

TOWN COUNCIL MEETING

SEPTEMBER 26, 1995

6:30 P.M.

AGENDA

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

1. Roll Call & Pledge of Allegiance
2. Executive Session Pursuant to Section 1-18a(e)(4) of the CT. General Statutes with Regards to the Purchase, Sale and/or Lease of Property for the Purpose of Obtaining an Easement
3. Consider and Approve a Transfer of Funds in the Amount of \$2,004 from Revenue - Local Match Acct. #012-1040-060-6000 to Revenue State Grant Acct. #012-1040-050-5000 - Youth Service Bureau
4. Consider and Approve a Transfer of Funds in the Amount of \$700 from Revenue - Other Revenue Acct. #012-1040-700-7010 to Expenditures - Youth Projects Acct. #012-9000-600-6600 - Youth Service Bureau
5. Consider and Approve an Appropriation of Funds in the Amount of \$5,982.69 to Appropriate from 94/95 Fund Balance Acct. #074-1041-900-1001 and to Project Graduation From Contributions Acct. #074-9001-900-9061 - Mayor's Office
6. Discussion and Possible Action On Granting Authorization for the Town Attorney to Negotiate the Termination of a Lease with Friendly Corporation at 6 Fairfield Boulevard - Town Attorney
7. Report Out by the Director of Public Works on the Status of the Recreation Center Project at 6 Fairfield Boulevard - Town Council
8. PUBLIC QUESTION AND ANSWER PERIOD - 7:30 P.M.
9. PUBLIC HEARING on an Ordinance Appropriating \$3,965,000 for the Planning, Acquisition and Construction of the Replacement of the Durham Road Sewer Pump Station - 7:45 P.M.
10. Consider and Approve Waiving the Bidding Process for the Purpose of Executing an Agreement with Three Deferred Income Financial Plans (a.k.a. 457 Plans) as Required by the Management Union Contract - Mayor's Office
11. SET A PUBLIC HEARING for October 10, 1995 at 7:45 P.M. on an Ordinance Amending an Ordinance Appropriating \$14,159,234. for the Planning, Acquisition and Construction of Improvements and Additions to Yalesville, James H. Moran and Dag Hammarskjold Schools and the Acquisition of Land Therefor
12. Consider and Approve Tax Refunds (#22-25) Totalling \$267.56 Tax Collector
13. Approve and Accept Minutes of the September 12, 1995 Town Council Meeting

TOWN COUNCIL MEETING

SEPTEMBER 26, 1995

6:30 P.M.

SUMMARY

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11. SET A PUBLIC HEARING for October 10, 1995 at 7:45 P.M. On an Ordinance Amending an Ordinance Appropriating \$12,553,000 for the Planning, Acquisition and Construction of Improvements and Additions to Yalesville, James H. Moran and Dag Hammarskjold Schools and the Acquisition of Land Thereof, and Authorizing the Issue of \$12,553,000 Bonds of the Town to Meet Said Appropriation and Pending the Issue Thereof the Making of Temporary Borrowings for Such Purpose. The purpose of the Ordinance is to Increase the Total Appropriation and Bond Authorization by \$14,160,000 from \$12,553,000 to \$26,713,000. The ordinance will increase the amount for James H. Moran from \$1,004,000 to \$7,736,000 and the Amount for Debt Administration from \$200,000 to \$517,000 to Provide Costs of Construction of Said School Projects

22-23

WAIVER OF RULE V

Approve a Resolution Authorizing the Mayor to Make Application to the State of Connecticut Department of Mental Health and Addiction Services for a Mayor's Council on Substance Abuse Prevention Grant in an Amount Not to Exceed \$10,000

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TOWN COUNCIL MEETING

SEPTEMBER 26, 1995

6:30 P.M.

A regular meeting of the Wallingford Town Council was held on Tuesday, September 26, 1995 in the Robert Earley Auditorium of the Wallingford Town Hall and called to Order by Chairman Thomas D. Solinsky at 6:33 P.M. All Councilors answered present to the Roll called by Town Clerk Kathryn J. Wall with the exception of Mr. Gouveia who arrived during executive session. Mr. Killen and Ms. Papale were also absent. Mayor William W. Dickinson, Jr. was present; Town Attorney Janis M. Small arrived at 7:08 P.M. and Comptroller Thomas A. Myers arrived at 7:07 P.M.

The Pledge of Allegiance was given to the Flag.

ITEM #2 Executive Session Pursuant to Section 1-18a(e)(4) of the CT. General Statutes with Regards to the Purchase, Sale and/or Lease of Property for the Purpose of Obtaining an Easement

Motion was made by Mrs. Duryea to Enter Into Executive Session, seconded by Mr. Knight.

VOTE: Gouveia, Killen and Papale were absent; all others, aye; motion duly carried.

Present in Executive Session were all Councilors, with the exception of Mr. Killen and Ms. Papale, Mayor Dickinson, Roger Dann, General Manager of the Water & Sewer Divisions and Dave Gessert, Chairman of the Public Utilities Commission.

Motion was made by Mrs. Duryea to Exit the Executive Session, seconded by Mr. Knight.

VOTE: Killen and Papale were absent; all others, aye; motion duly carried.

Motion was made by Mrs. Duryea to Consider the Following Agenda Items for One Vote:

ITEM #3 Consider and Approve a Transfer of Funds in the Amount of \$2,004 from Revenue - Local Match Acct. #012-1040-060-6000 to Revenue State Grant Acct. #012-1040-050-5000 - Youth Service Bureau

ITEM #4 Consider and Approve a Transfer of Funds in the Amount of \$700 from Revenue - Other Revenue Acct. #012-1040-700-7010 to Expenditures - Youth Projects Acct. #012-9000-600-6000 - Youth Service Bureau

ITEM #12 Consider and Approve Tax Refunds (#22-25) Totalling \$267.56 - Tax Collector

ITEM #13 Approve and Accept Minutes of the September 12, 1995 Town Council Meeting

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Seconded by Mr. Rys.

VOTE: Killen and Papale were absent; all others, aye; motion duly carried.

WAIVER OF RULE V Motion was made by Mrs. Duryea to Waive Rule V of the Town Council Meeting Procedures for the Purpose of Considering a Resolution for the Youth Service Bureau, seconded by Mr. Rys.

VOTE: Killen and Papale were absent; all others, aye; motion duly carried.

Consider and Approve a Resolution Authorizing the Mayor to Make Application to the State of Connecticut Department of Mental Health and Addiction Services for a Mayor's Council on Substance Abuse Prevention Grant in an Amount Not to Exceed \$10,000.

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

Mr. Gouveia moved that the following amendment to the language of the resolution be accepted as a friendly amendment to the motion, "NOW, THERE, BE IT RESOLVED..." be amended to read, "NOW, THEREFORE, BE IT RESOLVED...", seconded by Mr. Knight.

VOTE ON AMENDMENT: Killen and Papale were absent; all others, aye; motion duly carried.

VOTE ON RESOLUTION AS AMENDED: Killen and Papale were absent; all others, aye; motion duly carried.

ITEM #5 Consider and Approve an Appropriation of Funds in the Amount of \$5,982.69 to Appropriate from 94/95 Fund Balance Acct. #074-1041-900-1001 and to Project Graduation from Contributions Acct. #074-9001-900-9061 - Mayor's Office

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

Mr. Gouveia asked, is this appropriation being made to accommodate private donations received by the Town which will not effect the bottom line of the budget?

Susan McLaughlin, Youth Service Bureau Director responded, yes.

Mr. Knight asked, did the Town fund part of this operation?

Ms. McLaughlin responded, \$5,665 is assigned the Town by the State of which \$3,500 is allocated towards the Project Graduation program. The remaining funds are accumulated by way of donations. Last year a balance of over \$5,000 remained in the account.

Mr. Knight asked, could we possibly be seeking less money from the State next year for the program? Will we be expanding the program due to the excess funds? Will the extra \$5,000 give the Youth Service Bureau a head start on the program for next year?

Ms. McLaughlin responded, yes, the total budget for the program is \$11,000 based on three hundred students participating in it. More and more support is being exhibited by the student's families.

Mr. Zandri questioned how the funds are being brought forward from last year's budget to this year's budget without a transfer form or paperwork showing the transaction?

Mr. Myers responded, the Youth Service Bureau special funds account will exhibit a balance remaining in the account at the close of the 1994-95 fiscal year. The Youth Service Bureau account this year will show the \$5,982.69 being carried forward from last year to this year. There is no need to have a special form or paperwork showing the appropriation.

Mr. Zandri did not feel comfortable with the accounting procedures.

Mr. Myers assured Mr. Zandri that the practice meets standard accounting principles and procedures.

VOTE: Killen and Papale were absent; all others, aye; motion duly carried.

PUBLIC QUESTION AND ANSWER PERIOD

Nick Zebb, 22 New England Drive approached the Council bench with two large maps of the Tyler Mill Road area mounted on exhibit boards displaying photos of debris and hazardous chemicals such as paint and oil cans, cement, rusting metal objects, etc., dumped throughout the grounds. He was concerned that the Town is not doing enough to keep the area from becoming a dumping site. He pointed out one example, a toxic water heater dumped in a creek bed which leads to a major reservoir. It is his opinion that the area is a hidden eyesore and has been a disgrace to the Town for the past fifteen years. As commercial development continues to "eat up" all available land, open space is becoming more valuable to us everyday. If we do not protect the open space we do have, we are performing a great disservice to the community and our future.

Mr. Solinsky stated that the Rod & Gun Club performs a clean up of the area but was not sure how often. He asked Mr. McCully if he was aware of their schedule of cleaning?

Henry McCully, Director of Public Works explained that the Rod & Gun Club schedules a clean-up of the area twice during the course of a year while the Boy Scouts do the same once a year. Public Works was at the site today clearing away debris. There is no way to stop the activity, it is continuous, we can only clean it. The cost to the Town is approximately \$5,000 - \$10,000 per year to clear the area of the trash. Unless the police or a constable is on site continuously, there is no way to stop it. Eight years ago Public Works took fourteen cars out of the site.

Mr. Zebb distributed a list of proposals on how to deal with the

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problem to the Councilors.

Mr. Solinsky stated, if we are spending close to \$10,000 a year to clean the site perhaps we should be spending that money in the area of enforcement instead.

Mr. Gouveia stated that he would like some figures from Public Works pertaining to not only the clean up costs but disposal costs involved as well. If there are hazardous materials they cannot simply be taken to the landfill or the trash plant, therefore it is very costly to dispose of the materials. Perhaps it would be more cost-effective to hire a constable to monitor the area. We do have a refuse ordinance and litter ordinance. There is also a State statute which allows the Town to take the vehicle away from the person who is disposing of hazardous waste from it. There are means to do the job, we must, however, be willing to do the job.

Mr. Zappala stated that the problem definitely exists and merely cleaning the area will not solve the problem. We need to find a permanent solution such as closing the road from Woodhouse Avenue on. People can still enjoy the area by walking through it or riding their bike there but the road should not be open to vehicles.

Mr. Zebb agreed that the area should be closed off to vehicle traffic.

Mr. Solinsky was of the opinion that closing the road would be the last resort. We need to try to enforce our existing regulations to correct the problem. We have not yet done that, therefore we are a ways off from closing the road.

Mr. Zebb reiterated that this problem has existed for at least seventeen years and nothing, seriously, has been done. Serious measures need to be taken now otherwise there will be serious consequences.

Mr. Gouveia did not agree with closing the road stating, that would be giving in on crime. At the very least we should go after the perpetrators. To deprive the rest of the community, who do not violate the law, the privilege or right to drive through the area is unconscionable. We should first go after those individuals who are creating the problem. We have not done that yet.

Mr. Solinsky thanked Mr. Zebb for bringing the issue to the Council's attention.

Pasquale Melillo, 15 Haller Place, Yalesville stated, according to a survey conducted by reputable people, the Water & Sewer Division has been dismal relative to a double standard in collecting its outstanding bills. Water & Sewer bills are marked with the statement that a property lien will be filed 90 days from the billing date if past due balance is \$10.00 or more and a lien fee will be charged. He asked if there was anyone present from the division to answer questions?

Dave Gessert, Chairman of the Public Utilities Commission responded,

the study that the press indicated they were looking at he, himself, has just received tonight. He intends to review it. There seems to be a question about the Sewer Division's practice of collecting sewer assessments. We do have people who are assessed sewer charges and are allowed a certain amount of time to pay those, it is usually apportioned over a ten year period in most cases. Those assessments have been collected on a regular basis. He will be reviewing with Mr. Dann, General Manager of the Water & Sewer Divisions, how many of those accounts remain outstanding and what action is being taken on those accounts that have not been collected.

Mr. Solinsky asked that Mr. Gessert give a copy of the report to the Council Secretary so that copies can be made this evening for the Council.

Mr. Melillo stated, this is the opportune time to finance or bond our school projects due to the fact that the interest rates are at their lowest point right now. He urged everyone involved in the school building project, from the Board of Education to the Council to the building committee, to do their best to cooperate with Tom Myers, Comptroller, and provide any/all necessary data he needs to issue the bonds as quickly as possible.

Mr. Myers stated, the current market conditions are very favorable to issue tax-exempt debt. He does not anticipate a change in those market conditions through the second quarter of 1996. The sooner that we can issue some of the debt that we have for the school project, the opportunity is there presently. He is proceeding with a bond issue for the Yalesville School and anticipates taking that issue to market in November of 1995 with a settlement in December of 1995. In addition to that Mr. Myers believes that by taking that route now the Town will be able to reduce the cost of the Yalesville project because the interest rate is somewhat lower than Mr. Myers projected back a year or more ago when he was asked to look at it. He anticipates that if the middle schools are approved, it would be very advantageous to the Town to budget the additional funds necessary and to issue the debt on the middle schools during the first quarter of 1996, as today's market conditions exist. If market conditions change, the bonding plan may change.

Mario Tolla, 69 Pond Hill Road asked, what is the progress of the Senior Citizen Center with regards to the buildings which needed their roofs replaced? With regards to the Wooding property, earlier in the year it was discussed that the building should be demolished and bids should be solicited for the project, what is the status of that issue? Mr. Tolla stated that the buildings are an accident just waiting to happen. He visited the site approximately one week ago and found that another door has been broken into therefore allowing access to the interior of the buildings. There is evidence that entrance has been gained by persons unknown.

Mr. McCully responded, with respect to the Wooding property, the department seals the openings as they are broken into. A bid opening was held today on the Senior Citizen Center's vinyl siding project and another bid is out for the two roofs that are going to be replaced.

Mr. Solinsky asked about the bidding of the demolition of the Wooding property buildings?

Mr. McCully responded, we have not proceeded with that. There is no money to do it.

Mr. Tolla asked, why haven't we proceeded?

Mr. McCully responded, there may be some other ideas out there on what to do with the buildings. The buildings are condemned and secure.

Mr. Tolla stated, we have owned this property for years and, although the Town has made some effort to try and have the property developed by private entities...how long are we going to keep boarding it up and have people break into it?

Mr. Zappala asked Mr. McCully, did you say that bids were received to put siding on the Senior Center while the roofs are still leaking?

Mr. McCully responded, there is a part of one of the buildings at the center which had asphalt shingles on it. One side of it is being sided and a new roof is being put on the same building. There is also another roof that is being put on a different building.

Bernadette Rhenda, 753 North Main Street Extension asked, does Mr. McCully know when the construction will begin for the installation of sidewalks on North Main Street? She has noticed that the survey sticks have been placed along the road and is curious when the work will begin.

Mr. McCully suggested that Mrs. Rhenda contact the Engineering Department who should know since all the work permits must pass through that department first.

ITEM #9 PUBLIC HEARING on an Ordinance Appropriating \$3,965,000 for the Planning, Acquisition and Construction of the Replacement of the Durham Road Sewer Pump Station

Mrs. Duryea read the title and section 1 of the ordinance into the record (Appendix I).

Motion was made by Mrs. Duryea to Waive the Reading of the Ordinance in its Entirety and Append a Copy of it to the Minutes of the Meeting, seconded by Mr. Rys.

VOTE ON WAIVING THE READING OF THE ORDINANCE: Killen and Papale were absent; all others, aye; motion duly carried.

Roger Dann, General Manager of the Water & Sewer Divisions stated, the project is necessary to replace an aging station that currently exists, the Durham Road Pump Station, placed in service back in 1972. That station, as it was originally constructed, was viewed as a temporary station and was intended to be used only until such time as an east side interceptor was constructed to service the entire east side of town. Out of concern for the watershed areas, however, that

interceptor was never constructed and, as a result, the Durham Road Pump Station has remained in service for far longer than what was originally anticipated. Deficiencies in the existing station, in addition to the age of the station and of the equipment within also relate to the lack of any kind of containment to deal with outages. In the past there have been some occasions when there have been outages that resulted in overflows. This is within the watershed area which flows to the Muddy River which ultimately flows to McKenzie Reservoir which is one of our drinking water reservoirs. The new pump station is intended to be constructed at a site accessed off of Williams Road. It is approximately 1,500' south of the existing station. The project, itself, in addition to the construction of the pump station will involve a containment structure of approximately 400,000 gallons. Associated with this will be gravity enforced mains to conduct flow from the existing collection system to and from the new pump station site and the demolition of the existing pump station. Bids have been received for the project and are currently under review. Pending the outcome of the funding ordinance as well as the obtaining of necessary easements to follow our preferred pipe routing, we anticipate awarding the contract during December of this year. We are looking for construction to begin by the end of December of 1996 and for construction to be completed by January 1, 1998. This is a design-built project so that when the contract is signed it is to undertake the design and ultimate construction in one bid. For the purposes of the ordinance, since we are still reviewing the bids received, we have given the Council numbers which correspond to the third lowest bidder, following the least preferred pipe routing. If we can award to the low bidder and the preferred pipe routing, the actual costs of the project will be substantially less and that would be the division's goal.

Pasquale Melillo, 15 Haller Place, Yalesville, asked, does this project have anything to do with the Town of Durham? Does it effect their services in any way?

Mr. Dann responded, no, this in no way deals with the Town of Durham.

Mr. Zandri asked, is this figured in the existing rate structure?

Mr. Dann answered, the project has been anticipated in reviewing the current rate structure as well as in projecting future rate requirements. We are proceeding a little bit earlier than originally intended under the rate projections, that may cause the Town to incur some debt service costs slightly earlier than expected. That remains to be seen, based on how the project actually proceeds. It has been anticipated in the rate structure.

Mr. Gouveia asked, by approving this ordinance the Council gives the authority to borrow \$3,965,000, however if the project comes in less, then the amount borrowed will be less?

Mr. Gessert answered, if the bid awarded is significantly less than the amount of the ordinance, he assured the Council that the division will not spend the excess money. Rather than request the lower figure and find that additional dollars are needed whereas the ordinance will

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need to be amended, the division is planning for the high side with the intention of spending on the low side.

Mr. Gouveia asked, what other actions do you anticipate requiring from the Council with regards to this project?

Mr. Dann responded, in order to obtain the easements that are needed to follow the preferred alternate route, the division will need the approval of the Council to obtain those properties. That is currently under negotiation and as that draws to completion the information will be brought back to the Council for their approval.

Mr. Gouveia asked, what size lot is the present pumping station located on?

Mr. Dann answered, postage stamp size. He is not sure of the exact size but it is extremely small.

Mr. Gouveia asked, are there any other buildings or structures on that lot?

Mr. Dann responded, no. The existing station takes up the entire lot.

Mr. Gouveia stated, he would like to see a recommendation for the disposition of the land that the existing station is located on once the new station is completed. He is not comfortable with the Town owning small pieces of land scattered throughout its boundaries. It should be disposed of somehow.

Mr. Gessert stated, the land is approximately 100' X 100'.

Mr. Gouveia asked, is the lot buildable?

Mr. Dann stated, he did not think that it would be a building lot, if it has value, it would likely be to property owners on either side and may look at it as an acquisition to the existing properties.

Mr. Gouveia stated, if there is no future need of the land by the Town, he would like to see resolutions offered to the Council to dispose of the land rather than just leave it there.

Mr. Dann will review that issue and will also contact other departments to see if they foresee a need for that property.

Mr. Solinsky asked, does the ordinance cover the demolition of the old pump station?

Mr. Dann responded, yes, demolition is included in the bid.

Mr. Solinsky pointed out that the definition does not clearly state what is being demolished. He asked Mr. Myers if the language would provide for the demolition of the existing station? He asked what the cost of the demolition was?

Mr. Dann responded, that cost was not broken out separately.

Mr. Solinsky asked, will there be clean up costs for decontamination of the pump station?

Mr. Dann was not sure. If we don't propose to dispose of the property he suspects that there would not be any reason to have to pursue that. To dispose of the property, however, there would likely have to be some testing done prior to the sale or disposition of the property. That may tie back into Mr. Gouveia's inquiry as to how we dispose of the property. There was no plan to perform extensive environmental studies but it may be necessary to do so if we are going to transfer ownership.

Mr. Myers stated, he believes that the definition in the ordinance with regards to demolition is specific enough. Any demolition that would occur on the property would be in accordance with accounting standards, a cost attributable to the project and therefore chargeable to the project account.

At this point the Mayor informed Mr. Myers that the Council was inquiring about the demolition of the existing station.

Mr. Myers had been under the impression that the Council was referring to demolition of new construction. With regards to the question of demolition pertaining to the old construction, Mr. Myers responded, as a project cost, that is a cost that is attributable to put a new pump station on line and, again, the language in the ordinance would cover that cost.

Motion was made by Mrs. Duryea to Approve the Ordinance as Presented, seconded by Mr. Knight.

VOTE: Killen and Papale were absent; all others, aye; motion duly carried.

ITEM #6 Discussion and Possible Action on Granting Authorization for the Town Attorney to Negotiate the Termination of a Lease with the Friendly Corporation at 6 Fairfield Boulevard - Town Attorney

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

Attorney Janis Small stated, we are looking to terminate the lease with Friendly's. The location they are occupying is going to be the front area of the recreation center. They are willing to leave prior to the expiration of their lease and we are looking to negotiate a final termination with them....just giving them either, preferably, a rent abatement for their cost of moving which is expected to be only approximately \$1,500. We would receive a release of all their rights under the lease.

Mr. Solinsky asked if they have brought their rent payments up to date?

Attorney Small responded, if they haven't, they are about to. It may be easier to take the cost of settling (\$1,500) off of the last month's rent.

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Mr. Gouveia asked, how long is the lease for?

Attorney Small responded, it expires May of 1998.

Mr. Rys asked, is that acceptable accounting practice to deduct that off of the lease payment?

Mr. Myers responded, if the terms of the lease would be re-negotiated. We would receive a full month's rent up to a certain point. For the last month that they are there we would receive a lesser amount for a rent payment. He did not have a problem with the arrangement.

Atty. Small stated, it does not have to be done that way.

Mr. Myers stated, another way to handle the issue would be to receive the full month's rent to the end of the terminated lease and then reimburse Friendly's for their costs associated with moving or whatever the agreement required.

Mr. Solinsky asked, what is the monthly rent?

Atty. Small responded, \$1,700+.

Mr. Solinsky stated, he feels that we should let them stay there for the time being. There is no need to move them out now.

Mr. Knight stated, if he recalls correctly, the first time this issue came before the Council Friendly's stated a much higher figure for costs associated with moving.

Atty. Small responded, yes, it was higher. It was also for their inconvenience...they could make an argument that we are constructively evicting them by building a recreation center around them. That amount originally quoted by them has been significantly reduced. She could not do any better than if she brought condemnation against them and took over the lease. They have been looking to cooperate with the Town. She does not anticipate the Town getting away any cheaper than this.

Mr. Zappala asked, how many square feet are they using in the building?

Mr. McCully responded, somewhere in the neighborhood of 5,000 sq. ft.

Mr. Zappala asked, is Parks & Recreation going to be using the whole building?

Mayor Dickinson responded, Friendly's is located right in the middle of the building where you would be entering the recreation center. For the building to be converted, it would require that area. It is in our interest, legitimately, to have them vacate the premises in order to allow the proper planning and implementation of the plans to create the recreation center.

Philip Wright, Sr., 160 Cedar Street asked if the Public Question and

Answer Period will be resumed?

Mr. Solinsky responded, time permitting, the period will be resumed.

Motion was made by Mr. Zappala to Authorize the Town Attorney to Negotiate the Termination of the Lease with Friendly Corporation in an Amount Not to Exceed \$1,500., seconded by Mr. Rys.

VOTE: Killen and Papale were absent; Gouveia and Solinsky, no; all others, aye; motion duly carried.

ITEM #7 Report out by the Director of Public Works on the Status of the Recreation Center Project at 6 Fairfield Boulevard - Town Council

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

Henry McCully, Director of Public Works stated, four departments will be moving into the building, Big Brothers/Big Sisters, Recreation Department, Youth Service Bureau and Government Access Television. Several meetings were held in July and August and the final sign-off on the drawings was at the end of August. The bid documents should be ready around the second week of November. The departments concerned with this will have to review the documents which should take one to two weeks. The project should go out to bid around the end of November. Due to the holiday period, Mr. McCully suggested to Robert Pedersen, Purchasing Agent, that the bid response period be extended an extra week for a total of five. The bid opening should take place around the first or second week of January. Providing that everything goes well we could award the bid the second week of January. A public hearing will then have to be scheduled which would take place the middle of February. The ordinance will then have to be published for thirty days. The contract signing could take place approximately the third week of March and construction can begin in early April. These are all approximate dates.

Mr. Solinsky asked, when would you try to get Friendly's out? That will be six months of rent lost.

Atty. Small responded, she was not sure but imagined they would be out within the next month or so.

Mr. Solinsky asked, is there a need to get them out right away?

Mr. McCully stated, when ever the architect visits the site with his mechanical and structural engineers, they need access to the entire building, they cannot just look at one part. The rooftop HVAC system was custom made depending upon the tenants and how much space they rented. The system was "fitted" for that tenant. The engineers need to get in and out of there. It would be nice to have the freedom to enter and exit as needed and to have the access to the roof if need be.

Mr. Solinsky stated, engineers encounter that problem many times...we are looking at \$10,000 of rent that we could have and will lose if we don't let them stay for the remaining six months.

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Mr. Zappala asked, how many square feet will be added to the building?

Mr. McCully responded, 3,500 sq. ft. on the southwest corner. It is being added to house the new gym. The pre-engineered building will fit on the site. This is the cheapest way to do it.

Philip Wright, Sr., 160 Cedar Street asked, was adding the additional square footage part of the original plan?

Mr. McCully responded, no.

Mr. Wright asked, have you decided this now before the architect has completed the.....

Mr. McCully stated, the preliminary drawings from the architect is researched from the structural engineering consulting firm that are on the architect's team. They felt that it would be the most appropriate and cost-effective area to locate the gym. We will still demolish the corner as originally planned, this will be added to it. Planning & Zoning granted their approval last week. There will be no loss of parking.

Mr. Wright asked, do you consider the project to be on target?

Mr. McCully responded, from what he stated around May of last year that it would take approximately one year, and with the referendum as another factor, we are not on time but we are moving ahead.

Mr. Wright asked the Town Attorney, after the public hearing is voted on, assuming it is approved by the Council, is there then an opportunity for the public to get involved via referendum process?

Attorney Small responded, it is spelled out (in the Charter) but she was not aware of what the time frame is.

Dave Canto, 4 Meadows Edge Drive asked, do we know how much additional cost is involved with the extra square footage yet?

Mr. McCully responded, the extra square footage will not add to the cost of the building. The area we will be using...a lot of the demolition material can be used as fill for it. We will save a lot in disposal costs. The architect has assured him that the addition will not add significantly to the costs we have projected.

Mayor Dickinson stated, instead of laying the gym out in a east to west configuration, it has been changed to a north to south location or vice versa. That is what is causing the difference in square footage.

Mario Tolla, 69 Pond Hill Road asked, how much of the existing building will be taken down on the west end area near the loading dock?

Mr. McCully responded, approximately 10,000 sq. ft. will be demolished.

Mr. Tolla asked, what is the total square footage of the building presently?

Mr. McCully stated, the total is 44,000 sq. ft.

Mr. Tolla asked, will we end up with over 50,000 sq. ft. when we are done with the building?

Mr. McCully responded, no, we will be left with 47,000 sq. ft. We will gain approximately 3,000-3,500 sq. ft.

Mr. Tolla asked, what was the square footage amount that Planning & Zoning approved?

Mr. McCully responded, he appeared before P&Z for site approval. He does not recall the information for Sam Sargent, Architect, performed the presentation.

Pasquale Melillo, 15 Haller Place, Yalesville asked, have the problems with the water pipes been taken care of?

Mr. McCully responded, the leak was fixed.

Mr. Melillo stated, a lot of people have told him that they are afraid of sending their children to the new recreation center site due to the six lane highway (Route 68) and the traffic from it. How is that issue being addressed?

Mr. McCully responded, there is a light at the intersection of Barnes Road and Route 68, there is a light at the intersection of Sterling Drive and Route 68 and there will be a new light added just above or northeast of the farm market. Barnes Road is a two-line highway and Fairfield Boulevard is a thirty foot wide road.

Mr. Melillo stated, we should do our best to expedite the process with respect to the bond financing. The market is favorable at this time.

Mr. Zandri asked, what will the size of the new gym be?

Mr. McCully responded, it will be a little over 13,000 sq. ft. with thirty foot high ceilings.

Philip Wright, Sr., 160 Cedar Street asked Mr. McCully if the four departments who are moving into the building met with him and did they list their needs with regards to space at the new center? When the recreation department met with Mr. Tolla and his group, who were studying the construction of a recreation center at Community Lake, the committee was given a list of what the department needed for space which amounted to 26,000 sq. ft. Now we are looking at 47,000 sq. ft. Is everyone taking a little bit more or are we reserving space out there that can be used for something else?

Mr. McCully responded, part of the bid specifications calls for the submittal of a program. The program is a spacial needs for Government T.V., spacial needs for the Youth Service Bureau and spacial needs for

the Recreation Department. The recreation department presented Mr. McCully with a list of their programs. He was unable to grant them all the space they were requesting. They took 44,000 square feet of which a lot is attributable to corridor space, rest rooms, etc. There are certain requirements for fire codes, etc., they have needs for programs listed that they will be conducting up there. There are spaces cut out for those programs...multiple-use rooms, etc.

Mr. Wright asked, are they the same requirements that were given to Mr. Tolla originally?

Mr. McCully had no idea what was given to Mr. Tolla. He has only been involved in this building. Each of the departments have presented their needs to Mr. McCully. Through the meetings held those needs had to be changed and/or modified.

Mr. Wright wondered if anyone from the Council or the Mayor's Office has taken a look at what was being requested from these departments before Fairfield Boulevard vs. what is being requested now? Would there be space available out there for future development or is everyone grabbing a little bit more to occupy?

Mr. McCully responded, the needs that he has tried to satisfy are growth needs, the Youth Service Bureau will obviously grow and the recreation department is moving into a much larger facility and they are hoping that the space will take them well beyond the next ten years as far as their programs go.

Mr. Wright asked Mayor Dickinson if he has reviewed the department's requests made previously and those being made now?

Mayor Dickinson was not sure what was requested of Mr. Tolla but he is not aware of any new program being requested as part of the recreation project. There is an effort to continue what they have and do what they do in a little better fashion than what they have been able to handle.

Mr. Wright stated, someone should be looking at the change in requirements, if any, to see if they are justified.

Mayor Dickinson stated, the television studio and the Youth Service Bureau take a significant portion of the building.

Mr. McCully stated that those departments will occupy approximately 6,000-7,000 sq. ft. One must remember that the corridors and stairways, rest rooms, etc., occupy a significant portion of space as well.

Mayor Dickinson stated, when the town was looking at other facilities the recreation department had requested anywhere from 35,000-37,000 sq. ft. He was not sure what was provided to Mr. Tolla, there may have been some paring down in order to deal with a smaller structure at Community Lake. Their desire was for a facility that was 35,000-37,000 sq. ft.

Mayor Dickinson went on to say that the current site, Simpson School, has approximately 26,000 sq. ft. for recreation. If we are looking to provide a new facility, however, it should be larger than 26,000 sq. ft. We are going to a 37,000 sq. ft. site that will take us through the next ten years or so, that does not seem unreasonable.

Mr. Tolla stated, when his committee met with Tom Dooley, Superintendent of Programs at that time, Mr. Dooley presented his "wish list" which was for 30,000+ sq. ft. of recreation space. Mr. Tolla asked Mr. Dooley what amount of space he could live with? Mr. Dooley had responded, if you give me 26,000 sq. ft., I can live with that. Unfortunately, the outcome was to go with the Fairfield Blvd. site. Mr. Dooley would have gone anywhere so long as it was another building. Mr. Tolla asked Mr. Dooley, if they gave you a building with 60,000 sq. ft. would you fill that up too?, and Mr. Dooley had responded, yes, he would utilize all the space.

Mr. Tolla made it clear that he was not belittling Mr. Dooley in any way for he was doing a terrific job with the Recreation Department and, in fact, extended congratulations to him on his new appointment to the position of Director of Parks & Recreation.

No action taken.

Mr. Solinsky extended the public question and answer period for a few more minutes since Mr. Wright was not allotted time to speak.

PUBLIC QUESTION AND ANSWER PERIOD (cont.)

Philip Wright, Sr., 160 Cedar Street did not favor closing off the road leading into Tyler's Mill.

Mr. Wright was also concerned with the recent decision to stop issuing permits for drinking beer in our parks. The reason it has come to this is because the Town failed to manage and control and enforce the regulations that we have. The small parks in town are the extension of the townspeople's backyards. If they could all have their family picnics and gatherings in their own backyards, they would do that but, unfortunately, they don't have such large yards. The Town, therefore, provides these areas for such purposes. Yes, they have to follow all sorts of regulations in the park, it is a known fact. To say no to drinking beer in parks because we did not control their use and enforce the regulations we have is not fair. It is the same issue with Tyler Mill. All we have to do is spend a few dollars to send someone to patrol the area. We always let things go to the point that we have to use some draconian measure. It is wrong. It is an indication that we are not doing our job. Then when it gets to the crisis stage we react, we board up or tear down, etc. We cannot control vandalism at the Wooding property. If we can't control vandalism in the backyard of the Police Department, then the animals are running the zoo. It is a sad commentary.

On another matter, Mr. Wright stated that he has received letters from Mr. Wasilewski which have pertinent newspaper articles from Woodshole, Ma. enclosed. He sends his regards and continues to follow the

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politics in Wallingford.

The Chair declared a five minute recess at this time.

ITEM #10 Consider and Approve Waiving the Bidding Process for the Purpose of Executing an Agreement with Three Deferred Income Plans (a.k.a. 457 Plans) as Required by the Management Union Contract - Mayor's Office

Motion was made by Mrs. Duryea to Waive the Bidding Process for Executing Agreements with Three Plans, seconded by Mr. Knight.

It is noted that the Mayor distributed a letter from a firm wishing to have their name considered as a viable candidate to provide a 457 plan to the Management Union. The Mayor's letter which was forwarded to the Council in the agenda packet for this item as backup material asks that four firms be considered but that the bid be waived to contract with only three. This additional name brings the list to five candidate firms and the Mayor asked that the bid be waived for all five firms.

Mr. Solinsky pointed out, to begin with the Council was not forwarded any of the firms' names. This letter given to the Council this evening by the Mayor is the only name that the Council has received. This name will be added to the list from which to choose but only three will be contracted with. The bidding process will be waived for the purpose of contracting with three firms. He asked the Mayor to list the names of the other four firms.

Mayor Dickinson listed the following firms as the five which will constitute the list from which three will be contracted with: Prudential, Main Street Management, Apex Financial Group, American Express Financial Advisors and LPL Financial Services. The union will choose the three firms with which to enter into agreements with.

Mr. Knight asked the Mayor, why only three firms?

Mayor Dickinson responded, there is interest in containing what the Town's responsibilities are on this. From the Town's side it is an expense and an ongoing responsibility to keep track of the firms, the number of deductions from payrolls, the sending of the checks to the firms, etc. The more you get, the more complicated it becomes. Our interest was to try and contain the Town's cost on the program by limiting it to three firms for that purpose.

Mr. Gouveia stated, he is concerned with this for it seems as though this issue may be involving the Town more than is necessary. He is aware that there are several financial plans such as 401B, 402G, 403B, 457C, etc., all of the Internal Revenue Codes. How different is this plan from a 403B?

Mayor Dickinson responded, the 457 is the only plan available to a municipal employee. The 401 series are not.

Thomas Myers, Comptroller believed that statement to be true.

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Mayor Dickinson stated, 401 plans are available to the school system. That, however, is a special circumstance. The 457 plans were developed because there wasn't a deferred income capability for the municipal or state employee.

Mr. Gouveia stated, under the 403B plan of which he has participated in for many years he signs a salary reduction agreement, which can be revised twice a year if he wants to, and that money is taken from his check and sent directly to Fidelity and the Town of Trumbull is not liable at all. He is very much concerned that Wallingford could be liable for the funds being deducted from our employee's pay until the funds are distributed back to the employees which could be forty years from now.

Mayor Dickinson responded, there is no question on that. The 457 plan is a deferred income plan because the employer retains ownership of the funds. It is entirely different from other types of plans. He believes that it is the only plan available to municipal employees, however. The 457 plan shows up, the assets show up on the financial sheets of the Town. It is an asset of the Town and all of this has to be disclosed to any employee who participates in the plan. We are looking to avoid as much liability as possible that is why I feel that the unions should choose who they want to manage the plan, we will look to be held harmless under the appropriate liability policies so that if there are lawsuits against the town we are protected.

Mr. Gouveia stated, according to the contract the union shall be responsible for submitting language for such a plan to the Town for submission to the I.R.S. He asked, have we received such language?

Mayor Dickinson responded, we have proposed language but until we can get into approval of firms and enter into agreements with the appropriate firms, the plan managers, at that point the exact language would be determined. There would have to be disclosures as to who owns the funds and it is subject to creditors of the Town, we would also include language stating that the Town does not recommend or in any way endorse the plans for employee involvement. We are looking merely to comply with the binding arbitration award that indicates that we should offer a deferred income plan to the employees.

Mr. Gouveia would have preferred to have a detailed explanation of the plan to review so as to gain a better understanding of the code of the I.R.S. He asked Attorney Small if she would be able to provide an additional explanation of the code?

Attorney Small responded, the Town is the owner of the asset. That is how it qualifies under the I.R.S. code. She did not profess to be an expert on the tax code but by law it is a Town-owned plan. The fund is reachable by creditors of the Town.

Mr. Gouveia asked, if these managers who participate in the plan lose money on the funds is the Town liable for that?

Attorney Small responded, we have that exposure if they believe that there was some wrong-doing on someone's part. That is why we are trying to limit the responsibility on the part of the Town while we are trying to implement the plan by requiring insurance, indemnification, putting the decision-making authority into the hands of the union, etc.

Mr. Knight asked if there were any representatives of the firms in attendance and, if so, would they mind coming forward to explain the program?

A representative from American Express Financial Advisors came forward to provide additional information to the Council. The representative did not identify himself for the record, therefore for the purpose of clarity he will be identified as, and his responses attributed to, American Express.

American Express explained that the 457 plan is actually deferred compensation. The employee fills out a salary reduction agreement which tells the Town that they want to invest the money in something. The Town, theoretically speaking, never paid that employee that compensation, it has been segregated. A plan is directed by the employee and the employee then directs the investment from there on out. The Town still has their name on the asset because they never actually paid it to the employee. That is the reason it is a non-taxable event at that time. There is some slight difference, it is not technically a qualified plan. It is deferred compensation. There are no ten percent early penalty withdrawals before age 59 1/2 if you leave service with the town, retire, etc. There are some other rules that go along with it.

Mr. Knight asked, in terms of performance, to what degree can American Express imagine the Town being liable for the performance of the funds that are invested in any particular.....

American Express responded, there are three things which limit that. First, with this plan it is being structured so that the committee is making the decision. The committee is primarily comprised of the participants. Secondly, American Express has received requests to provide errors and omission, profession-type proof of coverage for organizations which would provide proof that the company is covered in a professional sense. From a professional sense, as an investment advisor, we are providing that proof to the Town. Those two things, initially, limit the exposure of the Town. Thirdly, in the representative's personal viewpoint, the 457 plans which are different than the 403B plans, are regulated by the State. The State tells you that you can do a, b, or c and that is it, there is no other choice. The Town cannot go out and choose every possible investment because the State regulates that.

Mr. Knight asked, how does the State restrict the type of financial instruments that the Town can invest in?

American Express interpreted the State Statute to allow the Town to do three things, an investment/savings account with a chartered savings

or loan or bank, or you can invest in some sort of variable retirement annuity or there is some mechanism to create a fund. If the Town wanted to create a fund and manage it and take on a lot of liability, they can do that.

Mr. Knight asked, if they passed on that last option and if the Town defers to the union, asking that the union picks the managers of the fund, does that insulate the Town to any degree from exposure?

American Express suggested that the Town Attorney be consulted on that issue.

Attorney Small responded, it certainly is another layer of protection. We are responsible for the administration of the plan and we can pick the administrator so that is one step removed from being our own decision. We are not talking about exposure if the investment does not perform well. The exposure we have to be concerned about is wrong-doing on the part of those who are doing the investing more so than the fund not achieving the interest rates it was supposed to get.

Mayor Dickinson stated, the exposure comes into play because we (the Town) are regarded as the owner. To what degree do we have a responsibility to inform as to what is a proper investment and what is not? We are trying to insulate ourselves from that. If there should be significant losses there would be an effort to say that the Town is the owner and the Town received monthly or quarterly statements and the Town should have known that the annuities had some derivative involvement, etc. It is a tangled web and when it comes to a deep pocket, you know where people will look. Yes, there is an exposure, it may be huge in some circumstances, it may be very minor in others. We are just looking to do what we can to keep ourselves as insulated as possible.

Mr. Knight asked the American Express representative, in your experience in dealing with municipalities, what can the Town do to create an independence from the Town, separate the fund from the Town? What are other communities doing?

American Express responded, he could not speak to what other firms are doing but with regards to American Express, they have written out a layman's type of explanation, explicitly explaining the differences in the 457 plan and making the participants sign it. It is not a requirement but American Express is requiring it. If a problem were to arise down the line, there is not only the actual legal document but also a document that people signed and understood what the plan was. American Express will require the signing of the document even if the Town chooses not to require it.

Mr. Zandri stated that he could not understand why the fund would be an asset of the Town and not a liability. If you owe money to someone in salary and that individual chooses to have part of their salary deposited into a financial plan, how does that become an asset for the Town? He did not view it as an asset. It is not anything that the Town owns, we can't do anything with it, we can't spend it, it is a liability.

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Thomas Myers, Comptroller explained that the I.R.S. code for the 457 plans, require that the plan be owned by the Town, regardless of who picks it, who institutes it, how many agents you have, the plan is owned by the Town. Any money in that plan is an asset of the Town in the context that it is reachable by any creditor. The money does not become the property of the employee again until the employee reaches the point at which he is qualified to withdraw the money. On the other side of the asset, the liability shows as money due to the employee, deferred compensation. This is a requirement of the 457 plan, that is why they are vastly different from the 403B or 401Ks.

Mr. Zandri stated, obviously, this plan must have been designed by the federal government for it does not make any sense. The purpose of the plan is supposed to be to allow the employees to defer some money to get tax-exempt credits so that they can save towards retirement. Then the government throws a snag in here that makes the employer liable for the dollars. It makes no sense what so ever. They are forcing the Town to be the manager of the plan but in no way does the Town own the dollars in the plan. In essence, the dollars belong to the employees.

Mayor Dickinson responded, it is how the I.R.S. code is developed which is often done so around interest brought to them by the business sector or perhaps by employee's groups. Compromises are reached in that process and a code section such as 457 is written differently than others.

American Express stated, this is truly an aberration, you are right about that. The problem is, this is the only thing available to town employees, unfortunately.

Mr. Myers read an excerpt from the 457 plan from his accounting laws as follows, "By law the amounts deferred and related earnings are accessible to the governmental entity and its creditors, however, employees have earned those amounts and the governmental entity is contractually obligated to pay them. In effect, the employee temporarily loses access to their resources, he loses access to his money in exchange for the right to defer the taxes on it."

Mr. Zandri stated, that is the same with a 401K plan. They are trying to accomplish the same outcome but why they complicate this by making the Town liable for these dollars and subject to creditors, is ridiculous.

Mayor Dickinson responded, probably because it is a town vs. a private employer.

American Express responded, it is the expense. In a 401K the corporation pays every year to have that plan managed, separate from the rest of their assets. For most municipalities the money is not there to have that structure set up. With a 401K it is with a private entity that is a "for profit" entity and there are annual tax reporting and record keeping that is not required of a municipality. There is a lot of expense associated with that record keeping. Some of the main reasons are simply the expenses involved.

Mr. Zandri did not have anything against the practice of employees putting away dollars for their future, however, he did have a problem with the Town being liable for those funds.

Motion was made by Mrs. Duryea to Waive the Bidding Process for Executing an Agreement with Three Deferred Income Financial Plans to be Chosen from the Following List of Firms and to Authorize Negotiations of Said Agreements:

- Main Street Management
- American Express I.D.S.
- LPL Financial Services
- Prudential
- Apex Financial

Seconded by Mr. Knight.

Mr. Gouveia asked, what if the employees band together and create a fund and invest in highly speculative sector funds which are very, very risky? How would the Town defend itself in that scenario?

Mayor Dickinson responded, under the 457 plan the individuals are making the decisions on their deferred income. It is not a group decision to invest here and there.

American Express stated that the Town has the ability to create a fund but the committee does not have the authority to do that. Each individual will have a separate account. The employee's account will not be pooled into one account. Investors receive quarterly statements, at the minimum, on their individual account.

Mr. Knight asked John Bruce, President of the Manager's Union, to explain what the advantages were that the union felt were inherent in this 457 plan?

Mr. Bruce responded, initially, in the union's negotiations they had requested a 403B. The union was told that the members were not eligible for a 403B. The only plan available to them was the 457. The only problem for those who decide to invest is that the individuals have to accept the fact that it remains an asset of the Town and therefore is accessible by creditors of the Town. It is limited by State Statute as to what the individuals can get involved in. Junk bonds and high risk funds are not in there. It is a general fund paying interest this year between 6-6.8% which you can lock into for a year. The individuals are limited as to the amount of money that can be contributed to the fund over a course of a year, he believed that figure to be \$7,500. In the last three years of employment they allow you to play "catch up" and invest up to \$15,000 per year. New Haven, Hamden and the Wallingford Housing Authority have 457 plans. The union tried to look at solid-type organizations such as American Express I.D.S. who has a history in town already, Main Street Management who has been in town a long time, Apex which is in Yalesville and Farrell who is over on Fair Street and who was recommended by different people within the bargaining unit. They tried to keep this local so that the employees do manage their own accounts. He stated that it would be nice to have a 403B but, unfortunately, the 457 is the only thing available.

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Mr. Knight asked Mr. Bruce, would you represent that the State regulations are stricter on a 457 plan than on a 403 or 401K?

Mr. Bruce responded, yes. These are limited to annuities, insurance plans, fixed rates of deposit.

Mr. Knight then asked, is that part of the State regulation, that it is required that at least the employee's investment is insured despite no matter what?

American Express responded, the State limits the investments and are regulated by the State anyway. We have a State Insurance Commissioner who decides who can do business in the State and you have to meet State guidelines. Not all the funds were guaranteed and participants would choose whether they want guaranteed funds or growth-type funds or equity funds. It would be their choice and they would be liable for that choice.

Mr. Gouveia asked, each individual participant may choose to either put all their money in one of the three financial institutions they will choose or actually split the money any way that they want amongst the three?

Mr. Bruce responded, the way most people would handle the split would be to take fifty percent and put it into a fixed account paying possibly six percent and then take twenty-five percent and put it into an annuity and twenty-five percent into something else so that all their eggs are not in one basket. He feels that the union is giving people enough of a choice but by the same token they want to limit the Town's administrative cost on this by saying that they can adjust the amount of contribution twice a year and the Town will have to cut only three checks a week rather than dealing with multiple investment firms.

Pasquale Melillo, 15 Haller Place, Yalesville stated that he is concerned with this use. You are asking for big trouble when the Town is investing money on behalf of their employees simply because there are too many gray areas and loopholes in the laws of this country. There are too many people in this country who want it that way. They do not want stability but rather organized confusion so as to manipulate people's monies and shift the liability for any possible future losses. Too many investment companies have lost millions and millions of dollars of investment money relative to municipal employees' hard earned monies. Billions of dollars have been lost to derivatives and it continues to go on. He recommended investing with treasury bills and bonds.

VOTE: Killen and Papale were absent; Gouveia and Zandri, no; all others, aye; motion duly carried.

ITEM #11 SET A PUBLIC HEARING for October 10, 1995 at 7:45 P.M. on an Ordinance Amending an Ordinance Appropriating \$14,159,234. for the Planning, Acquisition and Construction of Improvements and Additions to Yalesville, James H. Moran and Dag Hammarskjold Schools and the Acquisition of Land Thereof

Motion was made by Mrs. Duryea to SET A PUBLIC HEARING for October 10, 1995 at 7:45 P.M. on an Ordinance Amending an Ordinance Appropriating \$12,553,000 for the Planning, Acquisition and Construction of Improvements and Additions to Yalesville, James H. Moran and Dag Hammarskjold Schools and the Acquisition of Land Therefor, and Authorizing the Issue of \$12,553,000 Bonds of the Town to Meet Said Appropriation and Pending the Issue Thereof the Making of Temporary Borrowings for Such Purpose. The purpose of the ordinance is to increase the total appropriation and bond authorization by \$14,160,000 from \$12,553,000 to \$26,713,000. The ordinance will increase the amount for James H. Moran from \$1,004,000 to \$8,115,000 and the amount for Dag Hammarskjold from \$1,004,000 to \$7,736,000 and the amount for debt administration from \$200,000 to \$517,000 to provide costs of construction of said school projects. Seconded by Mr. Rys.

VOTE: Killen and Papale were absent; all other, aye; motion duly carried.

Motion was made by Mr. Rys to Adjourn the Meeting, seconded by Mrs. Duryea.

VOTE: Killen and Papale were absent; all others, aye; motion duly carried.

There being no further business, the meeting adjourned at 9:55 P.M.

Meeting recorded and transcribed by:

Kathryn F. Milano
Kathryn F. Milano
Town Council Secretary

Approved by:

Thomas D. Solinsky
Thomas D. Solinsky, Chairman

10-10-95

Date

Kathryn J. Wall
Kathryn J. Wall, Town Clerk

October 10, 1995

Date

AN ORDINANCE APPROPRIATING \$3,965,000 FOR THE PLANNING, ACQUISITION AND CONSTRUCTION OF THE REPLACEMENT OF THE DURHAM ROAD SEWER PUMP STATION AND AUTHORIZING THE ISSUE OF \$3,965,000 BONDS OR NOTES OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE ISSUE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

Section 1. The sum of \$3,965,000 is appropriated for the planning, acquisition and construction of a sewerage pumping station to replace the station located at Durham Road, on a site accessed from Williams Road, including pump station structure and appurtenances thereto, piping for gravity and pumped discharge flows connecting to the existing sewerage system, sewer lines, emergency containment basin, acquisition of land and easements, engineers' and architects' fees, surveying, testing, site work, paving, demolition, equipment, and for administrative, printing, legal, financing and other costs related thereto, said appropriation to be inclusive of any and all State and Federal grants-in-aid thereof.

Section 2. To meet said appropriation:

(i) \$3,965,000 bonds of the Town or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the twentieth year after their date. Said bonds shall be issued in the amount necessary to meet the Town's share of the cost of the project determined after considering the estimated amount of the State and Federal grants-in-aid of the project, or the actual amount thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, printing and legal costs of issuing the bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, be issued in bearer form or in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the Mayor, the Comptroller, and the Town Treasurer, or any two of them, bear the Town seal or a facsimile thereof, be certified by a bank or trust company designated by the Mayor, the Comptroller, and the Town Treasurer, or any two of them, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company designated by the Mayor, the Comptroller, and the Town Treasurer, or any two of them, and be approved as to their legality by Robinson & Cole, Attorneys-at-Law, of Hartford. They shall bear such rate or rates of interest as shall be determined by the Mayor, the Comptroller, and the Town Treasurer, or any two of them. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its

issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount of bonds to be issued, the annual installments of principal, redemption provisions, if any, the date, time of issue and sale and other terms, details and particulars of such bonds shall be determined by the Mayor, the Comptroller, and the Town Treasurer, or any two of them, in accordance with the General Statutes of the State of Connecticut, as amended; or

(ii) \$3,965,000 temporary notes of the Town, or so much thereof as shall be necessary for such purpose, shall be issued pursuant to Section 7-264a of the General Statutes of Connecticut, as amended. The amount of such notes to be issued, if any, shall be determined by the Mayor, the Comptroller, and the Town Treasurer, or any two of them, and the Mayor, the Comptroller, and the Town Treasurer, or any two of them, are hereby authorized to determine the date, maturity, interest rate, form and other details and particulars of such notes, and to sell, execute and deliver the same. Said notes shall be secured by the full faith and credit of the Town, and may be further secured in any other manner set forth in Section 7-264a, aforesaid, as determined by the Town Council; or

(iii) any combination of bonds or temporary notes may be issued, provided that the total, aggregate principal amount thereof outstanding at any time shall not exceed \$3,965,000.

Section 3. Said bonds shall be sold by the Mayor, the Comptroller, and the Town Treasurer, or any two of them, in a competitive offering or by negotiation, in their discretion. If sold in a competitive offering, the bonds shall be sold upon sealed proposals at not less than par and accrued interest on the basis of the lowest net or true interest cost to the Town. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If the bonds are sold by negotiation, provisions of the purchase agreement shall be subject to the approval of the Town Council.

Section 4. The Mayor, the Comptroller, and the Town Treasurer, or any two of them, are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds or notes. Notes evidencing such borrowings shall be signed by the Mayor, the Comptroller, and the Town Treasurer, or any two of them, have the seal of the Town affixed, be payable at a bank or trust company designated by the Mayor, the Comptroller, and the Town Treasurer, or any two of them, be approved as to their legality by Robinson & Cole, Attorneys-at-Law, of Hartford, and be certified by a bank or trust company designated by the Mayor, the Comptroller, and the Town Treasurer, or any two of them, pursuant to Section 7-373 of the General Statutes of Connecticut, as

amended. They shall be issued with maturity dates which comply with the provisions of the General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds or notes, shall be included as a cost of the project. Upon the sale of the bonds or notes, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 5. To meet any portion of the costs of the project determined by the State of Connecticut Department of Environmental Protection to be eligible for funding under Section 22a-475 et seq. of the Connecticut General Statutes, as the same may be amended from time to time (the "Clean Water Fund Program"), the Town may issue interim funding obligations in anticipation of project loan obligations and project loan obligations in such denominations as the Mayor, the Comptroller, and the Town Treasurer, or any two of them, shall determine. The Mayor, the Comptroller, and the Town Treasurer, or any two of them, are hereby authorized to determine the amount, date, maturity, interest rate, form and other details and particulars of such interim funding obligations and project loan obligations, subject to the provisions of the Clean Water Fund Program, and to execute and deliver the same. Said obligations shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such obligation is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The Mayor is authorized in the name and on behalf of the Town to apply for and accept any and all Federal and State loans and/or grants-in-aid of the project and to execute and deliver to the State Project Loan and Project Grant Agreements under the Clean Water Fund Program.

Section 6. Resolution of Official Intent to Reimburse Expenditures with Borrowings. The Town (the "Issuer") hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and after the date of passage of this ordinance in the maximum amount and for the capital project defined in Section 1 with the proceeds of bonds, notes, or other obligations ("Bonds") authorized to be issued by the Issuer. The Bonds shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the project, or such later date the

Regulations may authorize. The Issuer hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Comptroller or his designee is authorized to pay project expenses in accordance herewith pending the issuance of reimbursement bonds, and to amend this declaration.

Section 7. The Mayor, the Comptroller, and the Town Treasurer, or any two of them, are hereby authorized, on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to nationally recognized municipal securities information repositories or state based information repositories (the "Repositories") and to provide notices to the Repositories of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this ordinance. Any agreements or representations to provide information to Repositories made prior hereto are hereby confirmed, ratified and approved.