cost to serve them is really very little more, if any more, than it does to serve Mr. Knight's house.

Mr. Gouveia stated, it is, however, his house and the thousands of other people's homes in Wallingford which own the Electric Division.

Mr. Knight asked, are the large taxpayers also the owners?

Mr. Gouveia responded, it is the resident/taxpayer who is the owner.

Mr. Knight asked, the large taxpayers don't count?

Mr. Gouveia responded, of course they do, however, they are already receive decreases why should they receive a further decrease than the resident/ratepayers?

Mr. Knight stated, what you want them to do is subsidize, you want big industries to pass out checks to all of us. This is an election year, of course that is what you want.

Mr. Gouveia responded, I am not running (for office), it is not an election year (for him). He made the same argument when he was running for a higher office. He was not afraid to make that argument then. It is not an election year for him. He speaks with conviction on this issue because he happens to believe that these rate decreases have been given to approximately 20% of the customers at the expense of the remaining 80% of the customers which happen to be the owners and operators of the utility.

Mr. Knight stated, your contention, Mr. Gouveia, is that the residents are subsidizing the industries?

Mr. Gouveia agreed, yes, that is his contention.

Mr. Knight continued, it is possible that the flip-side is true...that you will find if and when retail wheeling does take place, you ain't seen nothing yet. You will find out that our electric rates are, indeed, in great measure supported by the fact that we are able to purchase electricity in large quantities. If we were unable to do that we would pay higher and higher rates. We are getting an average 8.5% decrease.

Mr. Gouveia stated, you have made my point precisely, because an individual ratepayer presently consuming 700 kwh of electricity, which is so minuscule an amount compared to a customer such as a big business, we are going to protect the big business because they make the bulk of our finances, bring in the bulk of our money, at the expense of these little guys who have no one to protect them. That is precisely what my fear is. This is the first time that we have had an opportunity to show the resident/ratepayer that we are going to protect them whether there is free wheeling or not, we will protect them. We failed to do that. If free wheeling comes about the residents will be ignored. Why, because they don't count. They don't spend that much on electricity. Let them go someplace else if they want to, will be the attitude.

Mr. Knight stated, the only protection that the resident/ratepayer will have in deregulation is to combine, as we do now, in a co-op with large producers. Without the large producers, and keeping the large producers, we are doomed to pay enormous power rates.

Philip Wright, Sr., 160 Cedar Street stated, we all know that we will not lose Cytec, Bristol Myers and the steel mill. He had asked the question at the P.U.C. public hearing on the rates, if we were to significantly change the rate schedule, would it have a real effect on the large user? The answer given Mr. Wright was, no. Do you think that Cytec and the other large users will leave town because we do not reduce their rates quite as much as was proposed? That is absurd.

Mr. Knight asked Mr. Wright if he listened carefully to the gentleman from Cytec who spoke at the P.U.C. public hearing? Did Mr. Wright hear him discuss co-generation? Did he happen to mention the rates that the research quarter in New Jersey are being charged? Do you think that may be a factor that is significant to Bristol Myers?

Mr. Wright asked, do you think that we are not going to reduce their rates like we did for Cytec because they have said that they have dangled this co-generation issue out there? You know and I know that we are out there negotiating to give them a lower rate, anyway.

Mr. Knight responded, we, residents, are protected because we protect the load that we need to drive a hard bargain with outside power producers.

Mr. Wright asked, do you think Cytec and Bristol Myers are going to leave town if we even this out a little bit?

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Mr. Knight responded, you mean we should "ratchet up" those power rates until they are just about.....the moving trucks are just about here and then we will call off the dogs and say that we really didn't mean that?

Mr. Wright answered, show me the history of the moving trucks here. Stop using that excuse. It is nonsense. People are not leaving this town because they have rates so much better than North Haven as everyone else tells us, and so much better than everyone else. They are not leaving this town because of that, they are staying here, if at all, because our rates are good.

Mr. Knight responded, power prices are just another brick on the load for every industry in this State.

Mr. Wright stated, the taxpayer is the one who could have been given a better break this time. If the Council votes to rescind you will see that we will get better rates for the homeowner. The taxpayer is listening out there.

George Cooke, Northford Road, Public Utilities Commissioner responded, right now, without any changes in our rates, the average customer pays \$60.32 per month. There are 16,600 of those customers out there. If they were under CL&P's billing they would be \$24.66 more per month which accumulates to \$4,800,000. of savings to the people of the Town. We are adding to that 8.5% and you may think that is minuscule, you are entitled to that thought process, however, if you talk to any real estate agent in town, they will tell you that the draw in the community whether it be commercial, industrial or residential, hinges many times on the electric rates. The rates are important to everyone but we need industry as much as we need the residential person to be satisfied. Our (the P.U.C.'s) thinking was that they (residential customers) were getting a very reasonable rate and we tried to giving them a little assist without impacting too much on the commercial and industrial customers which gives the jobs to the people in the community. We were correct in our assumption and he will stand by that.

Pasquale Melillo, 15 Haller Place, Yalesville stated, the residents/ratepayers, collectively, equal a large customer. It works both ways. The big businesses have already been given tremendous discounts. He asked, is it true that the P.U.C. has reserves of approximately \$10 million?

David Gessert, Public Utilities Commissioner apologized for not attending the meeting earlier. The P.U.C. was attending their public hearing on the Durham Road Pump Station. The P.U.C. had, several years ago, had \$16 million - \$17 million. Our reserves are somewhere in the \$7 million to \$8 million price range. That money is for long term capital projects and long term expenses of the utility.

Mr. Melillo asked, isn't that too much of a reserve to be holding? Can those fund be used for the benefit of the average homeowner/taxpayer?

Mr. Killen responded, yes they can. Those dollars are supposed to be available but they have never been made available.

Mr. Killen went on to say that opinions obtained from two Town Attorneys, along with State Statute, verify that the funds are to be made available. These people (P.U.C.) have never admitted that the funding for their operation come out of the general treasury of the Town of Wallingford, not from the dollars that they "earn". If they never made a penny, the Town would still have to pay to run their business. They don't have to put aside reserves. They are required by State Statute to earn a profit of no less than 5% and no more than 8% of their business. When Mr. Zandri asked how they computed those figures at a previous meeting, it took approximately two or more months to come up with the answer. It should have been right at their fingertips but they could not produce the answer whether or not they were falling within those guidelines.

Mr. Melillo stated that something should be done about that. They should be made to give that money back to the Town. They are in violation of State Statute. Isn't the Council the P.U.C.'s boss? This situation should be corrected.

Mayor Dickinson stated, all funds are held by the Town of Wallingford and are in their appropriate places under all accounting rules. There is not a legal problem with them or in terms of reporting those funds. The rates have been discussed pursuant to a cost of service study. That study is meant to describe, what is the cost of providing power to a given group under the rating plans. The commercial/industrial sector would have had a reduction of 25% or 30%. The residential sector would have had no reduction. The P.U.C., recognizing that probably is not as fair as everyone would like to imagine, given that residential property owners are owners as well, compromised that to be a 15% reduction and 7 or 8% reduction on residential, on average. There was an effort to try and please all camps. But if you went straight cost of service, if you went straight fairness, you would have had a 25% reduction on business and 0% reduction on residential. That should be understood. What we are doing is not totally in accordance with what the cost of service study indicated.

Mr. Gessert added, we felt if you looked at the cost and the largest decrease was in the area of municipal rates, they would decrease the most. The next major reduction was industrial/commercial rates. If you look at the actual cost of service it recommended 6/10ths of one percent reduction for residential. We think that the taxpayers and ratepayers and owners deserve more than that and felt that a more proper allocation was to take care of all of our customers, the residential as well as the commercial and industrial ones. In an effort to be fair to all parties and all ratepayers in the Town of Wallingford and to protect our competitive position as much as possible with our larger users, that is how the figures were arrived at.

Mr. Gouveia stated, let us assume that there are two identical houses, same land, etc. One house has an elderly person living in it and the other has four children living in it. Are you proposing that what we should do is to assess taxes based on the cost of service that the community provides to those two households? I don't think anyone would propose that.

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Mr. Gessert responded, if you look at the Town of Wallingford it does not proportion taxes on the cost of the services that those people require. You can get someone who moves into an apartment who has seven children, at \$7,000 a piece to go into the Wallingford school system and they are not paying taxes in proportion to the services that they are receiving...

Mr. Gouveia stated, we all understand that it would cost a lot more to deliver 600 kwh of electricity to twenty households than that same amount to one single household. That is just the way that it is. He asked, would Cytec have been better off with this new rate rather than the rate they contracted for a few months ago?

Mr. Gessert responded, no. Mr. Melillo asked the question last week, is Cytec going to get a 15% rate reduction on top of the contract that was recently negotiated? Mr. Smith indicated at that time that it was not the case.

Mr. Gouveia stated, if we are pinning all of this on the cost of service study, the cost of service to supply electricity to Cytec, if the same is to apply to others then why do they get a differential rate? We are pinning all of this on the cost of service but then little by little we are willing to throw this out the window.

Raymond Smith, Director of Public Utilities stated, we need the cost of service study first to identify where the cost components should be allocated. Cytec's deal is a little bit better short term, he is not sure what it will be in the long term because their contract is for deeper discounts earlier and potentially higher prices later. There are also a lot of other elements in that agreement as well. Taking them out of the industrial group may have impacted the rest of the industrial group. You need to sit down and identify your costs and how they should be distributed amongst the various classes. It is impossible to take 18,000 households and say that we will identify the cost of service for each. We need to lump them into a manageable group. We have residential customers with \$500 electric bills and we have residential customers with \$15 electric bills but the cost to get power to that house is all basically the same. If we stay with the cost of service it bore out that the residential group, which right now has the biggest rate advantage of any other user compared to outside systems, the residential group would have seen nothing. They would have seen no increase or decrease and all the costs should have been passed through to the non-residential users. That is important for if you run into competition down the road that will be the group that will get the opportunities to have access to different suppliers.

Mr. Gouveia felt that the cost of service is unethical to really apply this cost of service study on a case by case basis. First of all it would be impossible and secondly it would be unethical because that is not the way of a community. Some of the community has to do more for others. Even with that in mind there are special cases to be made.

Mr. Smith agreed, Cytec may be the first special case.

Mr. Gouveia expressed his concern once again that more and more

special cases will be made at the expense of the residential ratepayers. That concerns him tremendously.

Mr. Gessert stated, when you look at the homeowner, protecting the residential customer, the best protection for the homeowner type of customer is to keep the large customers you have. When you lose those large customers, who will end up paying the bill?

Mr. Gouveia stated, we have sent the message to the large users that if they threaten to leave we will give them additional advantages.

Mr. Wright stated that he would like to see a larger decrease given to the homeowners and small businesses of the community. He was told at the P.U.C. public hearing that the large users would feel no impact if the homeowners' decrease was doubled. We have more small businessmen than larger ones and they are the ones who will leave this Town and go to Cheshire, Durham, Middlefield, etc. They do not have large investments in the community. They are the ones that we should be taking care of. Let's negotiate a little bit better.

Mr. Gessert stated that a list of price differentials for small businesses was distributed at the public hearing and upon reviewing the information in some cases the savings is quite significant.

Mr. Rys referred to the list stating that the proposed savings to a hair salon was \$200 per month while the local pizza parlor will experience a 20% savings. Those figures are significant.

Mario Tolla, 69 Pond Hill Road asked the Council to remember who has placed them in their elected positions. If the statement was made by the P.U.C. that big businesses will feel no effect if the resident's decrease was doubled, then the Council should consider its vote carefully tonight and give that additional break to the residents.

Mr. Killen asked, who instigated the negotiations with Cytec?

Mr. Smith responded, Cytec approached the P.U.C. to alert them of a potential co-generation project that they were approached with. They were questioned about the project which they did not want to disclose the full details of so the P.U.C. tried to construct, internally, what they were capable of doing and evaluated whether or not, based on the new contract we had with CMEEC, whether we should match or make a reasonable offer, keep them as a customer, keep them contributing to our other costs.

Mr. Killen asked, how many other companies have come forward with the same situation?

Mr. Smith responded, we have talked with two other firms and it has been very loose conversation. Bristol Myers, mentioned recently that they have been going over some projects, we have had some loose discussions with them but we have never sat down with them. They have never come forward with a plan.

Mr. Killen stated, we have brought absolutely nothing by giving them a

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break on the backs of the small users and residential customers.

Mr. Smith responded, what we have is a residential group of customers who have a thirty to forty or fifty percent differential within our rates from those in surrounding areas. Our industrial and commercial group does not experience that same differential. What we are saying is these people have already had this big spread. We need to bring our other costs in line with what is occurring in industry.

Mr. Killen stated, he has never witnessed anyone leaving Wallingford because of its electric rates. At the P.U.C. hearing Mr. Smith agreed to arrange a meeting with the gentlemen who appeared that evening from Bristol Myers and from Ogden. Mr. Killen, representing the residents of Town, who also appeared that evening was never extended an invitation by Mr. Smith to meet on the topic of what deal can be worked for that special interest group. He called the Electric Division today to obtain a copy of the minutes from that public hearing, minutes that should have been available by law within five days. Those minutes were not available. On the desk this evening is a draft of those minutes. Everyone's comments appear in them by Mr. Killen's.

Mr. Gessert explained that the secretary of the P.U.C. experienced personal problems over the weekend. It was realized today that the minutes were not ready and three individuals had taken up the task to get as much as we can compiled this evening. We realize it is not a full set of minutes and when the task is complete hopefully Mr. Killen's comments will be included.

Mr. Wright stated that he resented Mr. Smith's condescending statement that Mr. Smith felt it was a nice gesture...gesture was the word he used. Mr. Wright believes that the taxpayers of this town are deserving something more solid and realistic than a gesture from Mr. Smith and anyone on the P.U.C.

Mr. Smith stated that he did not mean to insult anyone with the comment, it was a poor choice of words. It was a measure that the P.U.C. took, it certainly went against the recommendations of the consultant and what the study bore out. That was the P.U.C.'s prerogative.

Mr. Knight made a motion to Move the Question, seconded by Mr. Rys.

VOTE ON MOVING THE QUESTION: Zandri was absent; Duryea, Killen and Solinsky, no; all others, aye; motion duly carried.

VOTE ON ORIGINAL MOTION TO OVERRIDE P.U.C. ACTION: Zandri was absent; Duryea, Gouveia, Killen & Solinsky, aye; all others, no; motion failed.

Motion was made by Mr. Rys to Adjourn the Meeting.

Mr. Zappala commended the P.U.C. commissioners for finding a way of getting \$33,000 from Northford customers of the Electric Division. It was a long time overdue.

Mr. Melillo stated that the little guy is getting the short end of the stick again, the cards are still stacked against the little guy. When will it stop?

Ms. Papale seconded the motion to Adjourn the Meeting.

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

There being no further business the meeting adjourned at 10:50 P.M.

Meeting recorded and transcribed by:

Susan Rourke
Susan Rourke
Temporary Secretary for the Town Council

Kathryn F. Milano
Kathryn F. Milano
Town Council Secretary

Approved by: *Thomas D. Solinsky*
Thomas D. Solinsky, Chairman

12-12-95
Date

Kathryn J. Wall
Kathryn J. Wall, Town Clerk

DEC 13 1995
Date

Appendix I

October 5, 1995

TO: The Wallingford Town Council
45 South Main St.
Wallingford Ct. 06492

FROM: Robert W. Prentice
291 Cook Hill Rd.
Wallingford CT. 06492

RE: Appointment of Tenant Commissioner to the Wallingford Housing Authority.

Ladies and Gentlemen of the Town Council;

I am writing in behalf of Ruth Kennedy, who is presently the Tenant Commissioner of the Wallingford Housing Authority. Ruth was appointed to fill the term of Carol Ireland and has been on the board for a little over 1 1/2 Years. Ruth has served admirably, attending every meeting, staying in touch with the tenants and their needs and is involved very closely with our elderly population's activities. She is active with the Share Program, The Sunshine Girls and The Walliettes. Being a Tenant Commissioner can be very difficult, having to balance a working relationship with the tenants, the Board of Commissioners and the staff. Ruth has accomplished this to the satisfaction of all the people I have spoken to.

I would strongly recommend that you reappoint Ruth Kennedy to another term as the Tenant Commissioner for the Wallingford Housing Authority.

Thank you very much for your time and consideration.

Sincerely,


Bob Prentice

Chairman, Board of Commissioners
Wallingford Housing Authority

26 Savage Commons
Wallingford, Connecticut 06492
September 21, 1995
294-0783

Town Council Members
Council Chambers
45 South Main Street
Wallingford, Connecticut 06492

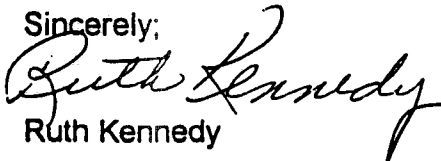
Dear Council Members:

For the past two years, I have had the privilege of serving on the Board of Commissioners of the Wallingford Housing Authority. My tenure as Tenant Commissioner has certainly been an education, while allowing me to bring my unique prospective as a Tenant to the Board.

These are tumultuous times in the field of housing. The Federal Government is slashing HUD's budget by more than 20%, while here in Connecticut, the State Department of Housing is being melded into a mega agency. This new agency will have numerous functions, some totally abstract from those once performed by the Department of Housing in their servicing the needs of low and moderate income households. One can only hope that Public Housing Authorities, the vital function and population they serve, will not be too severely impacted.

Clearly continuity and consistency in the oversight of the Authority operation will help smooth the after shock we are most certainly going to experience. to that end, I formally request the Council afford me the opportunity to continued working with the Board and the Authority staff, and re-appoint me to the Board of Commissioners of the Wallingford Housing Authority.

Sincerely;


Ruth Kennedy

Commission expires 10/31/95