

MINUTES OF THE CHESHIRE TOWN COUNCIL REGULAR MEETING HELD ON TUESDAY, APRIL 10, 2007, AT 7:30 P.M. IN COUNCIL CHAMBERS, TOWN HALL, 84 SOUTH MAIN STREET, CHESHIRE CT 06410.

Present

Matthew Hall, Chairman; Michael Ecke, Vice-Chairman; Matthew Altieri, Elizabeth Esty, David Orsini, Thomas Ruocco, David Schrumm, Diane Visconti, Timothy White.

Town Manager Michael A. Milone; Town Attorney Dwight Johnson; Finance Director Patti Lynn Ryan; Deputy Finance Director James Jaskot, Police Chief Michael Cruess, Fire Chief Jack Casner, Economic Development Coordinator Jerry Sitko, Executive Assistant to the Town Manager Arnett Talbot, and Superintendent of Schools, Dr. Greg Florio.

1. ROLL CALL

The clerk called the roll and a quorum as determined to be present.

2. PLEDGE OF ALLEGIANCE

The group Pledged Allegiance to the Flag.

3. PUBLIC COMMUNICATIONS

A. Proclamation for Myran Sabean Day.

Chairman Hall read the proclamation honoring Myran Sabean on her 100th birthday to be celebrated on April 30, 2007.

B. Recognition of Jim O'Rourke.

Chairman Hall read the proclamation honoring Jim O'Rourke, Director of the Cheshire YMCA, for his work and dedication to the YMCA programs and commitment to the community. Mr. O'Rourke is leaving Cheshire to undertake another directorship out of state.

C. Proclamation for Alcohol Awareness Week.

Chairman Hall read the proclamation for Alcohol Awareness Week in Cheshire, April 23rd to 26th, 2007.

D. Public Comments

Ray Squire, 291 Cook Hill Road, addressed the Town Council members, and thanked the Budget Committee and Council members for their hard work in putting together the FY 07-08 operating budget. He noted this was a long and arduous task, over many budget sessions, but only 5 to 10 citizens attended these meetings on a regular basis. Mr. Squire stated his amazement at the lack of interest from the community in the operating budget.

Greg Melville, 474 Maple Avenue, addressed the Council on the Lassen property. Mr. Melville advised he is treasurer and registered agent for the Friends of Boulder Knoll, and wrote a letter to the newspapers thanking the Council for its support of the ERT application for Boulder Knoll Farm. Mr. Melville said he was negligent in that he did not acknowledge the work and efforts of the staff in the Town Manager's office. He saluted them in helping to get a spring ERT off the ground for this property. Mr. Melville also advised that CPTV is showing a program about farms and produce in Connecticut on Friday evening at 9 p.m.

Al Mitlehner, 812 Sindall Road, stated his understanding that the \$450,000 from the State grant has been identified as funds going into the capital expenditure area. He asked whether any of this money is earmarked for use on open space, Boulder Knoll Farm, or what plans the town has for this money. The Friends of Boulder Knoll made a proposal and are trying to get their arms around what can be done out there, and the impact of the \$450,000 relative to the maintenance and development of the farm. Mr. Mitlehner asked if the town has this money yet; where it will go; and what it will be used for. These are all concerns of the Friends group. He also asked about the possibility of returning this money to the State to remove restrictions on the property.

The procedures and protocol for appropriation of grant funds was explained by Town Manager Milone. He said that the town has an open space account, and when the Boulder Knoll property was acquired the grant was applied for, and it took 7 years to get the State grant funds. In order to use these funds, the Council must appropriate the money. This money goes back and reimburses the open space land acquisition account, which now has a balance of \$1,526,000. What governs the use of that fund is the bond resolution adopted when the land was acquired; and all land acquired since the inception of the open space program can use these funds. The funds can be used to acquire more open space, or purposes associated with existing land the town owns, not just Boulder Knoll Farm, but the other 15 to 20 acquired properties. The money should be used for major improvements, not for operating expenses, which should come out of the operating budget. Mr. Milone offered to send a copy of the resolution to the Friends of Boulder Knoll so they can see what the funds can be used for, which is for any of the open space land acquisition properties of the Town, or acquisition of more property.

Chairman Hall stated that with respect to the Friends of Boulder Knoll, and what they have proposed, and their role regarding the ERT, this would be better served as an agenda item for a special meeting of the Council. This matter still sits with the Planning Committee, chaired by Mrs. Visconti. Questions or comments should be discussed with the Planning Committee before coming to the full Town Council for consideration.

Judy Doneiko, 4 Saxon Woods Court, addressed the Council regarding the elderly tax relief program which was recently passed, and stated there are many young families in the community who are in similar economic needs as the elderly. She believes some of the items in the elderly tax program appear to have flaws. For example, once someone applies for the program, the benefit amount received is not tied to income as other elderly credit programs in the past. It is based on the value of their property, and this could be unfair, and there is an uneven benefit being distributed. In considering an elderly proposal, other communities looked at the unevenness of the benefit, and rather than being tied to income it was tied to the value of the property. The rest of the taxpayers in the community subsidize this uneven benefit. The program allows people with two homes to still participate in the program, and this seems unfair to a family of four, with one home, and is in the same economic circumstances as some of the elderly taxpayers. This does not make sense from a public policy standpoint. Also, Ms. Doneiko found it disturbing that no lien was placed on the property for

the tax benefit received by the individual taxpayer. Normally the lien would have been satisfied when the property changed hands, and now this is a benefit is to the people who inherit the property, and the town never gets back the taxes it gave up. These are all symptoms of a greater problem that exists in the State as it becomes increasingly unaffordable to live in Connecticut. Ms. Doneiko stated that we must look not only at property tax reform, but get back to looking at the way assessments are done in the State. We should look at what other states do for people who have been living in a community a long time, and give them some sort of benefit in the way their property is assessed. We must also look at the larger picture and look at the way we manage ourselves as local government in the State as it becomes increasingly more expensive to the point we must think about it being unaffordable.

Chairman Hall explained that the elderly tax credit relief program was the topic of discussion over 12 weeks, and is evaluated annually by the Council. He suggested that Ms Donieko discuss her concerns and comments with Town Manager Milone and Finance Director Ryan, because she might be misinformed on a few of the finer points of the program.

4. CONSENT CALENDAR

MOTION by Mr. Ecke; seconded by Mr. Altieri

BE IT RESOLVED, That the Town Council approves Resolution #041007-1.

RESOLUTION #041007-1

CONSENT CALENDAR FOR APRIL 10, 2007

BE IT RESOLVED, that the Town Council approves the Consent Calendar for April 10, 2007, as follows:

- A. Acceptance of a donation of \$250.00 from the First Congregational Church and appropriation of said amount to the Cheshire Fuel Bank to assist needy Cheshire residents.
- B. Acceptance of a \$150.00 donation from New England Bedroom Gallery and appropriation of said amount to the Youth Services Gift Account for Alcohol Awareness Week.
- C. Acceptance and appropriation of \$40,000.00 Department of Transportation Services Section 5210 Grant Program matching grant for the purchase of a wheelchair accessible minibus for Senior and Transportation Services.
- D. Appropriation of \$10,512.00 from the Mini-bus Fund to supplement the grant from the Department of Transportation Services Section 5210 Grant Program for the purchase of a wheelchair accessible minibus for Senior and Transportation Services.

- E. Appropriation of \$5,000.00 from the Julia Tompkins Account for circulating books and materials at the library.
- F. Appropriation of \$730.00 from the Cheshire Performing and Fine Arts Gift Account to be used toward the purchase of a microphone system for the stage at Artsplace.
- G. Appropriation of \$75.00 from the Cheshire Performing and Fine Arts Gift Account – Cement Bench Fund to be used as a partial scholarship to the Youth Theatre Program
- H. Appropriation of \$1,100.00 from the Cheshire Performing and Fine Arts Gift Account for new outdoor signage.
- I. Appropriation of \$500.00 from the Cheshire Performing and Fine Arts Gift Account into the scholarship fund for future distribution.

VOTE The motion passed unanimously by those present.

5. ITEMS REMOVED FROM CONSENT CALENDAR

6. OLD BUSINESS

- A. Discussion and action re: authorization to hire Milone & MacBroom to prepare a revised survey map for the State of Connecticut Department of Environmental Protection (DEP) to secure the DEP open space grant for the former DeDominicis property.**

MOTION by Mrs. Visconti; seconded by Mrs. Esty.

BE IT RESOLVED, that the Town Council approves Resolution #041007-2

RESOLUTION #041007-2

BE IT RESOLVED, that, pursuant to Resolution # 091200-10, the Town Council authorizes the Town to hire Milone & MacBroom to prepare a revised survey map of the DeDominicis property, at cost of \$1,300.00, to meet the State of Connecticut Department of Environmental Protection's (DEP) request for a revised survey map as a condition of finalization of the DEP Open Space grant for this property, and directs the Town Manager to execute said agreement.

Discussion

At the March 2007 Council meeting, Chairman Hall noted there was a question as to the necessity of this map.

Town Attorney Johnson advised the Council that he reviewed the letter from Attorney Lema, and his understanding is that there are illegal encroachments on the property. It was suggested by Attorney Lema is that rather than deal with formal removal of the encroachments, it would be quicker and less costly, to simply redraw the map and perform a new survey, at an estimated cost of \$1,300. To him, this seems like a rational approach to the matter. If the town

discovers in the future that those encroachments are a problem, it can proceed legally at that time to deal with them.

Mr. Schrumm asked if redrawing of the map is simply for the easement with the State of Connecticut, and not for changing property boundaries.

Stating that was correct, Attorney Johnson said we are not giving away anything by redrawing the map, and the people on the line are not subject to the easement.

There are three encroachments and a shed, and Mr. Schrumm asked if they are by one individual or different individuals. He asked how big the encroachments are, and when are the people told to get back on their side of the boundary. This is not a good precedent to set, letting this happen, because it is a policy issue. Mr. Schrumm said it should be made clear, as the town buys more land, that people who are on the town's side of the boundary, should get back on the other side.

Attorney Johnson said he would look into this further and report back to the Council. With a short phone call he can make a determination of the issues.

After the encroachments are determined, Mr. Milone said he will be involved with the administrative issues when the town attorney deems it suitable.

Mr. Orsini asked about the understanding that because other property owners are encroaching on town land, Cheshire must pay \$1,300 for a new map to get money from the State. He asked if the neighbors could be asked for reimbursement of this cost.

That is a not a profitable exercise, and Attorney Johnson said this is really a separate decision...to solve the grant issue and get it behind us. He will look into the possibility of reimbursement for the cost of the map, but he believes it will be difficult to recover in any way.

VOTE The motion passed unanimously by those present.

7. NEW BUSINESS

A. Discussion and action re: adoption of the FY 2007-2008 General Operating Budget.

MOTION by Mr. Ecke; seconded by Mrs. Esty.

BE IT RESOLVED, That the Town Council approves Resolution #041007-3.

RESOLUTION #041007-3

FISCAL YEAR 2007-2008 GENERAL FUND OPERATING BUDGET

A. BE IT RESOLVED, that the Cheshire Town Council appropriates the following amounts for the Town of Cheshire General Fund Operating Budget, for fiscal year 2007-2008:

General Government (excluding Employee Benefits & Police Department)	\$14,601,008
Debt Service	\$10,292,000
Contingency	\$ 125,000
Capital Non-Recurring Reserve	\$ 1,243,000
Board of Education	\$55,725,243

B. BE IT RESOLVED, That the Cheshire Town Council appropriates the amount of \$4,261,504 for the Employee Benefits portion of the General Government Budget and \$4,298,284 for the Police Department portion of the General Government Budget.

C. BE IT FURTHER RESOLVED, That the sum of all revenues, transfers from other funds and allocation of general fund equity for the fiscal year 2007-2008 Town of Cheshire General Fund Operating Budget will be in the amount of \$90,546,039, and

D. BE IT FURTHER RESOLVED, That the tax rate be set at 27.60 mills which will generate \$67,624,558 at a collection rate of 98.7% for fiscal year 2007-2008; and

That the tax payments for motor vehicles and personal property shall all be due and payable in one payment on July 1, 2007; and

That real estate tax payments shall be paid in two equal payments with the first payment due on July 1, 2007 and the second payment due on January 1, 2008; and

That pursuant to Section 12-144 of the Connecticut General Statutes, as amended, that any real estate tax bill on the 2006 grand list in an amount not in excess of \$100.00 shall be due and payable in a single installment on July 1, 2007; and

That, pursuant to Sections 12-142 and 12-146 of the Connecticut General Statutes, as amended, the last date for payment of taxes due July 1, 2007, will be August 1, 2007. Payment of taxes due July 1, 2007 which are received after August 1, 2007, will be assessed interest calculated from the original due date of July 1, 2007.

Also, that pursuant to Sections 12-142 and 12-146 of the Connecticut General Statutes, as amended, the last date for payment of taxes due January 1, 2008 will be February 1, 2008. Payment of taxes due January 1, 2008 which are received after February 1, 2008 will be assessed interest calculated from the due date of January 1, 2008.

Discussion

Mr. Ecke, Budget Committee Chairman, thanked everyone involved in the preparation of the budget, especially Town Manager Milone, Finance Director

Ryan, Deputy Finance Director Jaskot, Jonathon Perugini, Council Clerk Milton, and town staff for their hard work and dedication to the compilation of the operating budget. The Budget Committee and Council met for 12 meetings over the last three weeks with participation and input from department heads during the budget process. There were two public hearings held for public input. Speaking on behalf of the nine Council members, Mr. Ecke said everyone worked hard to prepare this budget, which is what they were elected to do.

In 2004, the Town of Cheshire lost \$1.2 million in State aid, and Mr. Ecke noted that deep cuts had to be made to the operating budget, and it was a hard year. This year is the direct opposite, and is a good year for the Town of Cheshire.

This year, the Board of Education looked at their budget, did a good job with their budget, and made significant cuts which made the Council's job easier. Town Manager Milone and his staff reviewed the town government operations and made very small increases. With State revenue increases, and a high tax collection rate, the mill rate increase this year will be reasonable.

Mr. Ecke briefly reviewed highlights of the FY 07-08 Operating Budget.

General Government – increase 3.9%, or \$884,000; most of the increase is in salaries and benefits, all of which are contractual items.

Board of Education Budget – increased by 6.8%, under \$2 million. Superintendent Florio and the BOE did a good job on the budget.

Debt Service – decreasing by \$70,000 due to refinancing of the town's debt.

CRN - \$118,000 increase; this is an investment in the future of the town; there is no bonding of this money, and the town takes current tax money to fund long term projects.

Contingency - \$125,000; this is the same appropriation as last year.

For the average taxpayer with a single family house and two motor vehicles, the tax increase is \$99 a year. The rate of inflation for services offered is above the 3.2% of spending this year. The mill rate increase is .45 mills, or 27.6 mills. The state of the government in Cheshire is very good. This year the Council will be writing a policy on how to deal with surpluses, and this will be discussed at the meeting of April 24th. The Council will look at whether the surplus should be kept a 8%; and if it goes above 8%, how that money should be allocated to the budget and the taxpayers. This year, with some of the surplus, there was a reduction in spending; some accounts were pre-funded; there could be reintroduction of an annual bulky waste pickup program.

Mr. Ecke thanked everyone again, noting the process was a lot of hard work over many nights. The end result is a good plan for Cheshire, and hopefully, the mill rate increase next year will be even smaller.

Mrs. Esty stated that we were fortunate this year. Cheshire's economy is relatively strong; there is an excellent tax collection rate; we have a hard working

staff; and many things worked in the town's favor. She is pleased to support this budget because it is strong and fiscally responsible. Taxes are being held down to 1.66%, which is a very low increase, if you look at surrounding communities and their large tax increases. This is below inflation and below contract increases, which is the vast majority of the budget. At this time, the town and members of the community are dealing with higher utility bills, and gasoline, and other needs. She commended Town Manager Milone, Dr. Florio, BOE members, for having sharpened their pencils in looking at this budget, knowing it is tough on people, and taking this very seriously doing zero based budgeting. We are seeing the benefit of this; spending has been controlled; affordability was considered for the wonderful quality of life in Cheshire.

Mrs. Esty commended Town Manager Milone for the major and important changes in spending reductions. She noted that public attendance at the budget committee workshops was low, but the process was right. The Council held an early budget hearing at the beginning of the process for the public to learn about the starting point for the budget and give input. At the last public hearing, the public was presented with the budget that is being considered by the Council at this meeting. According to Mrs. Esty, holding two public hearings was an important change in the budget process, and enabled more public input.

Last year the State gave Cheshire a windfall, during an election year, and Mrs. Esty said that this will not happen this year. The Cheshire budget shows a responsible approach; we are trying to keep taxes more steady; and we are pre-funding long term liabilities such as heart and hypertension and the pension fund. The town made major improvements to the senior tax relief programs, recognizing the unique burden of people on fixed incomes who are an asset to the community. Mrs. Esty asked that the Council members support the budget which benefits the community, and is fair to the tax payers.

Mrs. Esty also commented on the Town of Cheshire receiving an upgrade in its bond rating which will have long term benefits to the town, reducing the cost of borrowing money and reduction in debt service. This accomplishment is due to the efforts of Town Manager Milone and his capable staff, and to the fiscal restraints by Councils keeping a sharp eye on spending and taxes.

Mr. Ecke thanked the members of the public who attended most, if not all, of the budget committee meetings, and he acknowledged Mr. and Mrs. Nero, Mr. Squire, Mr. Kleist, and Mr. and Mrs. Korten.

Mr. White said he would support the budget because it is a good budget, and much of the credit for this budget goes to Town Manager Milone and his staff. Without the good judgment of our Mr. Milone on long term financial issues, Cheshire could be facing high liability issues. Mr. White commented on the establishment of reserve funds for long term liabilities, giving credit to Mr. Milone for this accomplishment. He has concerns about long term liabilities, but said Cheshire is doing a good job with these issues. Mr. White also commended the BOE members for the actions they took with their budget this year.

Town Manager Milone expressed his gratitude to his staff for their hard work and dedication to their work on the budget, particularly Ms. Ryan, Mr. Jaskot, Mr.

Perugini, Ms. Talbot and Ms. Sepp, and all the department heads. He noted that the Public Works and Fire Department budgets are going up by less than 2%, and said that the Cheshire town government has good team players. Thanks were also given to Police Chief Cruess and Fire Chief Casner for their professionalism in dealing with their department budgets.

Mr. Milone thanked the Budget Committee for dealing and working with the most important job they do all year, and said Cheshire is fortunate to have dedicated Council members. Some decisions which had to be made were good ones, but not popular ones; the town has been progressive and prudent; and the town has extensively funded its long term liabilities. Mr. Milone said the Budget Committee demonstrated again this year, and the Council has consistently demonstrated that the right thing must be done even if it is not popular...such as raising taxes, funding long term liabilities, but it has kept the mill rate at a conservative level.

Mr. Milone said he hopes that as long as he is town manager, he hopes that the town will continue to see this commitment and dedication to fiscal prudence, and what is in the best interests of the town.

Mr. Schrumm thanked Town Manager Milone and his staff for their great work and efforts on behalf of the community, and said Cheshire has been fortunate to have Mr. Milone as finance director and town manager.

It was stated by Mr. Schrumm that we are creatures of the State, and also victims of the State. In FY 03-04, the State took over \$5 million in aid five months into Cheshire's budget, and these were the perfect storm years. Now, we are in a calmer mode, but down the road, the State income tax will be increased. Cheshire residents, in the first year, will be paying another \$6.7 million in income tax; in the second year this rises to \$14 million in additional state income taxes; and virtually none of it will come back to the town on a net basis in terms of property tax relief. Therefore, Cheshire must do as much as it can with its local budget, and this is a very small local property tax increase, 1.66%. The State is taking money away from the town; we are on our own and will continue to be on our own; and the tax increase is small, with money coming out of our other pocket for the increase in State income taxes.

Mr. Schrumm commented on the long term liabilities of State mandates such as heart and hypertension, binding arbitration, and the fact that the State is not fixing them. They will be extracting more from the local taxpayers in increased income taxes, and the mandates continue to fuel budget increases on the local level. There is nothing the Council or Town Manager can do about this except continue to struggle with what happens. Mr. Schrumm fears another perfect storm coming...we will have further cuts in State aid...and tax increases will continue to back up. It is hoped there will be tax reform on the State level which will impact local communities.

Last year, Mr. Schrumm thought the town would be generating a larger surplus than is needed. Therefore, the tax rate was higher than it needed to be. This year this is again true. Last year's surplus was \$2.1 million; this year it is expected to be over \$1 million. With the issues facing the people in the town in

tax increases from Hartford, it would be appropriate to increase any increase in the local property tax to the smallest possible amount. Toward that end, Mr. Schrumm proposed the following amendment to the resolution on the floor.

MOTION by Mr. Schrumm; seconded by Mr. Ruocco.

- E. AND, BE IT FURTHER RESOLVED, that any surplus from the FY 06-07 Fiscal Year that exceeds the sum of
- a) the portion of the surplus allocated by this Budget Resolution, and
 - b) the amount needed to keep the fund balance at 8% of expenditures,

be held in a Taxpayer's Relief Fund until the preparation of the Fiscal '09 budget, and

BE IT FURTHER RESOLVED, that the funds in said Taxpayer's Relief Fund will be used exclusively to reduce the mill rate for taxes to be levied based on the October 1, 2007 Grand List, and

BE IT FURTHER RESOLVED, that the reduction will be applied only after a final budget for FY '09 is prepared and a tentative mill rate established based on that budget. The Taxpayer's Relief Fund reduction will be clearly indentified by the Council's Budget Committee in the final setting of the mill rate, and

BE IT FURTHER RESOLVED, that by June 30, 2007, the Town Council establishes a clear policy for the Fund Balance in future year's budgets.

Discussion on the amendment

Mr. Schrumm stated that something must be done to amend having a larger surplus; pre-funding the following year's expenditures; and this reserve account will enable the town to make adjustments, giving the taxpayers some relief.

Budget Committee Chairman Ecke commented on the large surplus as being a good position for the town to be in, and making a decision on how to use the surplus money. This issue was discussed during the budget meeting last week, and it will be on the agenda of the April 24th special meeting of the Council at 6:30 p.m. He disagreed with having used pre-funding to support additional spending. This year's tax increase is the smallest in years, and the Council tried to get its hands on spending so the tax increase was not dramatic. Mr. Ecke would like public input on the issue of the surplus before the Council takes any action.

Mr. White supported the amendment on the floor, but is not comfortable with keeping this amount at 8%, and he questioned whether 8% is the best number for the taxpayers. He is not sure if it should be lower, and this is a concern for him.

With regard to his amendment to the motion, Mr. Schrumm said that it should be adopted to the resolution on the budget because it only applies to FY 07, ending June 30, 2007. The 8% is used because this is the mark for the bond rating agencies, and another percentage could be considered and arrived at by the

Council. If there is another \$500,000 at the end of June 2007, this money must be allocated and put into the fund balance or the budget. Should this occur, this money should be put aside for taxpayers in a "lock box" for use the following year, and it should be an identifiable amount.

Chairman Hall stated that the budget surplus has nothing to do with the FY 07-08 surplus, and the 8% number has been discussed throughout the budget process. This matter will be part of the April 24th meeting discussion, and he asked if the maker and seconder of the motion would consider tabling the motion for better discussion at that time. Mr. Hall noted that the amendment is a good idea, and is something the Council should look at on a bipartisan basis.

Stating he would agree to withdrawing his motion, Mr. Schrumm said that it must be recognized that the total amount of the surplus will be unknown until September or October 2007.

According to Mr. Ecke, the intention of the Budget Committee is to study this matter top to bottom, and it will be discussed in the context of how this money will be used.

Mr. Scrumm and Mr. Ruocco withdrew the amendment to the motion on the floor.

Mr. Altieri thanked the Budget Committee, Mr. Milone, Ms. Ryan, Mr. Jaskot, Ms. Talbot, Ms. Sepp, and town staff, for their work and efforts in preparation of the budget, and also thanked the members of the public in attendance at the meetings. He commended Dr. Florio and the Board of Education for doing a tremendous job on the BOE budget and in administering the school system. With the 1.66% tax increase, and average tax increase of \$99, is a budget which he can support. It was noted by Mr. Altieri that Cheshire invests in its infrastructure; enhanced the senior tax relief program; funds an excellent school system with low per pupil spending, but high in all educational measures such as CAP and SAT scores. There is concern about what the State will do next, and he would rather explain to the citizens why there was a surplus over 8%, than telling people there is no money for an emergency, and services must be cut back. Stating he appreciates Mr. Schrumm's motion, and it is a good point, Mr. Altieri explained that the Budget Committee will come up an excellent policy on the issue of the surplus.

Mr. Altieri said he is pleased with the last two budgets, and people have expressed their opinions to him about this being a good budget. In Cheshire there are concerns about the storm on the horizon, but he believes the town will do fine. More public input is needed so the Council can make informed decisions on what the people want, and this makes the Councilor's jobs easier, and keeps them in tune with the public.

It was pointed out by Mr. Ruocco that the projected surplus is estimated at \$437,000 in order to maintain the fund balance at 8%, which is the target number to maintain our credit rating. It was the intention of Mr. Schrumm's motion was to determine what would be done with money when the surplus is over 8%. Both the town and BOE have made reductions in budget. With the BOE's reduction of \$243,000, Mr. Ruocco asked where the line item reductions would be, and if

programs would be affected. He said that if the BOE imposed an activity fee for the schools, there would be plenty of people interested in the budget. Also, the average tax increase is \$99 for a single family home and two motor vehicles. Mr. Ruocco said he would support the proposed budget.

Stating this is his 12th year voting on a budget as a Council member, Mr. Orsini said that this year we are possibly facing the calm before the storm. Mr. Orsini thanked Mr. Milone, Dr. Florio, Ms. Ryan, Mr. Jaskot, Mr. Perugini, Ms. Talbot and Ms. Sepp, the Board of Education members, and all the town staff for their work and efforts on the operating budget. He explained that he voted "no" on the budget last year, although he was reasonably comfortable with the budget. His "no" vote was because he thought the town was building up too much surplus for the end of the year. He particularly focused on the tax collection rate, and tried to have it slightly increased to offset a mill rate increase. This year he will vote "yes" on the budget because there is a slight increase in the collection rate in the budget. Mr. Orsini thanked Mr. Ecke, Mrs. Esty and Mr. White for their work on the budget.

Mrs. Visconti stated her agreement with comments from other Council members, and said she will support this budget. She said there is good information in the budget book, which is available at the Library. Mrs. Visconti thinks the State is far from perfect, but we are not an island, and are fortunate in this town to have a good quality of life and State taxes are paying for that, and we must understand our obligation and responsibility.

Chairman Hall stated that everyone deserves the credit and thanks expressed, and he also expresses his thanks. He commented on the common goal for the Council and town staff to put together a fair and affordable budget for the Cheshire citizens. Mr. Hall stated that the Town Manager knows the budget, municipal finances, and Cheshire is lucky to have him as its administrative leader. Mr. Hall also recognized Mr. Ecke, Budget Committee Chairman, stating that the budget process is not easy, and his leadership skills and ability to work with people make the process easier.

VOTE on #041007-3 A: The motion passed unanimously by those present.

VOTE on #041007-3 B: The motion passed 8-0-1; Ecke abstained.

VOTE on #041007-3 C: The motion passed unanimously by those present.

VOTE on #041007-3 D: The motion passed unanimously by those present.

**B. Discussion and action re: Adoption of the FY 2007-2008
Water Pollution Control Fund Operating Budget.**

MOTION by Mr. Ecke; seconded by Mrs. Esty.

BE IT RESOLVED, That the Town Council approves Resolution #041007-4.

FISCAL YEAR 2007-2008
WATER POLLUTION CONTROL FUND OPERATING BUDGET

BE IT RESOLVED, that the Cheshire Town Council appropriates the sum of \$3,310,200 for the Town of Cheshire Water Pollution Control Fund Operating Budget for fiscal year 2007-2008, and that the sum of revenues and allocation of Water Pollution Control Fund equity for the fiscal year 2007-2008 Town of Cheshire Water Pollution Control Fund Operating budget also be in the amount of \$3,310,020, and

BE IT FURTHER RESOLVED, that the Cheshire Town Council recommends that the Water Pollution Control Authority consider increasing the Sewer Use Charge to \$305 per year, effective December 1, 2007.

Discussion

Mr. Ecke commented on the next two budgets, WPCA and Community Pool as being items of concern. The WPCA budget and treatment plan will be discussed going forward, due to capacity and operating issues. The operation is becoming more expensive; it is more expensive to build pump stations; and everything the plant uses is increasing in cost.

Mrs. Esty said there are a number of concerns with the WPCA, and operating expenses are increasing, despite best efforts; the denitrification plan is costing more than anticipated; and the debt for the ongoing costs for replacement and upgrades to the pump stations will be costly. The town must get a handle on the operating and carrying costs for the WPCA. There are some serious questions about long term capacity at the treatment plant. These are high priorities for the WPCA and the Council and the community, and some tough decisions will have to be made. The Council is working with the WPCA to think about the best way for public input and making the challenging decisions that lie ahead. The next meeting with WPCA and Council is scheduled for April 25th.

Public comment

Ray Squire, Cook Hill Road, said that if this is for the citizens of Cheshire, then it has his complete support of this budget. He wanted to make sure this budget is not easing the development proposed in the north end of town.

In response, Mrs. Esty said this is just this year's operating budget, based on the present treatment plant hookups as they are now and current capital costs. There will be a facilities plan going forward looking at projections for the next 20 years for residential, retail, commercial, industrial.

This is another example of a boat in a perfect storm, and Mr. Schrumm said that decisions made by other boards and commissions will impact this budget and taxpayers. The WPCA fund could get rocked badly and adding more residents to the treatment plan will have a huge impact.

VOTE The motion passed unanimously by those present.

B. Discussion and action re: adoption of the FY 2007-2008 Community Pool Fund Operating Budget.

MOTION by Mr. Ecke; seconded by Mrs. Esty.

BE IT RESOLVED, That the Town Council approves Resolution #041007-5

RESOLUTION #041007-5

**FISCAL YEAR 2007-2008
COMMUNITY POOL FUND OPERATING BUDGET**

BE IT RESOLVED, that the Cheshire Town Council appropriates the sum of \$951,730 for the Town of Cheshire Community Pool Fund Operating Budget for fiscal year 2007-2008, and that the sum of revenues and transfers from other funds for the fiscal year 2007-2008 Town of Cheshire Community Pool Fund Operating budget also be in the amount of \$951,730.

Discussion

Mr. Ecke commented on the pool still being a concern to him for \$400,000 subsidy that is required. The consultant's report will be in soon, and it will contain more efficient ways to operate the facility. He does not believe the pool will ever be fiscally self-sufficient, but hopes in the next year the transfers will be reduced.

It was stated by Mrs. Esty the \$400,000 is more than ever anticipated for the pool subsidy. Everyone eagerly awaits the consultant's report with options for consideration for operation of the facility.

Mr. White stated his option for limited use of the pool as a summer pool, without a bubble, and believes the subsidy will be required in perpetuity. If the subsidy is reduced, he would support the budget. As it stands now, he would not support this budget.

The Council was informed by Mr. Milone that the consultant's report will be in by Friday, and copies will be forwarded to the Council. He believes the consultant under-estimated the amount of work required on the review, and report for the pool.

Regarding pool spending, Mrs. Visconti pointed out that Cheshire is the envy of many other towns throughout the State. Teams swim here; Cheshire has championship teams; and people visiting for meets spend money in town, and the pool serves people of all ages.

Public Comments

Ray Squire commented on the \$950,000, divided by 50 weeks, being a weekly cost of \$20,000 to maintain the pool. He assumes that in the summer time it is less costly, and in the winter is twice the cost. He asked if the \$950,000 budget is passed, whether the town is locked into this for the year. Or, at some point down the line, can there be adjustments made, closing of the pool, etc.

The money is allocated, and Ms. Esty said that more funds cannot be spent, but less can be spent.

VOTE The motion passed 8-1; White opposed.

C. Discussion and action re: acceptance and appropriation of a \$150,000.00 donation from Elim Park to the Cheshire Police Department Gift Account.

MOTION by Mrs. Esty; seconded by Mr. Altieri

BE IT RESOLVED, That the Town Council approves Resolution #041007-6

RESOLUTION #041007-6

BE IT RESOLVED, that the Town Council accepts a \$150,000.00 donation from Elim Park to the Police Gift Account, and appropriates said amount for the purposes as outlined in the attached budget.

Discussion

Mrs. Esty noted there is a correction to the memo regarding item #2, the motorcycle, which was purchased out of the FY 06-07 budget, and it should be deleted from the FY 07-08 budget. There is a \$10,000 balance in the final line item.

Mr. Schrumm asked about the new finance accounting system, and expenditures from the gift accounts being separately accounted for.

This is done now, and Mr. Milone said items are segregated, and the new system will make it easier, continuing the separate fund.

Chief Cruess advised that the police department maintains a list of the gift account expenditures.

Mr. Altieri asked about a priority order on the list submitted by the Chief.

According to Chief Cruess, the priorities change within the year, depending on the situation.

Town Manager Milone stated that when the categorization was established, the line items in the general fund operating budget were followed. They did not represent priorities, but the way the accounting system works.

Regarding priorities, Mr. Altieri asked how they are decided and how the money is spent.

Chief Cruess replied that at this time, SRT training and equipment are a high priority. There has been discussion with the Council about recording and radio systems, and these were purchased out of the gift account, when they became a

high priority and needed to be done. The motorcycle lease was up, and money would have been lost on the lease, and instead of leasing another cycle, the department purchased one, saving \$3,000. It is now owned by the department and will be maintained and kept for 6 or 8 years. There are times when certain items jump to the forefront, i.e. training for traffic school. Personnel expenses include re-evaluation of what is done locally, and right now all officers are getting new shirts to work on road jobs (out of the gift account) to further insure safety on the road. This item was bumped up as a priority after an officer in another town was seriously injured on a road job. Chief Cruess commented on the ATV, and if it is working fine, it drops to the bottom of the list; and if it needs repairs, it moves up on the list. The department is very responsible with the gift account, and it increases each year, which is most fortunate for the department and the town. At the same time, the increase in the department's non-salary account this year is \$16,354, or .38% of the total budget. Over four years the non-salary side of the budget has not grown, and there has only been a \$74,000 increase during that time. Out of that amount, \$32,000 was the cost for gasoline increases.

VOTE The motion passed 8-0-1; Ecke abstained.

D. Discussion and action re: acceptance and appropriation of a \$150,000.00 donation from Elim Park to the Cheshire Fire Department Gift Account.

MOTION by Mr. Ecke; seconded by Mrs. Esty.

BE IT RESOLVED, That the Town Council approves Resolution #041007-7

RESOLUTION #041007-7

BE IT RESOLVED, that the Town Council accepts a \$150,000.00 donation from Elim Park to the Fire Department Gift Account, and appropriates said amount for the purposes as outlined in the attached budget.

Discussion

Chief Casner advised that the department's operating budget increased by only 2% this year. Without the gift account, this increase would have been between 6% and 8%. The Chief expressed appreciation for the gift from Elim Park to the town, Police and Fire Departments.

Mrs. Esty asked about an explanation on work done over the year, and what is done with the Elim Park funds.

According to Chief Casner, all buildings and facilities have used Elim Park funds for rehabilitation, i.e. the 2nd floor of the old fire house is now used for equipment storage space and a training room. Town staff from the PW Department was used for this work, and they did a great job.

Mr. Orsini questioned the appropriate categories for maintenance and improvements, such as the offset for firehouse #3 renovation and why the money was needed from the gift account for the renovation.

There was money appropriated for the construction of the firehouse, but Chief Casner said that the fire department will provide the costs for insurance, window replacement, furniture, through the gift account.

Mr. Schrumm asked about maintenance of buildings and grounds and the proposed emergency operation center. He asked if the center is becoming a reality.

In response, Chief Casner said that the emergency center proposed because it is not completed due to lack of funds and staff. The center is a priority for the Police and Fire Chiefs. The Police Chief does not have the level of redundancy in certain areas that is needed to feel comfortable. If there was a situation where something needed to be done from alternate locations, there must be layers of redundancy, which we do not have now. From a civil preparedness standpoint, this is a top priority. Chief Casner thanked Dr. Florio for the space provided at Humiston School for the center, and said any square footage, or building space under a roof in town, is not easy to find and occupy.

VOTE The motion passed unanimously by those present.

Chairman Hall moved item H to current status.

H. Discussion and action re: Authorization to execute an Agreement with the State of Connecticut for Firefighting Suppression Standpipes on local bridges.

MOTION by Mrs. Esty; seconded by Mrs. Visconti.

BE IT RESOLVED, that the Town Council approves Resolution #041007-11.

RESOLUTION #041007-11

BE IT RESOLVED, that the Town Council hereby authorizes the Town Manager to execute a successor Fire Suppression Standpipe System Master Agreement (No. 10.270-01(06) with the State of Connecticut Department of Transportation to include additional standpipes from the original agreement, pursuant to approval by the Town Attorney as to form and legal sufficiency.

Discussion

Chief Casner explained that this connection is for pumping water into a pre-piped system. Waterbury Road will have this project with a 6 inch pipe which will have a connection on the top, allowing water from the street level to the top of the bridge without having to run it 3,000 to 4,000 feet up the ramp and back. This saves on hose, staffing, and everything. In the course of the project, the Cheshire Fire Department was involved in the project, and the cost was absorbed by the State DOT. There is a similar connection on the Marion Road bridge.

VOTE The motion passed unanimously by those present.

F. Discussion and action re: adoption of Fair Housing Resolution for the Connecticut Small cities Community Development Block Grant Program for renovations and repairs to Cheshire Housing Authority properties.

MOTION by Mrs. Visconti; seconded by Mr. Altieri.

BE IT RESOLVED, that the Town Council approves Resolution #041007-8

RESOLUTION #041007-8
TOWN OF CHESHIRE
FAIR HOUSING RESOLUTION

WHEREAS, All American citizens are afforded a right to full and equal housing opportunities in the neighborhood of their choice, and

WHEREAS, State and Federal Fair Housing Laws require that all individuals, regardless of race, color, religion, sex, national origin, ancestry, marital status, age, mental or physical disability, lawful source of income, sexual orientation, familiar status, be given equal access to rental and home ownership opportunities, and be allowed to make free choices regarding housing location, and

WHEREAS, the Town of Cheshire is committed to upholding these laws, and realizes that these laws must be supplemented by an Affirmative Statement publicly endorsing the right of all people to full and equal housing opportunities in the neighborhood of their choice,

NOW, THEREFORE BE IT RESOLVED, that the Town of Cheshire hereby endorses a Fair Housing Policy to ensure equal opportunity for all persons to rent, purchase and obtain financing for adequate housing of their choice on a non-discriminatory basis, and

BE IF FURTHER RESOLVED, that the Town Manager of the Town of Cheshire or his/her designated representative is responsible for responding to and assisting any person who alleges to be the victim of an illegal discriminatory housing practice in the Town of Cheshire.

Discussion

Greg Melville, Secretary of the Cheshire Housing Authority, thanked the Council on behalf of the Housing Authority for the appropriation for renovations to properties owned by the CHA.

VOTE The motion passed unanimously by those present.

G. Discussion and possible action re: appropriation of the \$450,000.00 Connecticut Department of Environmental Protection grant for the former Lassen property to reimburse the capital project account.

MOTION by Mrs. Visconti; seconded by Mr. Altieri.

BE IT RESOLVED, That the Town Council approves Resolution #041007-9

RESOLUTION #041007-9

BE IT RESOLVED, that the Town Council accepts the \$450,000.00 State of Connecticut Department of Environmental Protection Grant for the former Lassen property, and appropriates this amount to reimburse the capital project account for the purchase of said property.

Discussion

Mrs. Visconti explained that this property was purchased in March, 2000, and the State issued the funds to Cheshire in October 2006, and the money will be put into the open space account.

It was stated by Mr. Schrumm that the money was accepted last year, and this motion is just to appropriate the funds. It is possible that some day this money will go back to the State due to the onerous restrictions and duties placed on the town regarding this grant. So, just because the money is appropriated, these funds can be returned to the State if they do not ease up on the town.

Public Comments

Greg Melville, registered agent of Friends of Boulder Knoll, stated that 15 members have spent time preparing the proposal for this property, and believes there are all possibilities on this property. The ERT will open the door to an exciting period of time for the town. The Whole Foods Company is mandated to maintain 20% of their produce from local sources, and they are having difficulty meeting this requirement. Last week the Friends group held a meeting at the high school called a CSA, Community Supported Agriculture...and the Ives Farm may be a more appropriate location for a CSA. This is a new way for farmers to get money up front from customers, ahead of the season, and guarantee shares of fresh produce. The demand will be growing for local produce, and the community should meet this need.

Chairman Hall invited anyone from the Friends of Boulder Knoll to contact Council members to discuss the information cited by Mr. Melville.

VOTE The motion passed unanimously by those present.

I. Discussion and action re: award of Phase I of the Cheshire High School Window Replacement Project.

MOTION by Mr. Altieri; seconded by Mrs. Visconti.

BE IT RESOLVED, That the Town Council approves Resolution #041007-11

RESOLUTION #041007-11

BE IT RESOLVED, that, pursuant to Section 2-26 of the Code of Ordinances, Town of Cheshire, Connecticut, and Section 7-8 of the Charter of the Town of Cheshire, the Public Building Commission is hereby authorized to accept the low bid of A & A Window Products, Inc., of Malden, Massachusetts, in the base amount of \$194,300.00, and award Phase I of the Cheshire High School Window Replacement Project to A & A Window Products, Inc. The Town Manager is further authorized to execute the contract pursuant to this award and the Town's Bid Documents, upon the approval by the Town Attorney as to form and legal sufficiency.

Discussion

Joseph Michaelangelo, PW Director, reported to the Council that this is part of the larger appropriation for improvements to the high school infrastructure. The \$250,000 is for windows on the north side, facing Patton Drive. The project has gone through the design process and user process, and the Council has approved the schematic design. The bids are in, and the low bid was favorable. It was not expected that the senior court yard could be done, but between architectural design fees, environmental work, clerk of the works, the budget would be too tight for this work. With an additional appropriation, there could be negotiations with the contractor to honor this bid for the next phases.

Mr. White asked about \$194,000 being affected by the State prevailing wage law.

Mr. Michaelangelo said yes, it meets that threshold.

Regarding the contractor, Mr. Schrumm asked why it would take 280 days to do a window project.

There is a large lead time required, and Mr. Michaelangelo said it is 8 to 10 weeks. The way the project will be constructed is that there will be asbestos remediation in the glazing work, and this will take place the last week of June and the last week of July. Windows will be replaced one classroom at a time, with the coordination of the Department of Education.

Mr. Ruocco asked about the impact on the cost of the project meeting minimum wage laws and what the project would be costing.

There is guess work in this regard, and Mr. Michaelangelo said this comes up whenever there is MB or WB requirements and prevailing wage issues. The additional cost would be about 5% to 10%.

VOTE The motion passed unanimously by those present.

8. TOWN MANAGER REPORT AND COMMUNICATIONS

A. Monthly Status Report.

B. Departmental Status Reports: Police, Fire, Fire Marshal, Solid Waste.

C. Other Reports.

- FY '07 Monthly Financial Report – in the Council packets.
- Community Pool – consultant's report will be into the town this week, and copies will be given to the Council members; fuel cell initiative through the Project 100 was not successful for UTC.
- Department of Corrections – inmate account at 2569, a slight decrease from 2584. Negotiations with the State continue and there will be a meeting with OPM and the DOC early in May regarding the proposal before the legislature for additional funds to Cheshire for the I&I problems associated with the prison. Rep. Fritz has been very helpful in getting additional funds for the I&I study and remediation. Hopefully, this is the last time Cheshire has to do this because the successor agreement will be in place for next year.
- Transmission Line Project – the letter in the packets indicates that Algonquin is assessing the feasibility of removing about 4.8 miles of existing 10 inch diameter natural gas transmission pipeline; they will be doing a feasibility study along the length of the gas line, and it traverses the center and east and west of town; homeowners are being notified of this project.
- Installation of solar panel – the panel will be installed at the Library.
- Residential Electronics Recycling Event – to be held May 12, 2007 at Cheshire High School.
- Beautification Committee – the Adopt a Spot program is underway at five major locations, and businesses interested can maintain the site; standards are established; and there has been an overwhelming interest in the program.
- Telephone System Upgrade – \$230,000 appropriation; the Police Department, Darcey School, Library will have new phones installed over the next few weeks; within three months, the entire town will be completed; the BOE will have to appropriate additional funds to complete their project.
- Elderly Tax Relief – the final date for sign-up for the program is May 15th; there will be two sessions at the Senior Center on May 4th 9 a.m. to noon; and May 11th, 9 a.m. to noon. Information is available in the Library, on cable tv and on the web site. Mr. Milone and Mr. Panagrosso will film a 20 minute program on the elderly tax credit relief programs.
- Youth in Government Day – will be held on April 27th, and Council members are invited to participate.

- Reality Show filming in Cheshire – there will be a reality show filming on May 5th and 6th in town; the film follows a route from Boston to Washington D.C.; the show profiles 12 overweight Americans on this journey.
- Upcoming Meetings – April 24, 2007, 7:30 p.m. Special Council Meeting; April 25, 2007, 7:30 p.m. Joint Planning/Budget Meeting; 6:30 p.m. Joint Budget Committee and WPCA meeting (tentative).

The Crusade Against Cancer organization is supporting and promoting the Walk Across America show when people are walking on the sidewalks through town.

9. TOWN ATTORNEY REPORT AND COMMUNICATIONS

Town Attorney Johnson reported to the Council that he has been asked to write a letter to the legislators in support of pending legislation to have the State fund inground mines in Cheshire and elsewhere. He has discussed this with Attorney Buturla who authorized his taking specific portions of the letter and incorporating them into Mr. Johnson's letter. He will be putting the letter together in the next few weeks.

Mr. Schrumm recommended that this matter be funded and handled through State agencies, not town agencies.

Attorney Johnson said he will not get into that detail, but merely to describe the breadth of the problem in Cheshire, along with a history, and refer to a number of states that have dealt with it on a statewide basis.

10. REPORTS OF COMMITTEES OF THE COUNCIL

A. Chairman's Report.

B. Committee Reports.

Planning – Mrs. Visconti reported that there has been discussion about the bulky waste pickup program, and possibly opening up the transfer station for “free” Saturdays.

Ordinance Review - Mrs. Esty reported the committee will meet in May to discussion many issues.

C. Miscellaneous.

11. APPROVAL OF MINUTES

Special Meetings of March 14, 21, 22, 26, 27 and 28, 2007; Regular Meeting of March 13, 2007; Public Hearing of March 20, 2007.

MOTION by Mrs. Esty; seconded by Mrs. Visconti.

MOVED that the Town Council approves the following minutes, subject to corrections, deletions, additions:

Special Meetings of March 14, 21, 22, 26, 27 and 28, 2007; Regular Meeting of March 13, 2007; Public Hearing of March 20, 2007.

VOTE The motion passed unanimously by those present.

12. MISCELLANEOUS AND APPOINTMENTS

A. Liaison Reports.

Environment Commission – Mrs. Visconti notified the Council that the town will be celebrating Earth Day with fund events; other events include Quinnipiac River Clean Up Day on April 16th; Earth Day April 21st; Alcohol Awareness Week is April 26th.

WPCA – Mrs. Esty reported a meeting on April 25th at 6 p.m. with the Budget Committee.

Human Services – Mr. White reported that for information on Alcohol Awareness Week, the web site is cheshirecares.org

B. Appointments to Boards and Commissions.

13. COUNCIL COMMUNICATIONS

A. Letters to Council.

B. Miscellaneous.

14. EXECUTIVE SESSION

A. Land acquisition.

B. Pending litigation.

15. ADJOURNMENT

MOTION by Mr. Ecke; seconded by Mrs. Esty.

MOVED that the Town Council adjourn at 10:35 p.m.

VOTE The motion passed unanimously by those present.

Attest:

**Marilyn W. Milton, Clerk,
Cheshire Town Council**

