

TOWN COUNCIL MEETING

JUNE 12, 2001

6:30 P.M.

AGENDA

Blessing – Rev. Anderson – Evangelical & Reformed United Church of Christ

1. Pledge of Allegiance and Roll Call
2. Correspondence
3. Consent Agenda
 - a. Consider and Approve Tax Refunds (#386 - 490) Totaling \$121,630.39 - Tax Collector
 - b. Approve and Accept the Minutes of the April 24, 2001 Town Council Meeting
 - c. Consider and Approve Merit Increases (2) Approved by the Mayor
 - d. Consider and Approve Donating Surplus Board of Education Equipment to the African Project in Narok, Kenya – Mayor
 - e. Consider and Approve a Transfer of Funds in the Amount of \$10,000 from Purchase Services – Clean Basins Acct. #001-5015-901-9024 to Maintenance of Buildings and Grounds Acct. #001-5015-560-5100 – Dept. of Public Works
 - f. Consider and Approve a Transfer of Funds in the Amount of \$4,100 from Health Insurance Acct. #8035-800-8300 of which \$2,000 is Transferred to Self-Insurance Deductible Acct. #8030-800-8270 and \$2,100 is Transferred to Office Supplies Acct. #1600-401-4000 – Personnel
 - g. Consider and Approve an Appropriation of Funds in the Amount of \$5,000 to Revenue Acct. #237-1040-050-5000 and to Expenditures Acct. #237-9000-401-4000 – Director of Health

- h. Consider and Approve a Resolution Authorizing the Mayor to Make Application to the State of CT. Dept. of Education for a Continuation Grant in an amount not to exceed \$60,000 for the Purpose of Operating the Administrative Unit and Service Program of the Wallingford Youth Service Bureau - Youth and Social Services
 - i. Consider and Approve a Transfer of Funds in the Amount of \$1,500 from Power Purchased for Pumping Acct. #431-8620-623 to Maint. of Distribution Reservoirs & Standpipes Acct. #431-8660-672 – Water Division
 - j. SET A PUBLIC HEARING for June 26, 2001 at 7:45 P.M. to Consider and Approve an Amendment to Section 43-12A of the Code of the Town of Wallingford Entitled, “Formal Contract Procedure”
(Proposed amendment increases dollar amount which requires Town to engage in a formal bidding process from \$2,000 to \$4,000)
 - k. Consider and Approve an Appropriation of Funds in the Amount of \$815 to Revenue – Town Clerk Acct. #1010-020-2030 and to Town Clerk – Restoration of Old Records Acct. #6030-999-9912 – Town Clerk
4. Items Removed from the Consent Agenda
 5. Executive Session Pursuant to Section 1-200(6)(B) of the CT. General Statutes to Discuss Pending Litigation in the Matter of Kevin Ewald v. Town of Wallingford – Town Atty.
 6. Consider and Approve Settlement of Pending Litigation Entitled, Kevin Ewald v. Town of Wallingford as Discussed in Executive Session – Town Attorney
 7. Executive Session Pursuant to Section 1-200(6)(E) of the CT. General Statutes Regarding Reports of Collective Bargaining Negotiations – Personnel
 8. Consider and Approve a new Job Description entitled, “Social Services Caseworker” in the Youth and Social Services Department and Tentative Agreement Between the Town and AFSCME Co. 4 Establishing a new Pay Scale for Said Position – Personnel
 9. Consider and Approve a Transfer of Funds in the Amount of \$2,770 from Contingency Acct. #7060-301-3230 to Youth and Social Services Acct. #3070-600-6881 in the F.Y. 2001-02 Budget - Mayor

10. Consider and Approve an Appropriation of Funds in the Amount of \$2,770 to Local Match Acct. #012-1040-060-6000 and to Salaries & Wages Acct. #012-9000-101-1000 in the F.Y. 2001-02 Budget of the Youth & Social Services Dept.
11. Consider and Approve the Annual Bid Waiver List for F.Y. 2001-02 for the Town of Wallingford – Mayor
12. PUBLIC QUESTION AND ANSWER PERIOD
13. Consider and Approve the Appointment of Lynn Hoffman as Co-Chairman of the Quinnipiac River Linear Trail Committee as Requested by Chairman Robert F. Parisi
14. CONTINUANCE OF A PUBLIC HEARING to Consider and Approve an Amendment to Section 198-15 of the Code of the Town of Wallingford Pertaining to the “Obstruction of Sidewalks; removal of snow and ice; violations and penalties: as Requested by Councilor Stephen W. Knight, Chairman of the Ordinance Committee – 7:45 P.M.
15. Discussion and Possible Action on Amending the Electric Division Budget to Increase Purchased Power Acct. #555 by \$3,200,000 with \$2,641,000 Provided from Various Accounts and \$1,422,100 from Retained Earnings - Director of Public Utilities
16. Consider and Approve a Request for Proposal (RFP) to Initiate the Sale and Re-use of the Town-Owned Former Simpson School as Requested by Councilors Gerald E. Farrell, Jr. and Raymond J. Rys, Sr.
17. Executive Session Pursuant to Section 1-200(6)(B) of the CT. General Statutes to Discuss Settlement of a Pending Claim and Strategy in the Matter of the Town of Wallingford v. August Cruz, et al – Town Atty.
18. Consider and Approve the Resolution of a Pending Claim and other matters in the Case of the Town of Wallingford v. August Cruz, et al – Town Atty.

TOWN COUNCIL MEETING

JUNE 12, 2001

6:30 P.M.

ADDENDUM TO AGENDA

19. Executive Session Pursuant to Section 1-200(6)(B) of the CT. General Statutes
With Respect to the Purchase, Sale and/or Leasing of Property – Mayor

TOWN COUNCIL MEETING

JUNE 12, 2001

6:30 P.M.

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14. Continuance of a Public Hearing on Amending Section 198-15 of the Code of the Town of Wallingford Pertaining to the "Obstruction of Sidewalks; removal of snow and ice; violations and penalties – 7:45 P.M.	
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15. Approve Amending the Electric Division Budget to Increase Purchased Power by \$3.2 million with \$2,641,000 Provided from Various Accounts With \$1,422,100 from Retained Earnings – Director of Public Utilities	25-35
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TOWN COUNCIL MEETING

JUNE 12, 2001

6:30 P.M.

A regular meeting of the Wallingford Town Council was held on Tuesday, June 12, 2001 in the Robert Earley Auditorium of the Wallingford Town Hall and called to Order by Chairman Robert F. Parisi at 6:39 P.M. Answering present to the Roll called by Town Clerk Rosemary A. Rascati were Councilors Brodinsky, Centner, Farrell, Knight, Papale, Parisi & Rys. Councilor Vumbaco arrived at 7:16 P.M due to a previous commitment; Councilor Zappala was out of town on personal business. Mayor William W. Dickinson, Jr., Corporation Counselor Adam Mantzaris and Comptroller Thomas A. Myers were also present.

The Pledge of Allegiance was given to the Flag.

A blessing was bestowed upon the Council by Rev. Anderson, Evangelical & Reformed United Church of Christ.

ITEM #2 Correspondence – No items presented.

ITEM #3 Consent Agenda

ITEM#3a Consider and Approve Tax Refunds (#386 - 490) Totaling \$121,630.39 - Tax Collector

ITEM#3b Approve and Accept the Minutes of the April 24, 2001 Town Council Meeting

ITEM#3c Consider and Approve Merit Increases (2) Approved by the Mayor

ITEM#3d Consider and Approve Donating Surplus Board of Education Equipment to the African Project in Narok, Kenya – Mayor

ITEM#3e Consider and Approve a Transfer of Funds in the Amount of \$10,000 from Purchase Services – Clean Basins Acct. #001-5015-901-9024 to Maintenance of Buildings and Grounds Acct. #001-5015-560-5100 – Dept. of Public Works

ITEM#3f Consider and Approve a Transfer of Funds in the Amount of \$4,100 from Health Insurance Acct. #8035-800-8300 of which \$2,000 is Transferred to Self-Insurance Deductible Acct. #8030-800-8270 and \$2,100 is Transferred to Office Supplies Acct. #1600-401-4000 – Personnel

ITEM #3g Consider and Approve an Appropriation of Funds in the Amount of \$5,000 to Revenue Acct. #237-1040-050-5000 and to Expenditures Acct. #237-9000-401-4000 – Director of Health

ITEM #3h Consider and Approve a Resolution Authorizing the Mayor to Make Application to the State of CT. Dept. of Education for a Continuation Grant in an amount not to exceed \$60,000 for the Purpose of Operating the Administrative Unit and Service Program of the Wallingford Youth Service Bureau - Youth and Social Services

ITEM #3i Consider and Approve a Transfer of Funds in the Amount of \$1,500 from Power Purchased for Pumping Acct. #431-8620-623 to Maint. of Distribution Reservoirs & Standpipes Acct. #431-8660-672 – Water Division

ITEM #3j SET A PUBLIC HEARING for June 26, 2001 at 7:45 P.M. to Consider and Approve an Amendment to Section 43-12A of the Code of the Town of Wallingford Entitled, "Formal Contract Procedure" (Proposed amendment increases dollar amount which requires Town to engage in a formal bidding process from \$2,000 to \$4,000)

ITEM #3k Consider and Approve an Appropriation of Funds in the Amount of \$815 to Revenue – Town Clerk Acct. #1010-020-2030 and to Town Clerk – Restoration of Old Records Acct. #6030-999-9912 – Town Clerk

Motion was made by Mr. Rys to Approve the Consent Agenda as Presented, Items #3a-k, seconded by Mr. Farrell.

VOTE: Vumbaco and Zappala were absent; all others, aye; motion duly carried.

ITEM #4 Withdrawn

ITEM #5 Executive Session Pursuant to Section 1-200(6)(B) of the CT. General Statutes to Discuss Pending Litigation in the Matter of Kevin Ewald v. Town of Wallingford – Town Atty.

ITEM #7 Executive Session Pursuant to Section 1-200(6)(E) of the CT. General Statutes Regarding Reports of Collective Bargaining Negotiations – Personnel

Motion was made by Mr. Rys to Enter Into Executive Sessions for Items 5 & 7 on the Agenda, seconded by Mr. Farrell.

VOTE: Vumbaco & Zappala were absent; all others, aye; motion duly carried.

The Council left the Robert Earley Auditorium to move to the Town Council Office to enter executive session at 6:42 P.M.

Present in executive session for Item #5 were all councilors, with the exception of Mr. Vumbaco and Mr. Zappala; Mayor Dickinson, Terence Sullivan, Personnel Director; Dennis Ciccarillo, Labor Counselor for the Town; Corporation Counselor Adam Mantzaris.

Mr. Sullivan exited executive session at 6:55 P.M.

Present in executive session for Item #7 were all councilors, with the exception of Mr. Vumbaco and Mr. Zappala; Mayor Dickinson, Terence Sullivan, Personnel Director; Craig Turner, Youth & Social Services Department Head; Corporation Counselor Adam Mantzaris; Don Roe, Program Planner entered the session at 7:00 P.M.

Mayor Dickinson left the executive session at 7:06 P.M.

Motion was made by Mr. Rys to Exit the Executive Sessions, seconded by Mr. Farrell.

VOTE: Vumbaco & Zappala were absent; all others, aye; motion duly carried.

The Council exited executive session at 7:09 P.M.

ITEM #6 Consider and Approve Settlement of Pending Litigation Entitled, Kevin Ewald v. Town of Wallingford as Discussed in Executive Session – Town Attorney

Motion was made by Mr. Rys to Approve the Settlement of Pending Litigation entitled, “Kevin Ewald v. Town of Wallingford, seconded by Mr. Farrell.

VOTE: Vumbaco & Zappala were absent; all others, aye; motion duly carried.

ITEM #8 Consider and Approve a new Job Description entitled, “Social Services Caseworker” in the Youth and Social Services Department and Tentative Agreement Between the Town and AFSCME Co. 4 Establishing a new Pay Scale for Said Position – Personnel

Motion was made by Mr. Rys, seconded by Mr. Farrell.

There was no discussion on this item.

VOTE: Vumbaco & Zappala were absent; all others, aye; motion duly carried

ITEM #9 Consider and Approve a Transfer of Funds in the Amount of \$2,770 from Contingency Acct. #7060-301-3230 to Youth and Social Services Acct. #3070-600-6881 in the F.Y. 2001-02 Budget - Mayor

Motion was made by Mr. Rys, seconded by Mr. Farrell.

There was no discussion on this item.

VOTE: Vumbaco & Zappala were absent; all others, aye; motion duly carried.

ITEM #10 Consider and Approve an Appropriation of Funds in the Amount of \$2,770 to Local Match Acct. #012-1040-060-6000 and to Salaries & Wages Acct. #012-9000-101-1000 in the F.Y. 2001-02 Budget of the Youth & Social Services Dept.

Motion was made by Mr. Rys, seconded by Mr. Knight.

VOTE: Vumbaco & Zappala were absent; all others, aye; motion duly carried.

Councilor Vumbaco arrived at 7:16 P.M.

PUBLIC QUESTION AND ANSWER PERIOD

Pasquale Melillo, 15 Haller Place, Yalesville pointed out that Community Pool is still experiencing problems with paint.

Mr. Parisi explained, the plan is to not do anything with it this year, let what is there cure and the remainder of the peeling paint peel.

Mayor Dickinson stated, there shouldn't be any more of a problem than there was last year with peeling paint as well.

Mr. Melillo asked, what if a town resident gets sick from the peeling paint?

Mayor Dickinson answered, the Health Department has indicated that there shouldn't be a health problem. No one can guarantee anything but there is no known hazard at this point.

Mr. Parisi stated, the pool will be cleaned and vacuumed every day to get the majority of paint off.

Mr. Melillo asked, are you still planning on using the same paint to re-paint again next year?

Mayor Dickinson answered, the plan is to be able to identify a better paint in the interim. Lacking identification or failure to identify a better paint will probably mean that we will put down a different paint, not the same paint.

Mr. Melillo asked, why paint in the first place?

Mayor Dickinson answered, from what I understand the paint is purely for aesthetic reasons. It looks nice to have a blue surface on the bituminous bottom of the pool. Otherwise the bottom is a very dark color. It is primarily cosmetic. It would be nice to have an attractive pool.

Bernadette Renda, 753 N. Main Street Extension stated that there are not many paint flakes floating around and, the parents have to keep an eye on their children that they do not put the paint in their mouths or swallow it. The parents are responsible for their children. Last year the flowers were in full bloom and the place looked nice. They are working hard on that pool and it shows.

Jack Agosta, 505 Church Street, Yalesville stated that he spoke at a recent meeting about smoke areas. He has since read that Atty. General Blumenthal drafted a model ordinance that will be sent to all 169 towns of the State. He asked the Mayor if Wallingford has received the ordinance?

Mayor Dickinson answered, he has not received any model ordinance.

Mike Robinson, 15 Hampton Trail asked why the Memorial Day parade does not pass in front of the Town Hall by the monuments honoring the Town's veterans?

Mr. Rys replied, the parade ground has been established for such a long time; he could bring the matter up to the Memorial Day Parade committee.

Mr. Robinson stated, in the past the parade always passed by the monuments on Center Street. When they moved it from Center Street to Main Street, they should have changed the route of the parade. This year the parade went to Doolittle Park instead of Choate. Is there any reason why the parade could not have marched passed Town Hall and the monuments, down Ward Street Extension, onto South Elm Street to Doolittle Park? There are three monuments in front of Town Hall and the day that the wreath should be put on is Memorial Day. The men's names on those monuments, died for our country. They should celebrate that day. That is what that day is for.

Mr. Rys stated that he will bring the matter up to the Committee, it is a good point.

On a separate matter, Mr. Robinson stated, this year I went to the cemetery to my father's grave on Memorial Day and there was no flag on the grave. I was told there weren't enough flags this year to put one on the veterans' graves. I went out and purchased one myself and put it on his grave. Is there any way the Town can make sure there are flags on the veterans' graves for Memorial Day?

Mr. Rys stated, at the meeting of the Committee, we did discuss the flags. This year they purchased eleven gross of flags; next year they will buy twelve gross. They also re-use some of the flags because at one cemetery, they have to be taken off one week after. I think they are already addressing that situation and there may be a good possibility that it may have just been overlooked.

Mayor Dickinson stated, generally, that has not been handled by the Town. It is handled by the Parade Committee. I, too, purchased a flag and put it at my father's grave and I really do think that is the primary responsibility of families because to make sure to identify the location of every veteran in the number of cemeteries in Wallingford would be a very difficult task. To the degree it is possible to do that, that is fine, but I really do think families must play a role as well.

Mr. Parisi stated, the Veterans may still do it, in conjunction with the Boy Scouts. Maybe they missed some.

Geno Zandri, 37 Hallmark Drive stated that he has received his tax bill in the mail and asked, for those individuals whose bank normally pays their taxes, was there a duplicate sent to the banks?

Comptroller Thomas Myers answered, duplicate bills are not sent anywhere. The Town provides the real estate grand list file to all banks and mortgaging companies that request it. It is then their responsibility to identify their customers and pay the bills they are responsible to pay.

Mr. Zandri asked, do you recommend that those individuals who normally pay an escrow amount and receive the bill that they contact their bank?

Mr. Myers answered, a contractual relationship exists between the mortgagee and the mortgagor; the homeowner and mortgaging company. I would want to make sure my taxes were paid on time, so I would contact my mortgage company.

Mr. Zandri stated, this is kind of a new practice. In the past we did not receive bills. I thought I would raise the issue this evening for those people who may be watching this program at home who do not realize that they should contact their bank with the bill to make sure it is paid. I would hate to see someone have to pay interest for lack of awareness.

Mr. Myers stated, mortgages are a dynamic, constantly-changing environment. Not only is there a frequent transfer of real estate; buys and sells; today, but frequent re-financings by existing owners. It is constantly changing and the system that we have adopted and presently have should work well for everyone. It advises the homeowner that the bill is out there. It also makes the complete real estate file available to all mortgage companies and banks, all they have to do is request it.

Mr. Zandri stated, when you make a change from the norm, it would be wise, especially at the beginning, to let people know that it is their responsibility to get the bill to the bank or mortgage company. People may also get the bill and pay it themselves, overpaying.

Mr. Parisi stated, it is a very good point. It should be brought up that anyone with a mortgage should contact their mortgage company to make it clear who is making the actual payment.

Mr. Melillo asked, if Lucent Technologies, the computer company we had so much trouble with, is going to pay the expenses associated with hiring another company to perform the work they failed to?

Mayor Dickinson stated that the Town Attorney is handling the matter and is confident that the office will be thorough in their work.

Mr. Agosta inquired as to whether or not bids have been received yet for the addition to the Animal Shelter?

Mayor Dickinson stated, the Director of Public Works would have that information. I don't have it right here.

Mr. Melillo stated, why not have the Pension Committee report out at a Council meeting? They meet in the afternoon which is inconvenient to taxpayers.

Mr. Myers answered, the meetings are open to the public.

Mr. Parisi suggested that Mr. Melillo attend the meetings stating that it would probably please Mr. Myers very much to have Mr. Melillo in attendance.

Mr. Melillo stated that he did not want to see the Former American Legion Building torn down next to Town Hall.

r. Parisi stated, the architect is working on a plan which is not yet completed.

Mr. Melillo asked, wasn't the plan to tear the building down the last time we spoke on this subject?

Mr. Parisi answered, that will eventually happen. In the meantime, work is in progress; it is being worked on and it is not concluded yet.

Mr. Melillo stated, that could end up being a Wallingford landmark as a tribute to the American Legion.

ITEM #13 Consider and Approve the Appointment of Lynn Hoffman as Co-Chairman of the Quinnipiac River Linear Trail Committee as Requested by Chairman Robert F. Parisi

Motion was made by Mr. Rys, seconded by Mr. Centner.

Mr. Parisi stated, Councilor Centner is not going to be able to participate any longer in the Quinnipiac River Linear Trail (QRLTC) program. He was an integral part of that effort. He worked long and hard and I believe everyone on the Council and most people in town know exactly how hard he did work. We owe him a thank you for what he has done.

(Applause)

Mr. Centner stated that he would like to thank the members of the QRLTC for being in attendance this evening. The decision to step down as Co-Chair of the trail has not been easy for me; I wrestled with it for months. It comes mainly from a significant increase in business demands from my business as well as, at this time, I have twelve year old triplet children and we are in a very intense sports program. These programs require heavy parental involvement and frequent travel. Many times the traveling takes us out of state. In terms of my availability that is required; it is a heavy demand on my available time and this has led to a tremendous impact on my ability to serve the QRLTC with the level of dedication that I have given over the past four years. It has really been an honor and a great pleasure to serve on the QRLTC as Co-Chair for the past four years. I feel this committee has made tremendous strides and progress towards making the trail a complete success. It has been, for me, a very involved and very satisfying project. I will greatly miss it. I am very happy at this time to be part of the approval process in the appointment of Lynn Hoffman to succeed me as Co-Chair. I feel that Lynn will be an ideal Co-Chair for this committee. She has been very heavily involved with the committee for the past four years. She is currently the Chair for Publicity which is the most dynamic subcommittee we have. She has been phenomenal in the past four years. Any of you that attended any of the events from clean ups to trail days to dedications, can appreciate the amount of effort that Lynn has been able to put forward and coordinate and bring the others into making successful events. I am totally confident that Lynn will serve the committee well as Co-Chair and keep the project on track and also bring balance to the Co-Chair's position; it is kind of dynamic; heavily involved; some responsibilities are split and I think she will do very well. I fully recommend that our Council approve the appointment of Lynn. She has hands on leadership and a very, very strong spirit to bring this project forward to completion and with that I wish Lynn and the Committee all of the best and Godspeed. As a post script, I want everyone to know that I have been working with Lynn and plan to keep on working with Lynn to bring her completely up to speed. Thank you very much for the opportunity to serve and I appreciate being able to be involved.

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

Mr. Parisi asked Mrs. Hoffman to stand and be recognized.

(Applause)

ITEM #14 CONTINUANCE OF A PUBLIC HEARING to Consider and Approve an Amendment to Section 198-15 of the Code of the Town of Wallingford Pertaining to the "Obstruction of Sidewalks; removal of snow and ice; violations and penalties" as Requested by Councilor Stephen W. Knight, Chairman of the Ordinance Committee – 7:45 P.M. (Appendix I)

Mr. Knight stated, we went back and studied the ordinance once again primarily in light of comments made by the Police Department having to do with the penalties. It was decided after discussion with several people that we would maintain it as a citation rather than an infraction for various reasons, most important of which we felt, at least on the committee, that we should maintain the local control of the judicial process after citations are issued and maintain a local venue for those cited under the ordinance to appeal that citation. There are also three very minor amendments that I would like to offer that are just wording amendments. I can do that after the public portion of the item.

Jack Agosta, 505 Church Street, Yalesville commended the committee on the ordinance. He asked, if the snow falls at night residents have eighteen hours to remove the snow?

Mr. Knight answered, yes.

Mr. Agosta stated, that is 1:00 a.m. I don't think we are going to have a cop going by checking sidewalks at midnight or 11:00 p.m. I don't think we should.

Mr. Knight explained, the intent of raising it from a fairly complicated structure in the old ordinance to the eighteen hours in recognition of the fact that...both people work and often times the snow doesn't stop until after they have left. Under the old ordinance they were subject to a problem if they didn't get home within a few hours. We thought eighteen hours on either end gave everybody ample time to address the problem of the snow removal. This is going to be used for exceptional cases. I don't think the police department will tour the town looking for people who, after eighteen hours, haven't cleared their sidewalks. I think they will be looking for people who regularly abuse the ordinance and ignore their responsibilities as homeowners and businesses.

Mr. Agosta stated, I hope the Town takes care of their property too if they are going to expect everyone else to do it.

Mr. Knight stated, most people in town would express the opinion that the Public Works Department does an excellent job. There are going to be extenuating circumstances in a heavy snowfall. Even this ordinance, those kinds of circumstances will be taken into account.

Mr. Agosta stated, the homeowner should be given some leeway if they are working on clearing the walkways. I think the committee did a good job.

Steve Novack, 45 Hanover Street, Yalesville stated that he was pleased with the ordinance. He experienced a lot of trouble with people not clearing their sidewalks on his street. He stated that the Yalesville Library is at the end of his street and there was an awful lot of trouble with that because the library is not open every day so the Public Works Department did not always shovel that area out. If you wanted to cross the street to get to Yalesville School, you had to climb over the snow bank that was 4 ½ feet tall and the children were walking down Hanover Street to get across. By the end of the year, they were doing a good job there also.

Philip Wright, Sr., 160 Cedar Street stated that the committee did a good job. The ordinance allows for plenty of time for an average homeowner to take care of their problems. How is every homeowner going to be made aware of these provisions?

Mr. Knight stated, like all ordinances, it will be published in the newspaper. Most of it is a common sense thing; people have an obligation, as property owners, to clear the snow and make a safe passage for people going by their property. This ordinance is really a tool for our police department and sidewalk inspector to go after those who really abuse and ignore their responsibilities.

Mr. Wright suggested that it be run on the local government access channel.

Mr. Knight was not sure publishing it in June and running it on the channel would have much of an impact; maybe next winter.

Frank Wasilewski, 57 N. Orchard Street explained the way the system used to work; generated on complaints received at the police station by residents. Police officers would go out to inspect and issue a notice to clear the walk. The police are not going to drive around and see how many sidewalks are not shoveled. They never did before. A complaint will have to be filed to start the process. The most important areas are the walking routes the children must use to walk to school. Those sidewalks will have to be cleaned before eighteen hours otherwise the children will be walking out in the street.

Chairman Parisi closed the public portion of the hearing at this time.

Mr. Rys stated, Public Works works hard during these major snowstorms and once in a while makes a mistake. I think that Mr. Parisi and Mr. Knight are aware of them; ten feet of snow on some of the sidewalks that was accidentally pushed from an entire road and another one down the street and I am sure that happened on the east side of town. I would hope that even though this is an ordinance and there is a provision allowing eighteen hours to shovel the sidewalk, they would not be responsible for snow that is plowed ten feet deep on someone's sidewalk.

Mr. Farrell stated, as a member of the Ordinance Committee, I would point out that this did happen to me and I called the appropriate town departments and they came and it was removed because there was no way that I could, personally, remove ten feet of snow from the corner on which it had been placed; part of which was the sidewalk. The Town accommodated me.

Motion was made by Mr. Knight to Amend Section E of the Code by inserting the language, "the date and" in line two, following the word, "contain" so as to read, "..Inspector which shall contain the date and the time the citation was issued.", seconded by Mr. Farrell.

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

Motion was made by Mr. Knight to Amend Section F of the Code by changing the language in line six from "within 60 days" to read, "within 120 days", seconded by Mr. Farrell.

OYE: Zappala was absent; all others, aye; motion duly carried.

Motion was made by Mr. Knight to Amend Section H of the Code by deleting the following language from line two and three as follows: "within twenty-four (24) hours of the time the citation was issued", seconded by Mr. Farrell.

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

Absent of a formal motion, Mr. Parisi called for a vote for all those in favor of the Ordinance as amended.

All Councilors present responded, "aye".

Mr. Zappala was absent from the meeting.

ITEM #11 Consider and Approve the Annual Bid Waiver List for F.Y. 2001-02 for the Town of Wallingford – Mayor

Motion was made by Mr. Rys to Approve the Annual Bid Waiver List for F.Y. 2001-02, seconded by Mr. Farrell.

Mayor Dickinson asked that the Council make note that the bid waiver list also includes a request from the Town Clerk regarding the indexing with Cott Systems and Adkins Printers.

Mr. Vumbaco thanked Chairman Parisi for holding the item off until he could arrive at the meeting from a previous engagement. He asked the Mayor, what is the total dollar value the bid waiver list represents?

Mayor Dickinson had not added up all the amounts. There are sheets from each department that indicate the amount. It varies quite a bit.

Mr. Vumbaco asked, how many of these 60+- vendors are proprietary vendors?

Mayor Dickinson stated, there are vendors that provide specialized services (proprietary) for different things. There are firms that provide the software and hardware for computer systems.

Mr. Vumbaco asked, which of these bid waiver requests are for services that can be provided by a second vendor? Is there anyone on this list that we can buy the service or product from someone else? A different vendor? How many on this list are considered to be proprietary; we can't order the service or goods from anyone else but them?

Mayor Dickinson answered, we would have to go through them individually for me to be able to determine that. Some can be purchased elsewhere, for instance, hardware that could be purchased from a number of the firms. I believe every hardware store is listed in the bid waiver to allow the convenience of the department to purchase hardware. We really can't bid all the items that may be purchased from a hardware store.

Mr. Vumbaco stated, there are vendors on this list that I feel we don't have to have them on our bid list. I recognize the fact that this list used to be much larger and it has been pared down quite a bit and I appreciate that. I don't think we have to have some of these vendors on the list, for example, Home Depot. I am not trying to pick on any of the vendors but I am trying to use them as examples. There are other department's lists that the same vendors keep showing up on; Fazzino's True Value Hardware; Home Depot; Colony Lumber; Lyon & Billard; Sears Hardware; there are more than three or four hardware stores. If you take Fazzino's, for example, and add up throughout this list, it is not a whole lot of money but it is \$26,000. when you add all the departments together. To me, there may be another hardware person out there who would like to bid that \$26,000. If we could go out to bid on hardware, in general, I don't see why they have to be on this list.

Mayor Dickinson stated, we have tried to bid hardware and we are just not successful. We have done it twice and had received no bids each time. What happens is, we have some requests from departments for particular hardware stores. It was thought that we shouldn't have all the business directed at one place that you could get hardware; let any business that offers hardware be on the list. Therefore they are all available to a department, depending on where the need is or where the employees are located at the time, it is convenient to get to one store that is closer than another. There has been an attempt in the past to bid hardware. It has been unsuccessful and the number of items that a hardware store carries and the variety of items that a department might need, make it a very ineffective kind of direction to go; trying to bid hardware. You will have purchases that total \$20 or \$30 but, over a year, they add up to a significant amount of money.

Mr. Vumbaco understood the Mayor's point but, Mr. Vumbaco's employer also bids the service out and then provides employees with a purchase order which lists the number of dollars allowable and then the employees can go out and purchase what is needed. It might be an area that we should be looking into, going out and bidding the service and allowing other hardware businesses to come in and offer themselves. I think this is becoming an exclusive club, here, and I do not totally agree with it. There has got to be a way that someone has come up and said that they need \$3,000 to buy supplies from Frazzino's or Sears. There has got to be some sort of an estimate that our departments are coming up with, hopefully, that shows what they might need. I hope they are not just throwing dollars on the table and saying, "give me 5,000 and if I use them, I use them."

Mayor Dickinson stated, the money reflected is what was spent the prior year. That was what was spent over a series of purchases the prior year. The purpose of that was to show what the check record was. If it went over \$2,000 it was felt, even though technically, our purchasing ordinance does not require bidding, our purchasing ordinance only requires bidding where an item is \$2,000 or more. But, given that over a year we are spending in excess of \$2,000, it was felt that we should be conscious of that and of the money that is being spent. We get into these variety of small purchases...and they occur at different times at different places and, rather than have a bid waiver for one hardware store, for instance, we put all of the localities for hardware purchases on the list. Again, depending upon where the department personnel are in the town, they can access the closest facility for purchasing the supplies. Technically, for the most part, the purchasing ordinance would not require bidding for the items purchased because, none of them, individually, are close to \$2,000. This is over a year that they are spending \$3,000 at a given business.

Mr. Vumbaco asked, are we monitoring the fact that they don't go over \$2,000 on a single purchase? Who is monitoring that?

Tom Myers, Comptroller, answered, we monitor it two ways; we have a capitalization policy that states, no single purchase can be over \$300. In addition, we monitor on a continuing basis. My department monitors all bills from all departments, including education, electric, water, sewer, youth service, etc. They continually monitor the requisitions when they are presented for purchase. The first step in the purchasing process is finance where a requisition is examined for its content. That requisition is forwarded to purchasing where it goes through the purchasing process. When the bills come through the Finance Department, our auditor, again, examines those bills for continuity to the purchase order document, itself, and for the capital threshold amount as well as the bidding amount. Although I will say it is difficult to monitor on an ongoing basis, the bidding amount, we make our best efforts. We know which vendors are the recurring purchase vendors; where supplies and materials are picked up on a regular basis.

Mr. Vumbaco stated, maybe it would be nice if the Mayor or his department heads would indicate which of the bid waiver requests are essential; required; we can only deal with one vendor issue, so it would probably knock off three quarters of the review. I am not familiar with half of these names. I can surmise that some of them are services that are essential. A couple of the vendors are not even mentioned in cover letters. I think it would be helpful in the future to know which vendors are proprietary in nature.

Mayor Dickinson answered, if a vendor's name appears on the list, it is essential, either for administrative purpose or for the service provided of a proprietary or specialized nature to the department. There is nothing on there that has not been reviewed by the departments. We hold a meeting altogether and go over the whole thing. I don't think there is anything on there that is not essential from our viewpoint.

Mr. Vumbaco stated, on a separate matter, last year I raised the issue and will raise it again this year much to the ire probably of the Comptroller but, I don't believe that the bid waiver for our annual auditor should be on this list. We are talking about a bid of \$97,000+ here. Last year I raised the issue and it went through quite a discussion. I will raise it again. I think this service should be bid; I do not believe we should be staying with the same auditors year after year, regardless what the comfort level is. I am not putting Mr. Myers on trail here, I think Tom and his staff do an outstanding job in this community. I think that most of the work that comes out and all of the accolades we get from our annual report are a result of his and his staffs' work; not so much Levitsky & Birney's. Waiving a bid of \$97,000 is not something that is...if you read the Charter it states that it shall be determined by the Council be it against the best interest of the Town, I don't see where it is an emergency in nature or that it is in the best interest of the Town not to go out and bid the \$97,000. If you read through any accounting journal; any association that has to do with the accounting profession, they all say 5-7 years you should go out and re-bid, even if you end up taking the same vendors back. You have to test the waters, as far as I am concerned. I called the CT. Association of Public Accountants, I have talked to people as my association which is the Management Accounting Association and they all suggest that you go out to bid every 5-7 years. I am not sure how long we have been with Levitsky & Berney but I am sure it is well beyond the seven year period of time. I don't believe there is one fortune 500 company that has a budget or expenditure in excess of \$97 million like this community that just accepts year after year the same auditors without going out to bid. I don't believe this community is getting its best interest served if we stay comfortable with our auditor. We need to go out and test the waters as far as I am concerned. I am not saying that we shouldn't accept Levitsky & Berney's bid but, as some point in time, if, in fact, they do come in as one of the low bidders, but I feel it is absolutely necessary that we go out into the market. I am not going to belabor last year's argument. This is not meant towards Tom Myers; he is not the issue here. The fact that we have a Charter that states that anything about \$2,000 and the Mayor just reiterated that we should go out to bid, this is a \$97,000 expenditure and I think it should be explored.

Mr. Brodinsky stated, I think we all agree that bidding invites competition and competition improves performance and competition reduces prices. In that spirit, I think our Charter was written and I think it is in that spirit that the Council should abide by the Charter. In those instances where the vendor does not have a monopoly or where it is not an emergency situation and we cannot take the time without sacrificing the town's best interest to put something out to bid, I think we should follow the letter of the Charter and the Spirit of it which serves to open up the Town's processes and not only gives the appearance that no vendor is politically protected but our charter is written in the spirit that says, "no one should be, no vendor should be politically protected." As I understand our auditor who, by the way I am sure is a very excellent firm; this is not a slur on the auditor that we presently have; I think they are held in high regard by everyone, certainly by me. That is not really the issue. We have a lot of vendors that we hold in high regard yet, I hope, we send their product or service out to bid, when necessary, in an effort to improve competition, which improves performance, which helps to reduce prices. As I understand it, our auditor has never gone out to bid, ever. And we have had the same auditor since 1983...and in reviewing some of the comments made by some of my colleagues as to why the auditor services should not go out to bid, some comments were made that referred to our bond rating, as if that were relevant. Some were referring to an award that we get, as if that were relevant, and some other things. It is those issues that I want to address and I, like Mr. Vumbaco, have great respect for Mr. Myers...this is about doing business in a business-like way and retaining an auditor who can be a professional skeptic, which is our auditor's job. Our auditor is not supposed to be the cozy and comfortable, necessarily, with their relationship with the Town. The auditor should be on his toes, giving us the best price and performance. The same goes for department heads. In a situation where the department head comes to the Council and says, "I want this vendor because I like him", that is the time you have to bid because it is those relations that the bidding process is intended to challenge, not necessarily break up but challenge. Sending matters out to bid improves competition, betters performance and decreases price. If the auditor goes out to bid, is it your view (Tom Myers) that our bond rating will drop merely because we send the auditor services out to bid?

Mr. Myers answered, no. The bond rating would not drop. A change in the auditor would place an additional burden or pressure on members of the Finance Department. Our attention would be directed toward that vein rather than being able to spend more time looking at local issues. The bond market, sales, sizing the sales and the various complexities that go into bringing an issue to market and managing the Town's debt.

Mr. Brodinsky asked, are you suggesting that your department would be in such confusion or so distracted that your performance or your department's performance would suffer merely because this went out to bid?

Mr. Myers answered, I am saying that a change in auditing firms will place an additional work burden on the Finance Department because of the complexity of Wallingford's finances. The Town of Wallingford, as a whole, is a \$500 million entity. If you look at our consolidated

balance sheet, we have assets just under \$500 million. This is no small business. It ranges from departments and divisions such as the Youth Service Bureau to large organizations such as the Electric Division, Board of Education, etc. All of these have to be subjected to the auditing procedure. In my opinion, there is a tremendous learning curve in that regard. That learning curve is, in most cases, the burden placed on financial management staff.

Mr. Brodinsky asked, is it your opinion that if we put this out to bid, our cost for auditing service would decline?

Mr. Myers answered, yes, absolutely.

Mr. Brodinsky asked, by bidding this, we could save money so the issue now becomes, is it detrimental to the Town... I understand very well that the Town is very complex but I also have faith and confidence in you that if we did change auditors, my faith and confidence tells me that your performance would not slip; you or your staff would not start making mistakes merely because we have a new auditor. Your performance would stay top notch. Is my faith misplaced?

Mr. Myers answered, what I am saying is, the additional burden of the learning curve, to bring a new auditing group in to examine our operation will direct our efforts toward that project and away from others. What other projects could they be directed away from? One of them would be our surveillance of the bond markets and managing the Town's debt. Another could be the revaluation project which is underway. That is a Finance Department project. It is very time consuming and is about to come to fruition this fall. Another could be, in terms of managing the Town's debt, would be the largest project facing the community; the school renovation project which; the latest information I have is that it will run over a five year period. There is an enormous amount of financial management behind the scenes to work on the best financing deals, schedules, sizes, other bond considerations when you manage debt of that magnitude. Our attention would be directed toward auditing and away from other areas. That is my opinion, given the amount of work we have presently on our plate. Our information technology project, and the implementation of it, has resulted in us examining our business practices and changing our business practices. You just don't implement an information technology project the size that Wallingford has undertaken and not examine what you are doing, why you are doing it and what changes the project or technology, itself, places on you. Changes such as internal, policy, procedural and/or process changes may occur as a result of this latest computer project. We have a lot on our plate.

Mr. Brodinsky replied, and you always will, I think. Are you saying that there will never be a time when you would be in favor of sending the auditor contract out to bid? It will never happen?

Mr. Myers answered, in my view, unless we are dissatisfied with the services of our present auditor, I do not recommend changing. I do not recommend changing for the sake of change because, in my opinion, normally, that does not produce positive results. I feel that by having the flexibility to manage our own financial goals and objectives internally, we save much more than we would ever save by reducing an audit fee or some other service provider fee.

Mr. Brodinsky asked, is there a pool of qualified accounting firms out there who have wide experience in auditing municipalities in Connecticut?

Mr. Myers answered, yes, absolutely.

Mr. Brodinsky stated, the inconvenience to you if a new auditor came in; I hear what you are saying and I don't think anyone wants to cause you any increase in work or inconvenience, but that is not the test, unfortunately. Sometimes changing auditors, accountants or lawyers, etc., does cause some inconvenience. As a matter of business practice, I believe, in my opinion, that the business community probably feels that that inconvenience is well worth the price, rather than giving someone essentially a protected contract. Hence you have industry and the private sector, from time to time, changing their auditors or accountants or lawyers in the manner and according to standards indicated by Mr. Vumbaco. It is only in Wallingford, currently, where we say that we will get an auditor and as long as we like him, we will never change. I don't think that is consistent with our Charter nor in our best interest. For that reason, I will be voting against this.

Mr. Parisi referred to Comptroller Myers' letter stating his preference to retain the current auditors and asked the following questions based on material found in the context of the letter:

Is the purpose of the audit to express an opinion as to whether the general purpose, financial statements, present fairly and in all material respects, financial position of the town and the results of its operations and the cash flow of its proprietary and similar trust funds types are in conformity with generally accepted accounting principals?

Mr. Myers answered, that is true.

Mr. Parisi asked, the auditor also examines internal control related to the financial statements and compliance with laws and regulations and provisions of contracts or grant agreements?

Mr. Myers answered, yes, that is very true.

Mr. Parisi asked, is the audit conducted in accordance with generally accepted auditing standards; the standard for financial audits contained in Government Auditing Standards issued by the Controller General for the United States, the single audit act amendment of 1996, the provisions of the Office of Management and Budget, the CT. Single Audit Act and the

requirements of the State of CT. Office of Policy Management, compliance supplement to the State's Single Audit Act and includes tests of the Town's accounting records... etc.?

Mr. Myers answered, that is true.

Mr. Parisi stated, the auditor bears a responsibility and a liability for the written opinion which is contained in the Comprehensive Annual Report?; I stress the word liability.

Mr. Myers answered, that is correct.

Mr. Parisi stated, in other words, the auditor is putting his reputation of his firm on the line every time he performs an audit anywhere in America.

Mr. Myers answered, that is correct and they sign the opinion. It is a written opinion.

Mr. Parisi continued, government auditing standards require auditors to provide clients with a copy of their firm's most recent quality control review report. That is an independent audit of the auditor. Is that true?

Mr. Myers answered, yes it is.

Mr. Parisi asked, was that submitted? And did they pass?

Mr. Myers answered, yes it was and yes they did.

Mr. Parisi continued, auditors are independent professionals who must adhere to professional standards and principals as promulgated by the Certified Public Accountants Society, as well as federal and state law. Is that true?

Mr. Myers answered, yes it is.

Mr. Parisi continued to read, the present auditor has met all professional and legal standards, is that true? Do you endorse this company as you have for many, many years?

Mr. Myers answered, yes it is. Yes I do. I have been satisfied with their work product, the quality of their work, their communications, their efforts, in auditing and examining the financial records of the Town of Wallingford.

Mr. Parisi asked, is it your job to recommend an auditor?

Mr. Myers answered, as it has been the practice of the Town for as long as I have been around.

Mr. Parisi asked, how long has the same auditor been with General Motors?

Mr. Myers answered, the last advertisement I saw stated that GM has had the same auditing firm for 99 years.

Mr. Parisi stated, thank you. That is all I want to contribute.

Mr. Vumbaco replied, it is very nice that you read out the standards that an auditor has to live under but the question I have is, is this the only auditor that lives under these standards that Mr. Parisi brought out or are there other auditing firms that live within, word for word, what you presented here this evening?

Mr. Myers answered, all independent auditors would adhere to these standards.

r. Vumbaco asked, are there other auditors in the pool that Mr. Brodinsky asked you about that meet all of these different standards that are required by law, paid professionals, take the liability on, etc., etc.?

Mr. Myers answered, yes.

Mr. Vumbaco answered, Levitsky & Berney is not the only auditing firm that lives by these guidelines that you presented.

Mr. Myers answered, that is correct. They are not the only firm that would adhere to those guidelines.

Mr. Vumbaco stated, that auditor for GM might be there for 99 years but it is a fact that they have gone out to bid on many occasions. They have not just fully-accepted their auditing firm without at least taking it to the public for bidding, isn't that correct?

Mr. Myers answered, I don't know.

r. Vumbaco replied, I checked it out and found out that GM goes out to bid on their auditors every seven years. And they are a more than a \$500 million company; they might not have changed but at least they are out there testing the waters. I think that argument is not really a good argument.

Mr. Parisi interrupted, my comments were not directed at you and secondly, my comments were about the auditor that we are discussing, not all the auditors in the United States. That was where I was directing my comments to.

Mr. Vumbaco asked, is it the fact that you were trying to generate a situation that, because of these standards, that is why we should waive the bid?

Mr. Parisi answered, this is why I am in favor of it.

Mr. Vumbaco replied, and that is why I am debating why I don't agree with that. I think that is what America is all about, Bob.

Mr. Parisi answered, I respect your right to do that but I also respect my right to answer.

Pasquale Melillo, 15 Haller Place, Yalesville stated that the Town Charter is a legal document that is not supposed to be violated. Every time you eliminate open competition and the bidding process, you violate the Charter. Why is it that some people here want to continue violating the Town Charter? The attitude of Town officials that they will do it their way rather than abide by the Charter is appalling. Only with open competitive bidding can you get the best possible price. Any project or service that exceeds \$2,000 in cost should be put out to bid.

Mayor Dickinson stated, there could be legitimate disagreement over what bid waivers are approved but it does not violate the Town's Charter to waive the bidding on any of these items because, obviously, there is in the Charter the determination of what is in the best interest of the Town and that ruling of bidding is waived as a result. I don't want anyone to think there is a violation of the Charter by discussing these matters.

Philip Wright, Sr., 160 Cedar Street stated, I have been coming to these meetings for many a year now. I think I can probably give Tom Myers' justification myself. I have heard it so often, it never changes. Tom, did you ever think that maybe if you got someone else in here, life could be made a little easier for you and all of your other people? Have you ever felt a little adventurous? Here we are justifying for years and years the same thing. The sky is going to fall if we go out to bid and get a different auditor. It doesn't hold water.

Jack Agosta, 505 Church Street, Yalesville stated, there is one man in this room who does not like to be criticized at all and it is that man there (Tom Myers). I am not criticizing him at all. I said it last year and I will it again this year, if we were to change auditors, Tom Myers' department will run next year just as good they did this year, last year and the year before. Tom likes this auditor because he is comfortable, which is a good feeling to have. But it not a reason why we can't change.

Vincent Avallone, 1 Ashford Court stated, I have the utmost respect for you, Mr. Myers and these comments are not directed at you. Mr. Parisi, I heard you mention that it was Mr. Myers' job to recommend an auditor and I don't disagree with that. But is it the Council's job to make the final decision as to whether or not that recommendation should be accepted or not?

No answer was recorded.

Mr. Avallone asked, I heard Mr. Myers statement that there are other professional auditors out there that can do the job just as Levitsky and Berney has done. I believe he said there were competent auditors that could do the same job?

Mr. Myers answered, yes.

Mr. Avallone continued, if, in fact that is true, and there are auditors out there that can do it more cheaply and that is not known and won't be known until it goes out to bid. But if the fact was presented to this Council that an auditor can do the same job and can do it cheaper, how can anyone on that Council consider not hiring that person?

Mr. Parisi answered, I was a member of this Council when we did go out to bid with another firm and we had nothing but trouble for two years. It was a major firm; I won't give their name. I remember that situation. You asked me what my problem is; that is one of them. I remember that.

Mr. Avallone stated, it is established from a person whose opinion you respect, because you did ask him to make a recommendation to you. He is the one who has said here, not me, that there are qualified auditors who can do the same job that Levitsky & Berney are doing; the same job. What you just said, that we had problems; if our comptroller is telling you that he has no question that there are qualified people who can do the same job. If it was known to you that there are people out there that can do the same job, can do it cheaper, for sake of convenience, you would pay the higher price? Is that correct?

Mr. Parisi answered, no. What I am telling you is that this was put out to bid and a major firm was awarded the bid; one of the top three at the time, as I recall. We had nothing but problems for a period of time that they were there. All I am saying is, it isn't always a clear cut solution to just go out to bid for the sake of going out to bid. It doesn't guarantee that you are going to get better.

Mr. Avallone stated, I have heard that phrase used, "what is the sense of putting this out just for the sake of putting it out to bid." To me, that is not the purpose of this. The purpose of putting it out to bid is to save the town money. I think that is one of your major responsibilities, as Councilors; to protect the purse strings of this town. I just can't understand...if this Council is faced with a situation that someone can do the same job cheaper, I just don't understand how you can consider paying the higher price if convenience is the only thing you are conserving.

Mr. Parisi replied, you points are well taken. My position is, if someone is doing a good job and you are satisfied with their job and if you have had an experience with another firm, that

was a major firm, supposedly one of the top three, and you had a problem with them when you gave the contract to them, I don't believe in penalizing someone for a good job. If the professional is comfortable and confident that this firm is good for our town; if we had been able to achieve the financial awards that we have, of which the auditor is a part of, then I just don't have any idea why I would want to change and I guess that is why I don't want to change. I have not been given a reason other than maybe a lower bid. I am one that many times have insisted on lower bids but there are times when I have had to eat my words because lower bids haven't always worked out.

Mr. Avallone answered, in response to that, I would suggest that any financial awards that we received is because of Mr. Myers and not because of the auditors. I may be mistaken but that is the conclusion that I would arrive at. The other comment I have is the fact that if it went out to bid is not penalizing Levitsky & Berney. We are not in to penalize or to favor anyone. The reason that this would go out to bid and the only reason is to test the waters. The fact that it went out to bid and there were other bids that may not be significantly lower, you are not bound by the low bid and you can certainly come back, Levitsky & Berney can bid the job and they certainly have the opportunity to be re-hired. They are not being penalized. This going out to bid can only benefit the town.

Pasquale Melillo, 15 Haller Place, Yalesville stated, with regards to past experience with a previous auditor and the poor performance they gave, all you have to do is check the firm's rating and right away you will be able to tell if they are competent, skilled individuals.

Ms. Papale asked, how are we going to vote for this item? Are we going to vote on one item or by department?

Mr. Parisi replied, in total.

Ms. Papale asked, if there is something in this bid package that I am opposed to, I have to vote no for the whole packet?

Mr. Parisi answered, that is the way it is presented.

Mr. Brodinsky stated, as a point of order or an amendment to the motion, we can sever out anything that Councilwoman Papale wants to sever out. That is a way of doing it.

Motion was made by Mr. Vumbaco to Sever Out the Bid Waiver for the Recommended Auditor, seconded by Mr. Brodinsky.

VOTE: Zappala was absent; all ayes; motion duly carried.

Mr. Vumbaco stated once again for the record, this is not a Tom Myers issue. I want to make that specifically clear. He asked Mr. Myers, you did make the statement that normally when we do go out to bid or change auditors there is not much positive results from that. Since the eighteen (18) years that Levitsky and Berney have been here; you did state that since you have been the Comptroller, we have never gone out to bid. What results do you predicate that statement on; that there has been no positive results when we go out to bid and change auditors? I have been involved with changing auditors and have experienced nothing but positive results.

Mr. Myers stated, I did not make the comment that we have not had positive results from bidding the auditor.

Mr. Vumbaco repeated Mr. Myers previous statement; "...normally does not produce positive results.", when we change auditors. I am curious what you are basing that statement on.

r. Myers replied, my comment was directed toward continuity of service providers. My comment was, change, for the sake of change, does not normally produce a positive result. It was not directed at just the auditor but any service provider that provides a continuing professional service to financial managers. There are others besides the auditors. In my opinion continuity on three specific service providers in the financial management area; bond attorney; independent financial advisor; auditor, have allowed the Town of Wallingford to move forward in a very positive venue and that is to increases to our bond rating. We went from an A to an Aa to a Aa1; that is approximately the top 10% of the nation. We have received national awards for the clarity and construction of our annual financial statement. Locally, that might not mean a lot but, in a global view, in the financial markets; to investors, to people who look at consolidated financial statements that is a significant achievement. In my opinion, and this is my opinion, it is continuity that has produced those results. You just can't achieve those type of goals and objectives in a short term. Wallingford's bond rating was downgraded in the late 1970s. I wish I had a copy of the report; I have tried everywhere to get a copy of that report and I can't get it. That downgrade; it took from the mid to late '70s until 1987 to get that credit rating back. Those things are not short term goals or objectives. In my opinion, it is going to be harder to maintain what we have achieved, then it was to achieve it. I used to think it would be difficult to obtain a credit rating that we have. I think it is going to be more difficult to retain because there are so many factors; it is such a complex issue. As long as we are not dissatisfied with the service, here is more there to be considered than just the price.

Mr. Vumbaco stated, I think you are selling yourself short because I think a majority of the reason behind the credit rating being increased over the last fifteen (15) years and the conciseness and excellent job that our financial statements reflect for this half a billion dollar asset is more your and your staff's doing than the auditors.

Mr. Myers did not disagree but the continuity that I have put together has allowed me to direct my efforts in those avenues.

Mr. Vumbaco continued, I can appreciate that. Normally, do you believe that if we did change auditors then, that it would produce less than positive results? Don't you feel that the addition of new blood, new thoughts and ideas from an outside organization might breathe some fresh air into the matter and may help you to maintain your Aaa audit in the future instead of just relying on the same people over and over again?

Mr. Myers replied, I am not placing sole reliance on any one service provider, but I am looking more toward continuity. Could we change? To me, if we wanted to change, it would be an issue of timing. Again, I would have to look at, as the Chief Financial Officer of the town, I have to look at what is on the plate. We have got a lot on our plate, right now.

Mr. Vumbaco stated, there are always going to items on your plate. The \$60 million project is a five year project; when the information technology issue is done with, there is always going to be something else there. As an accountant myself, there are always issues that are raised and you know as well as I, if not better than I, that they have to be prioritized and dealt with. It is quite obvious that you and I are never going to agree on this. I will not support waiving the bid on the auditor, I think we should go out to bid, not purely for savings but I think it would breathe new blood into the auditing process.

Ms. Papale stated that she has listened to all statement from her colleagues as well as from Mr. Myers. I have had a problem with this since this started. I understand what many of my colleagues are saying but, not to disagree but to make my comments; to me, this is not a political issue. To me, it is a Tom Myers issues. Tom Myers is the person that I go to every time I have to research any situation, since I have been on the Council. He has taught me a lot and I listen to him. There was a time when I decided that I would not vote to go with Levitsky & Berney again and then Mr. Myers, as usual, he came and did his thing and I listened and he is the one that I have to take the recommendation from. This is the gentleman that takes care of all of our finances. Mr. Parisi read some of his letter but I underlined the last paragraph about how retaining the services (of Levitsky & Berney) has allowed us to concentrate on the Town's financial position, etc. Then I look at it as a layperson. I have an accountant; I have an attorney; I have a bank that I use; they have done everything, in my opinion, that is the best for me. I am not changing my accountant; I am not changing my attorney and maybe the cost would decline...but how do you know what we would get. I was on the Council when this other company, and I won't mention their name, came on the scene. I was, in fact, one of the people who interviewed and chose this other company. It didn't work out and we were in a lot of trouble. I still feel that if you are satisfied with the services, then you have to stay with them. It is not a good time to change because of the many things that Mr. Myers said. For this reason I will vote in favor of the bid waiver for Levitsky & Berney.

Mr. Parisi asked that the motion be repeated.

Motion was made by Mr. Centner to Waive the Bidding Procedures for the Purpose of Appointing Levitsky and Berney as the Town's Auditor, seconded by Mr. Farrell.

Point of order: Mr. Brodinsky stated, there are two separate issues; one is waiving the bid and the other is appointing the accountant. They really should be separated. The issue on the agenda is waiving the bid and not appointing an auditor. That is the issue on the agenda. Whether or not Levitsky & Berney gets appointed is another matter. What is before us is whether or not to waive the bid and that is the motion in front of the Council, yes or no?

Mayor Dickinson stated, there is no point in waiving the bid without appointing the auditor.

Mr. Brodinsky stated, you appoint the auditor.

Mr. Parisi stated, the Council appoints the auditor.

Mr. Vumbaco stated, the agenda item is to waive the bid, not to appoint the auditor.

Mr. Parisi stated, by waiving the bid, you appoint the auditor.

Mr. Brodinsky disagreed.

Mr. Vumbaco stated, we are waiving the bid for auditing services, we are not waiving the bid to...are we or aren't we? I don't know.

Atty. Mantzaris stated, the motion was to waive the bidding process and appoint Levitsky & Berney as the Town's auditor. There is nothing wrong with the motion, legally.

VOTE: Zappala was absent; Brodinsky and Vumbaco, no; all others, aye; motion duly carried.

Motion was made by Mr. Farrell to Approve Adoption of the Bid Waiver List as Presented, including the Town Clerk's Bid Waiver Request and noting the Prior Severance of the Auditing Firm from the List, seconded by Mr. Centner.

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

ITEM #15 Discussion and Possible Action on Amending the Electric Division Budget to Increase Purchased Power Acct. #555 by \$3,200,000 with \$2,641,000 Provided from Various Accounts and \$1,422,100 from Retained Earnings - Director of Public Utilities

Motion was made by Mr. Rys, seconded by Mr. Knight.

The reason for the request is to recognize higher than anticipated costs for purchased power both in our basic CMEEC contract and in our CT. Steel agreement. Prices ran much higher than originally projected in January of 2000. The amount of funds needed to cover the final payments for the last two months, May and June, is \$3,200,000. There are a number of offsets that can be used to partially defray a larger net loss for the current fiscal year, including increases in revenue in the area of sales, late payments, interest and dividends and PPL payments. Additionally, there are some reductions in expenses.

Raymond Smith, Director of Public Utilities stated, the numbers we put together a year and one-half ago were obviously inadequate to cover our last two billings on the CMEEC and CT. Steel account. Some of this is attributable to increased usage and we have identified increased net sales in the Electric Division and we also have some other revenue increases such as interest, late payment charges. What I thought we would do, and I mentioned this to the Council at the time of the budget discussions that I would be back asking for a budget adjustment. We have identified other accounts where there are some offsets, increases in revenue and decreases in some of the expense accounts. There are increases in three other accounts; property and real estate tax is being requested to be increased to \$3,510; the State Gross Earnings Tax is up \$30,000 (a reflection of the increased sales), \$500 increase in Customer Deposit Expense and \$2,090 which is an increase in property Insurance as a result of the change in carrier that occurred during the year. You had a list of a number of Electric Division accounts where there are reductions. There are fifty operating accounts in the Electric Division. At the end of the year, we are almost mandated or required that there is at least a balance in every one of those accounts. I need the \$3.2 million to pay the May and June bills. I think the numbers in June will be lower. I do have a cushion in the order of 10% in the \$3.2 million. I did that so I wouldn't have to come back to the Council in June or July when the bill came in.

Mr. Knight asked, is the largest component of the increase fuel adjustment?

Mr. Smith answered, if we were under non-fixed rates, yes, that would be equivalent to fuel adjustment. There are increased costs with some of the power that CMEEC did buy, especially over the fall and winter. Not all of our portfolio is covered with our CL&P contracts so they have to go out and buy supplemental power and the market prices were very high this winter.

Mr. Knight stated, some of the CMEEC contract was a variable. What is the fixed element?

Mr. Smith answered, we have a fixed element that is provided by a portion of the CL&P contracts plus some other resources that CMEEC has. CMEEC has divested themselves of some of those resources as a result of NU selling off some of the plants. They had a proportionate share in some. They still had, up until recently, a share of Millstone III, for example. They still have some with Vermont Yankee. They have a mixture of plants. In addition, you need to go into the market short term to buy the balance. What was not

anticipated was that the prices would get up that high as they did this winter. An example of that was the CT. Steel contract which really is a market price arrangement. Some of their prices during January and February got up to \$.09 a kwh just for the energy; that is without power distribution charges and all. That was an average price for the day. For some of the load that CMEEC had to supply to members, affects all of us, that is a pass through charge.

Mr. Vumbaco asked Mr. Smith to explain increased usage.

Mr. Smith explained, if you look at residential and commercial sales, they are up about \$1.3 million over what we projected. There is some fall off in the industrial sales but overall we have a \$1 million+ increase.

Mr. Vumbaco asked, isn't there profits built into that? Why would we be increasing our venue if we are experiencing an increase in usage?

Mr. Smith answered, we created this budget on the utilization of prior retained earnings and we are drawing down from the retained earnings. No, there is not profits in those rate structures.

Mr. Vumbaco asked, in theory, we are selling the electricity at a loss? We are paying more for it.

Mr. Smith answered, I think Mr. Brodinsky actually used those same words the last meeting.

Mr. Vumbaco asked, what are you projecting the net loss to be for the current year to date?

Mr. Smith answered, somewhere around \$1 million - \$1.5 million.

Mr. Vumbaco asked, will that be the net draw down on the retained earnings to cover that?

Mr. Smith answered, no.

Mr. Smith explained, the draw down on the retained earnings is two components; one, is the balance of operating losses and the other is to fund capital projects. We are examining all of our capital projects currently and we may forego some of those projects so in order not to draw down as much some of the capital. Some of our capital projects have come in somewhat cheaper than expected, once we got bids. The power plant demolition work was a few hundred thousand dollars cheaper than what we bid. Depreciation, the reason that is down is, we are recommending a reduction as some of the capital projects haven't been finalized.

Mr. Vumbaco asked, is it just the \$3,000 from PP&L that you are looking at that will be part of this fiscal year?

Mr. Smith answered, the PP&L payments were not originally budgeted because, when we put the budget together, it was before the contract was finalized. It is about \$140,000 in payments from PP&L that will be in this fiscal year.

Mr. Brodinsky stated, the loss projected for the year ending June 30 is \$1.5 million and what are you projecting for a loss next year?

Mr. Smith did not bring the figures with him.

Mr. Brodinsky stated, I vaguely remember from the budget workshops that, over the next three years about \$8-9 million?

Mr. Smith answered, collectively over three years, I think it will be in that neighborhood, yes.

Mr. Brodinsky stated, my concern is, the degree to which the PUC, Electric Division, is planning its future or whether or not you are falling into a situation through inertia, inadvertence or whatever, to what extent are you pro-active and controlling your own destiny or letting past events control it for you, putting yourself in a situation that you never expected? You said something to Mr. Vumbaco a few moments ago, that you had planned on capital projects. To me, that means improvements in the Electric Division, the system of distribution, or infrastructure that benefits us all in the long term. Those are being, perhaps, delayed because of these losses, in part. I think when you set your rates, you didn't ever contemplate that you would ever be in this situation. I happen to bring the Black & Vetch rate study and as I look at that study, but it is subject to your interpretation, too, obviously, you intend to make a profit in each of these years, albeit a small profit, according to the study. I remember we had this debate on the electric rates a while back and we raised the issue of, we are supposed to make a minimum of 5% and a maximum of 8% on net plant. It was below that and now we are into losses. Are you really going where you wanted to be in view of the Black and Vetch rate study which projected a profit for each of these three years?

Mr. Smith answered, I don't believe the study showed a profit in each and every year.

Mr. Brodinsky left his seat to give his copy of the study to Mr. Smith for review.

Mr. Smith stated, one of the things I would have to look at, and I think it is probably back in the text, is in electricity purchased, I think there were some offsets that came from prior retained earnings and that is where they inserted the retained earnings element so that it would fallout and show as a net profit. In other words, if you take your purchased power needs and you use rate stabilization monies...and they came up with a net electricity purchase price because they are falling back monies from a rate stabilization account. A rate stabilization account is essentially a designated retained earning. We have never done that; we have always identified it as a pot of funds available for preventing rate increases.

Mr. Brodinsky stated, my interpretation of that graph is, there is a positive return on net plant and, in view of your anticipated losses, you are not going to have that. Instead, you are going to be in the hole by about \$8 million dollars. My next question is, are these losses something that you view as good; something that is intentional; do you want them; are they productive? Even though it is unanticipated according to Black & Veatch, but now that you have these losses, is it something that you really like and you are going to stick with them?

Mr. Smith answered, yes.

Pasquale Melillo, 15 Haller Place, Yalesville stated that he wanted Mr. Smith to explain why he was happy with the \$8 million loss.

r. Smith replied, he was not necessarily happy. Over the next several years we have identified at the need to draw down from retained earnings of about \$8 million to cover budget requirements. It is not in this particular budget. It is not in what we are dealing with tonight. I think the Councilor was dealing with future forecasts.

Dave Gessert, PUC Commissioner explained it a little further for Mr. Melillo's benefit. When you look at the purchase power account over a ten year period, you are looking at somewhere in the neighborhood of \$300 million over ten years. In the early part of that power contract, we were making more money than anticipated and we still reduced our rates knowing that over the first few years of the contract we were banking money so that later on, toward the end of the contract, we could feed some of that money back in. When we signed that contract the rates were very good. We knew that they were going to gradually escalate over ten years. The extra money we made in the early years we are feeding back in the later years so instead of people dealing with rates going like this (indicated an upward motion), the rates stayed more like this (level motion). We knew that was going to happen and accumulated funds to address it.

Mr. Melillo asked, what about raising the rates for big business and industry to recuperate some of this money?

r. Gessert answered, when you look at the rates we adopted a few years ago, we adopted rates that were fair to everyone. When you look at what is going to happen; Wallingford is trying to maintain a competitive position for industry as well as commercial accounts and if you see competition coming in other parts of the state, you may see electric rates drop trying to attract companies to go to different towns. We feel our rates are competitive and we are going to try and stay competitive to keep our jobs here as well as our residents.

Mr. Melillo stated, we buy our electricity from CMEEC. Do they put out as many bids as they can for other companies to supply them or do they just have a few bids sent out or there really isn't much competition?

Mr. Smith answered, CMEEC is constantly out in the marketplace trying to secure power supplies, be they short term or long term. Short term prices are established in the clearing prices in the new independent system operator (ISO). They are trying to buy some long term contracts; long term being one, two or three years. They need that to supplement what ever they load forecasts show that they need.

Mr. Melillo stated that there should be as much competition allowed as possible.

Philip Wright, Sr., 160 Cedar Street asked, how much is the total power account? How much money was in that to begin with?

Mr. Smith answered, \$28,829,551.

Mr. Wright asked, we are more than 10% off?

Mr. Smith answered, that is correct.

Mr. Wright asked, how much is left in retained earnings after we take out this \$1.4 million?

Mr. Smith answered, this is a budgetary adjustment. There are unappropriated retained earnings of \$50 million of which about \$18 million is in cash after this adjustment. Retained earnings includes more than cash.

Mr. Wright stated, we have been dipping into that often.

Mr. Smith answered, no, this is actually the first year.

Mr. Wright stated, I never see the retained earnings figure going down.

Mr. Smith answered, I can assure you that about 1986 or 1987 there was about \$1 million in that account. We have substantially increased it since then. That was our low point.

Mr. Wright stated, I am also concerned for the same reason our councilor was about your statement that we are slowing down some of the projects...

Mr. Smith stated, I didn't mean to mislead you that we are slowing down in projects. We are evaluating projects. Some have come in better than anticipated via the bid process. Some of the projects have changed as far as our direction in that area. At the end of each fiscal year we evaluate all the projects and see if we want to continue a project; does it still make sense to, or have we accomplished what we want to do in the other areas. We are not going to short change our distribution system, I assure you.

Mr. Wright stated, the key words were, "some have come in lower because of the bid process."

Robert Sheehan, 11 Cooper Avenue asked, is the \$3 million going to cover the balance of the year?

Mr. Smith answered, the balance of the year, yes. Actually the bills are about \$2.6 - \$2.7 million per month.

Mr. Sheehan asked, are you projecting June's bill into the figure? In previous years you have come before the Council in July to ask for extra money to pay June's bill.

Mr. Smith answered, yes.

Mr. Sheehan asked, the \$8 million projected loss is over a three year period; 2004; during which you are giving a rate decrease of \$10.6 million back to the ratepayers or is it tied to the end of CMEEC's contract?

Mr. Smith answered, the CMEEC contract expires at the end of 2004. We expect to draw down, based on current projections which I haven't revised or examined lately, but earlier estimates show that we might draw down about \$8 million over the next three years.

Mr. Sheehan asked, at the end of the CMEEC contract, do you foresee an increase in the electric rates in Wallingford?

Mr. Smith answered, I certainly see an increase in electric charges, not only in Wallingford but statewide and region-wide.

Mr. Knight asked Mr. Gessert, hasn't the argument always been that the retained earnings were too high?

Mr. Gessert answered, you are absolutely correct. We have heard that argument a number of times over the years and specific budget arguments and budget vetoes revolved around retained earnings and how those were to be used. The position of the PUC Commission was the electric division funds should be used and distributed back to the ratepayers who put the money in there and used to keep their rates as low as possible.

Mr. Knight stated, the PUC Commission instituted a rate decrease about a year ago specifically for that purpose, is that correct? Am I getting the philosophy of the PUC Commission and the Electric Division correct?

Mr. Gessert answered, that is absolutely correct. We looked at our future costs; what we had in retained earnings and what we had built up in early years of the contract; the cost going up in

the final years of the contract. WE did not want Wallingford ratepayers to experience rate shock, that is why we built up reserves ahead of time. It is almost like putting your tax payment in escrow every month so that you don't get a rate shock when you get your homeowner's tax bill. That money gets built up in the bank and then twice a year it comes out and pays your tax bill and you don't get whacked with a huge bill. We did the same type of concept; building up those funds so that we would be able to offset higher costs in the final years of the contract.

Mr. Knight stated, I think it is worth mentioning that the earlier discussion regarding this particular item seemed to revolve around the fact that there were some unanticipated increases and that possibly the Electric Division's financial condition was such that it would have to reduce its capital investment plans. That seems to have very simply been misstated and it sounds to me like the division has more than exercised a great deal of forethought to prepare for such an unanticipated market.

Mr. Gessert stated, we are doing the best we can in that area and I think there was a little confusion there with capital projects. We have reviewed capital projects and where we have pretty well finished the project off or looked at that item and said that we have all we are going to need out of that account this year, how much is left and can we move some of that over to paying this off. It is not going to affect our distribution or upgrading efforts.

Mr. Knight stated, I wanted it to be understood by everyone out there who may be listening, that the division is in excellent financial condition and it appears that it is the result of good planning.

Mr. Centner stated, to follow up on the earlier statement where we are quite certain the electric rates will go up at the close of the CMEEC contract, it is rather important that what we have sold Wallingford on in the past is our competitive electric rates. Will we still have the competitive advantage in terms of costing of electricity?

Mr. Smith answered, yes. That is our reason for existing, essentially. If we can't provide our customers better service and better rates, they don't need us and can get that from any supplier. That is one of our mission statements; to make sure we do that. Everybody's rates are going up, so that everyone is clear. California is just a backdrop of this thing and if you have read the editorials in today's paper and some other things that have taken place, the wholesale market prices right now are substantially up. If there was not a state law that capped the prices today prices for U.I. and N.U. would have been raised. IN fact, the CEO of NU asked that maybe we ought to start raising prices now because when it happens in 2004, it is going to be substantial in CT. Ours can be significant. It is hard to predict but I don't want to mislead by anyone and let them think that we are always going to keep our same current rates. We are always going to have the same rate advantage.

Mr. Gessert stated, rates have been "frozen" so to speak for the last two years combined with three more years to go to the end of this contract, costs have continued to go up over that time frame while the rates have stayed "frozen". What is going to happen when they "thaw". Now add new players to the mix. There is no question; even if you look at inflation over five years and see that inflation has gone up 3.5% per year over five years, you are looking at 15-18% just as an inflation factor, not counting any other costs.

Mr. Centner replied, my concern with some power producers is that they remain solvent during the price freeze. Out in California a few of them went under while they were trying to produce.

Mr. Gessert stated, today's editorial suggests that some of these companies went and got out of the electric generation business and it sounded like it was their choice. They just wanted to be in the wire business and not the generation business. My understanding of the law is they were ordered to get out of the generation business. They could not do distribution and generation at the same time. That is why CT. utilities were selling off their producing plants was part of that state law.

Mr. Vumbaco stated, a little less than two years ago when the rates were reduced it was stated that the reason was to remain a competitive edge due to deregulation, not so much to give the taxpayer's back money that you felt you might have overcharged them. I want to make that clear since Mr. Knight's attempt to clear the air, I want to make sure we have all our ducks in a row. That was the statement, because deregulation came and a 10% reduction and the Electric Division felt it was necessary to maintain that level, even though I didn't agree with it. The bottom line of the issue is, many years of the contract we ended up basically having a higher electric rate for the sake of stabilizing the rates for the life of the contract, is that correct?

Mr. Smith answered, yes.

Mr. Brodinsky stated, based on the Black & Veatch study... Black & Veatch was predicting roughly over the next three years profits of about \$3 million. Instead, we have losses of about \$8 million. The swing is about \$11 million and if we have that large a swing, is that something that you are happy or comfortable with all according to plan? You answered, yes. I just want to make sure you weren't surprised and your plans need to be adjusted and you answered, no, everything is fine.

Mr. Smith answered, it is not an \$8 million swing. If you go back to table 3-3, the adjustment was made to the Purchased Power cost and I just want to quote from page 3-5 of the Black & Veatch report which reads, "The rate decrease allows customers to benefit from the draw down of the division's available cash." An integral part of the rate design was to use the drawn down of the division's available cash.

Mr. Brodinsky stated, wasn't there a projected profit albeit a small profit based on the new rates...minimal positive return on net plant?

Mr. Smith answered, if you look on page 3-3, where they made the adjustments is they drew down the cash of \$3.07 million dollars in the Purchased Power account in the year 2002. I think you have to use that number.

Mr. Brodinsky stated, I stand by my analysis of it and you will stand by yours. Let's just move on.

Robert Sheehan, 11 Cooper Avenue stated, having attended the PUC meeting here when you reduced the rates, one of the arguments was that we had \$15.6 million in retained earnings. We gave \$10.6 million back to the ratepayers and, at the end of four years, we would end up back at the \$15.6 million figure. Someone (Mr. Gessert) just said that he wanted his press releases clipped out and handed to him. There was a statement made that night that almost caused me to fall out of my chair. It was, if we didn't grant the reduction in rates seeing, at the time, we were 20-30% lower than the other communities around us, in the year 2004, there would be \$25 million in the retained earnings account and that would be way too much money. I know there is going to be an increase because CMEEEC is one of the reasons why our rates are so low and when they get through with their contract it's going to go and I have no doubt that we will still be the lowest around for electricity, no matter what happens in the market; Mr. Smith has arranged it that way. That statement that evening flabbergasted me. This is a business; Wallingford Electric Company and boy, it is a generating machine, it just chugs along and makes money and that is what it is supposed to do. Thank God we have it but, on the other hand, there is a debate of who owns the....

Mr. Parisi stated, let's not go there.

Mr. Sheehan continued, it is a business and you are in business to make money; it is a simple fact. If your customers are getting a benefit and you can still make money and you are still low, that is the argument I gave that night and am saying again tonight.

Mayor Dickinson stated, I don't think public power is in the business to make money. I think it is to provide an affordable and dependable supply of energy. The responsibility of the Electric Division is to plan that future for us in a very uncertain environment. I don't think there are any guarantees with what is going to happen. I know a number of people are concerned ; and I am among that group, as to what is going to happen; where the supplies are going to come from; and what our rates will be. I think the earlier statement by Ray Smith is very pertinent; if we can't supply our customers with electricity with a dependable and competitive rate, then we shouldn't have public power. To a certain extent, the issue of publicly owned distribution systems and generating plants, that issue is on the table with deregulation.

Mr. Sheehan stated, they are there to make money. By state statute they have to present a rate that makes money. I could question how we are going in the hole over this for four years but there is a time span in there; you can operate at a deficit budget for a while. By state statute that entity is there to make a profit.

VOTE: Zappala was absent; Brodinsky, no; all others, aye; motion duly carried.

ITEM #16 Consider and Approve a Request for Proposal (RFP) to Initiate the Sale and Re-use of the Town-Owned Former Simpson School as Requested by Councilors Gerald E. Farrell, Jr. and Raymond J. Rys, Sr.

Motion was made by Mr. Rys to Approve a Request for Proposal (RDP) to Initiate Sale and Re-use of the Town-owned Former Simpson School as Requested by Councilors Gerald E. Farrell, and Raymond J. Rys, Sr. (no second was offered to the motion)

Mr. Rys read the Town's objectives into the record as follows:

- the Town will review proposals that provide for elderly housing that is in keeping with the surrounding neighborhood;
- the Town views conversion and re-use of the original two-story school building to be desirable, however, demolition of the entire structure can be proposed;
- the Town views proposals that buffer the abutting residential properties from the proposed project and offer a park-like setting as desirable;
- the Town views proposed rental rates as an important consideration; and
- a deed restriction will limit use of the property for elderly housing only.

Mr. Farrell recalled, several meetings ago the Mayor reported back to the Council when we asked him for information regarding the zoning in the area; what the zoning would both approve and prohibit in terms of changing that site. He also reported to us on the cost of demolition of the building, which was high. The consensus was at that point to ask him to draft a request for proposals. Concurrently, the Housing Authority, itself, asked the Chairman to appoint a liaison committee on this very issue. The Chairman appointed Mr. Rys, myself, Ms. Papale and Mr. Zappala. The four of us have met with the housing authority. We have encouraged them to submit a proposal under this request for proposal scheme. I would highlight the fact that it is a request for proposals that it does not bind our hands in any way.

It shows us what the marketplace can offer. Obviously, the Housing Authority proposal will figure into that. I would like to get the ball rolling at this point to see what is out there and attempt to do something that would benefit the older people in our town.

Mayor Dickinson stated, the Law Department researched the deeds on the property and there is one piece; a deed dated 1883, it is 50' X 150' that states it can only be used for school purposes. We would be going to court to have that restriction removed. It is not the entire property but it is 50' X 150', on the more easterly side. It is along Center Street. That would have to be removed. Obviously, that hasn't been met over recent years. I wanted you aware of that. We will proceed with looking to remove that as an impediment.

Mr. Brodinsky stated, Simpson School has had a long and honorable history to it. I look forward to when the Council can make a vote that will get us going at least in some direction. Hopefully that will occur tonight. I think this is a good direction to go in. This matter was raised back on January 9 of this year when the matter was on the agenda. At that time I made a motion that the Council put the property on the market and see what we can get for the property and that motion was amended and improved so that the Mayor was to get more information and he was supposed to get us a cost for demolition and analysis of buildability and a request for a proposal, which we have tonight, all of which was intended to put the property on the market for use as senior citizen housing. Back in the summer of 2000 the same issue was raised and the same position was expressed by myself and others to get the property on the market, get the ball rolling because the property is deteriorating and is an eyesore. This is welcomed news. One of the blanks in the request for a proposal is the date by which the proposals would be due. Mayor, did you have any thoughts on what date should be filled in?

Mayor Dickinson answered, my guess is, we would want at least three months. There has to be time for the Purchasing Department to get this out in time to give people to put their information together. My guess is three months would be pretty much a minimum. Do we have an idea how long purchasing would take to get this out. It could be up to a month to get this out from purchasing. Three months would hopefully give the time period that would get it out and allow firms to respond.

Mr. Brodinsky asked, how would this be publicized and distributed; this request for proposal?

Mayor Dickinson answered, typically, we would send to any list of requesters. We would publish in newspapers and in the past, if we used any particular magazines...

Don Roe, Program Planner stated, as we did for the building next door (former American Legion Building) we used some of the preservation magazines. I don't think we anticipate doing that in this case. We can talk to them. It depends on what their time table is for publication. Whenever we bid, we advertise, or solicit proposals, we would make it available that way.

Mr. Brodinsky asked, would it be in the major daily newspapers?

Mr. Roe answered, yes.

Mr. Brodinsky stated, I am inclined to try and agree on a date and three months is fine. If we are going to approve it, I think part and parcel of that is to agree on a date and, three months... would the end of September be something that is realistic?

Mayor Dickinson stated, I think receiving the requests back in September would be adequate time.

Mr. Roe agreed that it would be a reasonable amount of time. He stated, if, in fact, we get a sponse from vendors that indicate we haven't had enough time; we need more time and veral of them verbalize that, we would look to figure out how to extend it.

Mr. Parisi recommended that it be left open-ended to give it room to work rather than try to put a cap on the timeframe. If there are vendors that need more time, they should be given more time.

Mr. Brodinsky stated that he just didn't want it to drag.

Mr. Parisi agreed that he did not want it to either. He was sure everyone would keep tabs on the matter.

Mr. Brodinsky argued that the document cannot be sent out with a date on it.

Mr. Roe explained, once a bid document has been framed, we then go to Purchasing to talk to them about what they anticipate the scheduling to be. It is that department that determines and enters the dates by which the bids are to be returned and opened. I am hearing from them that it will be 90-120 days at this point.

r. Parisi stated, the committee suggested a date of September 15th. Why don't we work with unat?

Mayor Dickinson stated, don't pin it down to a date because some discussion has to occur with Purchasing. We are aware there is a desire to make it a date in the month of September.

Mr. Vumbaco stated, I want to go on record as stating that I fully support this proposal and, for the sake of a little levity here, I would like, if in fact it is passed, to thank my fellow Councilors from the other side of the table for their bi-partisan support of this issue which was presented by my side of the Council a few years ago.

Mr. Parisi stated, I will commend some of the Councilors from the past; Susan Duryea, Geno Zandri, Peter Gouveia, some of us that are sitting here; it goes back a long way. It has a long and noble history; we didn't realize how long and noble it was.

Robert Sheehan, 11 Cooper Avenue asked, has anyone determined the state or condition of the building, especially the oldest part that fronts Center Street?

Mr. Farrell answered, in our discussions with the Housing Authority, they had looked at it and generally felt; I believe they had their architect go through it; that it was structurally sound but cosmetically deficient.

Mr. Sheehan would like to see the building saved, if possible and practical. He stated, over the last two weeks and as of last night, I have seen the fire department there on two different occasions; in full gear. I don't know if there has been a report of a fire or if someone is getting into the building. Does anyone know?

Mr. Parisi stated that he, too, saw them there.

Mr. Brodinsky stated, I toured the building with Mr. McCully many months ago and there were signs of people getting in and lighting candles and matches and things like that. That is one of the reasons we want to move on this as quick as we can.

Dennis Charest, 16 Bonnie Court stated, I live right behind Simpson School. I understand the proposals are going to be in around September; three months. What happens from there? How much longer are we going to be looking at what I consider to be blighted piece of property?

Mr. Parisi was not sure. He was sure it wouldn't be an immediate project. He could not attempt to give him a timetable at this time. He hoped it would move forward as expediently as possible. That is the wish of the Council, which has been made very clear.

Mr. Charest was appreciative that the Council was doing something about it but stated that the Town has a Blight Ordinance that is to go into effect July 1st. He stated that he is planning to file a complaint or at least see how the Blight Ordinance works. The Town will have thirty days to do something before a \$100/day fine is imposed.

Mr. Parisi stated, the Blight Ordinance is not an automatic thing. There is going to be a little judgment aspect of it, too.

Mayor Dickinson stated, realistically, I doubt that someone would immediately start construction work there in October. It would probably be some period of time, maybe not until the following Spring. Whether or not the property qualifies as blighted property will be an

issue of determining exactly what the condition is; just merely the fact that a building is not inhabited doesn't mean that it is blighted. There are conditions that would be looked into. If they qualify, then there would have to be some repair. Otherwise....

Mr. Charest stated, in reading the Blight Ordinance, it was as though someone sat there in the schoolyard and wrote the ordinance almost directly towards Simpson School.

Mr. Parisi stated, I understand your frustration, I really do. This has been around a long time. I am very encouraged; I think we all are. There is finally some movement forward that looks pretty good. I have to believe that we are going to make every effort to get this thing done. We are all committed to it.

Mr. Charest appreciated that. He asked, why would you confine the potential use to elderly housing? Why not put it on the open market? Maybe it would move faster and things would get done.

Mr. Parisi stated, if I am not mistaken, we have determined that there is a need for affordable, elderly housing and that is the reason we have moved in that direction.

Mr. Charest asked, it won't be open to private developers to bid on?

Mr. Parisi answered, yes. Anyone who thinks they qualify, I am sure would be allowed to submit a proposal.

Mayor Dickinson added, it is a residential zone so residential purposes would be desirable use. Given the proximity of other elderly housing and the knowledge that additional units are necessary and the Wallingford Housing Authority is looking for additional property; all of that comes together, indicating that the best use would be for elderly housing. That is what we are trying to achieve.

Mr. Parisi stated, I think that many of us right here are committed to affordable, elderly housing.

Mr. Charest asked, if this drags out...it looks like the building is ready to fall apart.

Mr. Parisi stated, the project has to follow its course. All we can do is make every attempt to keep it on that course; keep it moving forward. It has to develop itself. I understand and I think we share some, but not as much, frustration as you do. I don't live right there but I do drive by it every day and it doesn't make me joyous to see it there.

Mr. Charest reminded everyone about the rusted fence on the property as well.

Mr. Parisi felt that the Town was responding.

Peter Adamo, 20 Bonnie Court stated, asked, have you ever driven down in back of the school or walked around the building?

Mr. Parisi answered, yes I have.

Mr. Adamo stated, it has gotten pretty bad, structurally. The front may be sound but the back part has been deteriorating. If the Wallingford Housing Authority gets that property, they also have an additional piece of property in back that they retained about fifteen years ago when they built Savage Commons, that they haven't done anything to. The building is falling apart but at least the grounds are kept up; sidewalks are done. What will happen if the WHA gets that property? Can you put a time limit on when they have to do something with the property by? Or can they wait another ten to twenty years?

Mr. Parisi replied, they would have to respond almost immediately.

Mr. Adamo asked, when they take the property over, when will they start construction?

Mr. Parisi answered, if their project ends up with financing and everything, it will move forward.

Mayor Dickinson added, part of the request for proposal (RFP) is to show financial capability, plan, and the ability to transform the building into the proposed use for elderly housing. I don't think the Council would accept the proposal without good evidence that the party had the ability to move the project forward. It could certainly impose dates to force that action as well or it would revert back to the Town. There is proof necessary or evidence necessary of financial strength and capability to see the project to completion.

Mr. Adamo asked, could something concur with the property in back that is not being maintained at all? The WHA owns what used to be baseball fields back there that have deteriorated. They pulled out the fences, left the holes in the ground; have a retention pond back there with all sorts of animals, etc.

Mr. Parisi stated, the grass is trimmed around the pond.

Mr. Adamo answered, a little bit but there is no maintenance of the area behind that pond. I have no problem with elderly housing but once the project starts, I want to see something done with the property rather than just turn the property over to the WHA and have nothing done to it.

Mr. Parisi stated, I don't think they will be allowed to let it go down the tubes; I doubt that very much.

Jack Agosta, 505 Church Street, Yalesville stated that the property is pretty well clean. The grounds are not an eyesore; the building in the back is. I am glad that Mr. Farrell and Mr. Rys brought this up because back when this was brought up in 1998, they came out against the very same proposal back then. This is a good turnaround for the town. Thirty-two months later, you finally have decided to do something with that building and elderly housing is the right thing. We waited thirty-two months not to do anything about it and that building has deteriorated. We are going to receive less money for the property than we would have gotten had the Town acted at the time the proposal was made to the Council thirty-two months ago. At least we are getting something done now.

Masquale Melillo, 15 Haller Place, Yalesville stated that it sounds as though the WHA is going to be favored with regards to purchasing this property; is that true?

Mr. Farrell did not believe that to be true. The liaison committee has met with them but they are being asked to put in a proposal like everyone else.

Mr. Melillo stated that he wanted the bidding open to the free market. He asked if it is going to be turned over to a real estate company or are we going to handle it ourselves?

Mr. Parisi stated that it will go out to bid in the same manner as all other projects are. It will be publicized and people will submit their plans which will be judged. Hopefully it will be awarded and the project can get going. There is no real estate company involved.

Mr. Melillo suggested the building be checked out thoroughly by professional experts to make sure the building is not going to fall down at all. We don't want to take a chance on being sued.

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

ITEM # 17 Executive Session Pursuant to Section 1-200(6)(B) of the CT. General Statutes to discuss Settlement of a Pending Claim and Strategy in the Matter of the Town of Wallingford v. August Cruz, et al – Town Atty.

ITEM #19 Executive Session Pursuant to Section 1-200(6)(D) of the CT. General Statutes With Respect to the Purchase, Sale and/or Leasing of Property – Mayor

Motion was made by Mr. Rys to Enter Into Executive Sessions Pursuant to the CT. General Statutes as Stated, seconded by Mr. Farrell.

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

The Council entered executive session at 10:20 P.M.

Present in executive session for both items were all councilors, with the exception of Mr. Zappala; Mayor Dickinson and Corporation Counselor Adam Mantzaris.

Motion was made by Mr. Rys to Exit the Executive Session, seconded by Mr. Farrell.

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

The Council exited executive session at 10:32 P.M.

ITEM #18 Consider and Approve the Resolution of a Pending Claim and other matters in the Case of the Town of Wallingford v. August Cruz, et al – Town Atty.

Motion was made by Mr. Rys to Approve the Resolution of a Pending Claim and other matters in the Case of Town of Wallingford v. August Cruz, et al, seconded by Mr. Knight.

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

WAIVER OF RULE V Motion was made by Mr. Rys to Waive Rule V of the Town Council Procedures for the Purpose of Considering a Transfer of Funds for the Comptroller's Office, seconded by Mr. Knight.

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

Motion was made by Ms. Papale to Approve a Transfer of Funds in the Amount of \$1,500 from Purchased Professional Services – Map Maintenance Acct. #001-1401-900-9001 to Purchased Professional Services – Processing Acct. #001-1401-900-9006, seconded by Mr. Farrell.

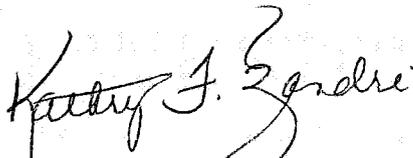
VOTE: Zappala was absent; all others, aye; motion duly carried.

Motion was made by Mr. Farrell to Adjourn the Meeting, seconded by Mr. Centner.

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

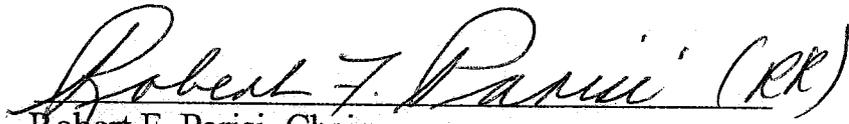
There being no further business the meeting adjourned at 10:34 P.M.

Meeting recorded and transcribed by:

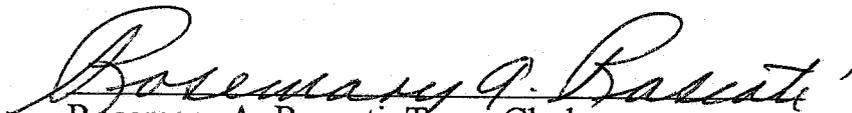


Kathryn F. Zandri
Town Council Secretary

Approved:


Robert F. Parisi, Chairman

8-21-01
Date


Rosemary A. Rascati, Town Clerk

8-21-01
Date

To replace draft minutes filed on 6/21/01.

SECTION NO. _____

AMENDMENT TO SECTION 198-15 OF THE CODE

BE IT ENACTED BY THE TOWN COUNCIL IN SESSION:

That Section 198-15 of the Code of the Town of Wallingford, "Obstruction of sidewalks; removal of snow and ice; violations and penalties" is hereby repealed and the following Section is substituted in lieu thereof.

§198-15 Obstruction of sidewalks; removal of snow and ice; violations and penalties; appeal

- A. The owner or occupant of any land or building adjoining any sidewalk or gutter within the town limits shall remove, before sunset, any object by which said sidewalk shall be in whole or in part obstructed or rendered unsafe or inconvenient for the public travel.
- B. The owner or occupant of any land or building adjoining any sidewalk constituting a part of any public highway within the limits of the town shall cause to be removed therefrom any and all snow, sleet and ice within eighteen (18) hours after the same has fallen or from whatever cause located thereon or within eighteen (18) hours after sunrise when the same has fallen in the nighttime. The removal shall be sufficient to clear a path at least three (3) feet in width over the entire length of the sidewalk.
- C. If the snow, sleet or ice cannot be wholly removed from the sidewalk, then the owner or occupant shall remove so much thereof as is reasonably possible and shall sprinkle sand, ashes or other suitable substance in such quantity over the unremovable snow, sleet or ice as shall be reasonably necessary to keep the sidewalk in a safe condition for public travel at all times.
- D. If the owner or occupant shall neglect to clear the sidewalk within the time specified, or shall neglect to keep the sidewalk in a safe condition for public travel at all times, the Police Department shall issue a citation to the owner or occupant for said neglect which shall provide notice of at least twelve (12) hours that unless the sidewalk is cleared or made safe for public travel, the Sidewalk Inspector may cause the same to be cleared or made safe for public travel at the expense of the owner of such premise.

SECTION NO. _____

- E. The Police Department shall deliver a copy of each citation to the Sidewalk Inspector which shall contain the time the citation was issued.
- F. If the Sidewalk Inspector shall so cause the sidewalk to be cleared or made safe for public travel, he shall deliver or mail to the owner a bill for said expense. If the expense thereof is not paid by the owner, the same shall be a lien upon such premises pursuant to the authority of §7-148 of the Connecticut General Statutes, provided the Sidewalk Inspector shall cause a certificate of lien to be recorded in the office of the Town Clerk within ~~60~~ days from the time the sidewalk was so cleared or made safe for public travel.
- G. Any person cited for a violation of this Section shall be fined \$25.00 and each day that the sidewalk is not cleared or made safe for public travel shall constitute a separate and distinct violation.
- H. Any person cited for a violation of this Section may appeal and request a hearing to contest his or her liability within ~~twenty-four (24) hours~~ of the time the citation was issued on a form available at the Town Clerk's Office, Town Hall, 45 South Main Street, Wallingford, Connecticut. The Hearing Officer, appointed by the Mayor, shall schedule a hearing or other disposition of the appeal. The hearing procedure shall comply with §7-152c of the Connecticut General Statutes.

I HEREBY CERTIFY that this Amendment to the Code was enacted by the Town Council of the Town of Wallingford this day of , 2001, in accordance with the provisions of the Charter of the Town of Wallingford.

Rosemary A. Rascati
Town Clerk

APPROVED: _____
William W. Dickinson, Jr., Mayor

DATE: _____

RECEIVED FOR RECORD 7-18-01
AT 9 H 50 M A M AND RECORDED BY
Ronny Rudi TOWN CLERK