

Feb 17 20 17 AT 10:20 AM/PM

EAST LYME BOARD OF SELECTMEN

Cunningham, ATZ
EAST LYME TOWN CLERK

SPECIAL MEETING OF FEBRUARY 15, 2017

MINUTES

PRESENT: Mark Nickerson, Kevin Seery, Marc Salerno, Paul Dagle and Rose Ann Hardy

EXCUSED: Dan Cunningham

Mr. Nickerson called the Special Meeting for the purpose of Budget Reviews to order at 5:02 p.m. and led the Pledge of Allegiance. He noted that a Town Meeting is scheduled for 7:00 p.m., so if this budget meeting is not finished by 7 p.m., we will recess and pick up the discussion during the regular meeting of the Board of Selectmen which will begin immediately following the close of the Town Meeting.

Public Works - #317

Mr. Joe Bragaw and Mr. Bill Scheer were present at the meeting to speak on this budget. Mr. Bragaw addressed the Board of Selectmen and gave a summary of the complete Public Works budget, as well as a summary of projects completed and ongoing. This document is attached hereto as Exhibit 1.

Ms. Hardy inquired about the upcoming retirement of the current Highway Supervisor, Mr. Chuck Holyfield, and Mr. Bragaw's desire not to fill this position right away and assign existing employees with the position responsibility. Ms. Hardy expressed her concern that our employees are currently already doing more with less, and she does not want to see anyone getting over burdened. She stated that she understands Mr. Bragaw's desire to take time to hire the right replacement and at the same time maybe save some money in the payroll budget, but she does not want to see them go more than a couple of months after Mr. Holyfield's retirement before hiring a replacement.

Ms. Hardy inquired about the \$10,000 reduction in line item #239 Tree Warden and asked how much of the budget has been expended this fiscal year; approximately \$25,000. With that in mind, Ms. Hardy expressed her concern about reducing the budget. Mr. Nickerson explained that an additional \$10,000 was put into the 2016/2017 budget for the purpose of funding additional trimming that needs to be done, so the typical budget is closer to the \$23,500 budgeted for the 2017/18 fiscal year.

Ms. Hardy is in agreement with leaving line item #221 Fleet Maintenance at \$215,000 with no reduction.

Mr. Seery inquired about revenue from scrap metal, and Mr. Bragaw reported that they started a process where they put our scrap metal turned in at the transfer out to bid to the highest bidder, and that because of this our Miscellaneous Revenue has increased approximately \$15,000 from last year. Ms. Johnson stated that this revenue will go into the General Fund.

Mr. Dagle inquired as to the amount of money expended so far this fiscal year for line item #315 Storm Overtime. Mr. Bragaw reported that we've expended approximately \$60,000 after this past storm; prior to the most recent storm we had expended only approximately \$35,000, so this last storm took a hit on this budget. Mr. Nickerson stated that money would have to be moved around within this budget if we have a couple of more storms, and that we would have to address that if it happens.

Mr. Bragaw reported that the slight increase in the #210 Light Fixtures is due to budgeting for new lights to be installed and paid for in new subdivisions. With all of the construction going on, having the money already in the budget is more prudent. Mr. Bragaw reported that there are approximately 25 lights on West Main Street in the area between Guys Oil and Corey Lane that are State owned and will not be switched to the new LED lights because we do not own them.

Ms. Hardy inquired about #201 Telephones and asked if this budget line will go away with the installation of a new VOIP phone system at Town Hall. Mr. Bragaw stated that the new system is only being installed at the Town Hall building, and that all of our satellite offices will remain on the existing system.

Ms. Hardy inquired if there are any specific projects that we will have to postpone or drop based if we do not receive grant money that we are expecting, based on the Governor's budget. Mr. Bragaw reported that they would start by scaling back on some of the paving projects around Town.

Mr. Salerno inquired about the increase in #029 Storm Water Mgmt, and Mr. Bragaw reported that the State increased the minimum levels of testing required, which in turn has increased this budget. This budget covers testing and cleaning required for the storm drainage system throughout the town.

Information Technology - #109

Mr. Seery inquired about the Copier Maintenance #214 line item. Mr. Scheer explained that we are under a five year contract with the maintenance company, and stand to save up to 50% on the 6th year. After that time we will put a bid out for future replacement and maintenance on the equipment. Mr. Sheer reported that the Town has 15 copies in operation.

Maintenance of Town Buildings - #113

Mr. Bragaw reported that New England Mechanical is contracted to do all of the maintenance work and upkeep on the HVAC systems and furnaces. The generators are currently being serviced by one of the W&S mechanics.

Mr. Bragaw finished by stating that this is a tough budget year and he would be happy to try to dig deeper to find more cuts, but he believes that what has been presented is as lean as it can get before they have to consider cutting either services or employees.

Mr. Nickerson stated that the residents of this Town move here because they appreciate and expect good services for their tax money, and that is what we deliver and should remain focused on delivering. He reported that after the Governor's office finalizing their budget, we may need to take a second look at cutting more, but we hope not to have to.

Capital Outlays/Capital Equipment - #724

Ms. Anna Johnson was present to speak on this budget. Mr. Nickerson spoke on line item #418 Town Financial Equipment, and explained that the town auditors have strongly recommended that we upgrade our financial software sooner than later. This \$97,493 is a pay over five years contract with Tyler Tech, which is a top of the line system used widely through Connecticut. Mr. Salerno asked if it there was still time to bid out on this equipment, and Ms. Johnson stated that yes it could be put out to bid if the Board wishes.

Regarding #461 and #462 for the two different fire stations, Mr. Nickerson reported that they each function individually and separate from each other, so one may purchase their equipment all at one time, but the other staggers their equipment purchases so they don't all need to be replaced at the same time.

Line Item #708 PWD – Trucks; this number is too high by \$37,363. The correct number is \$482,533.

Mr. Bragaw reported that we require two new vehicles this year; a flail mower and a truck. The flail mower is critical as the Town is required to keep the vegetation trimmed from spring until fall, and the existing flail mower was broken for quite a lot of time last season.

Mr. Nickerson inquired if the purchase of a new flail mower would make the eligible for the State's ICE grant for sharing equipment. Mr. Bragaw stated that it is not practical because our mower is in use every day on our roads for the entire season and lending it out would not work.

Mr. Dagle inquired as to approximately how many complete cycles through Town does the flail mower make in a season, and Mr. Bragaw reports approximately two sometimes three full cycles through town.

Mr. Bragaw reported that #463 Police Cruisers is for two new SUVs for the police department, and that includes the full police package for each. Mr. Salerno inquired about a new vehicle for the incoming Police Chief, and Mr. Nickerson stated that the new Police Chief would not be getting a brand new vehicle when he first starts, but that it will be in next year's budget. Mr. Bragaw noted that the Police Chief's car will not be as expensive because it will not require that full police package that we equip our police officers with.

Gov't Misc & Benefits - #114

Ms. Johnson reported on this budget. #124 Pension is up based on the Actuaries most recent report. #127 Health/Dental Care – Ms. Johnson reported that this includes more than just the premiums paid to the insurance companies; it covers the Volunteer Firefighters required physicals, the stipend paid to those who decline insurance, and there are some employees who receive higher benefits based on contract negotiations. This also includes HSA funding percentage for those employees with a high deductible plan. #128 Retirement – Ms. Johnson reported that a couple of people retired last year and one for sure this year and maybe a couple more employees. As well as retirement benefits, the Town is also contractually obligated to pay out all accrued sick time, vacation time, etc. Ms. Johnson is hopeful that we can discuss possibly working with future retirees and negotiate a retirement plan that is spread out over time. Mr. Nickerson noted that this is the first time that the Town has budgeted for retirements in anticipation of them versus waiting until it happens and having to move the money from other sources.

Mr. Nickerson called for a recess at 6:50 p.m., at which time he announced that the remainder of the Special Budget Meeting would reconvene during the Regular Meeting of the Board of Selectmen under Agenda Item #2a.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Sandra Anderson".

Sandra Anderson
Recording Secretary

BOS BUDGET PRESENTATION – 2-15-17

By Joe Bragaw, Director of Public Works

TALKING POINTS

- I wanted to start by saying how proud I am of the employees from Highway, Sanitation, Building Maintenance, IT and Engineering Departments for doing such great work over the past year in a time of limited budgets and in a “Doing more with less” mode
- The four Departments I oversee (not including water & Sewer) were cut \$254k last year, which was approx 85% of the total from the Town Govt. side
- This created challenges but challenges are meant to be overcome and our employees delivered.
- Here are some of the Highlight of the accomplishments over the past year;

HIGHWAY/SANITATION

- We kept up with maintaining the 114 miles of Town roads and 14 miles of sidewalk. This included sweeping all the roads in Town, performing roadside trimming, patching potholes, fixing and cleaning catch basins, installing new drainage structures, trimming roadside brush, picking up downed limbs, etc. This keeps at a minimum 6-8 guys going every day throughout our maintenance season from March to December and we continue trimming brush and cleaning out catch basins throughout the winter as the weather allows.
- We pick up the garbage and recycling every weekday throughout the year. The Transfer Station is open M-F 7:30-3 and Saturdays 8-12 every week throughout the year. This takes a minimum of 7 employees on a daily basis to accomplish this huge task.
- Our three mechanics service approximately 120 cars, trucks, and trailers and other Town equipment to keep them working efficiently and safely.
- And our biggest job that we do is winter operations where we need to utilize our entire staff to keep up with plowing 15 routes while maintaining all of the vehicles during these events. Our guys do a fantastic job with this as it is not an easy task. Just last Friday, almost all of the other area Towns did not have school on Friday because their crews went home early on Thursday night where as our dedicated employees stayed through the night making sure that the roads were safe to go for the buses and our residents in the morning.

PAVEMENT MANAGEMENT

- We successful reconstructed the roads in Bush Hill and Latimer & Cavasin Dr neighborhoods at a cost of approx \$1M. There are approx 140 homes in Bush Hill and approx 55 homes in the Latimer neighborhood that are thrilled with this improvement and it went as scheduled and under budget.
- The Highway Dept employees worked hand in hand with road contractors on performing approx \$1.5 M of road work from July 1 to the end of the fall last year. This took anywhere from 3-6 employees every day to accomplish this task.

- During our paving season, we were able to get pricing off the State bid that was approx 15% less than the prior year saving the Town over a \$120k from past year prices.
- We also cape sealed the following roads; the Corey Lane area (Patrick Place, Roxbury Ct & S. Cobblers Ct, Damon hts, Naomi & Wilbur lanes, Village Dr and Ct, as well as Filosi, Wagonwheel & Nelson Dr off of Upper Patt Rd.
- We paved Society Rd in front of the school and purchased an additional digital speed sign with a solar panel to help calm traffic on this busy road.
- We also crack sealed most of the roads in Giants Neck and the Black Point area over the last two summers to keep these roads in fair condition and keep the water from getting under the pavement in the winter.
- All of this road work is showing in that our Pavement Mgt plan program actually showed an increase last year in our condition index due to all of the work that was performed. This is the first time I actually have seen the condition index going up in all of the years I have been doing this analysis.
- I now have a pavement mgt plan for the next five years that looks to address the other deteriorating roads in the Town.

PROJECTS (HANDOUT)

- We completed the salt shed and fueling station approx \$50k under budget. A big part of the savings was by having our highway crew do as much work as possible and we purchased a slightly used above ground tank that Essex did not need anymore that saved a lot of money.
- We fixed up the Old Salt shed area by taking down two dilapidated buildings and regrading and seeding the area. There was no budget for this but we were able to take it out of new salt shed project.
- We purchased the streetlights in town from Eversource and retrofitted them with LED fixtures. We retrofitted all of the cobraheads by Thanksgiving and are planning on retrofitting all the stand alone post tops in the next month or so. We put in this year's budget that we would receive a \$122k rebate from Eversource but that rebate is projecting to be around \$165k. After we pay back the cost of this project, the Town should see savings of approximately 50-70% on our existing streetlight costs.
- We received State grant funding to remove the building on the old Mobil Station at the intersection of Rt 161 and 156. We are looking to take the building down in the coming months and remediate any issues to ultimately be able to make this into a nice downtown park for our residents and visitors to our great Town.
- We are planning to have our personnel rearrange the ELCC parking lot this spring to help improve the parking in this important town facility
- This spring we are also looking to solve the drainage problem down on Atlantic Avenue and we are looking to move forward with repairing the severely deteriorated wall on Walnut Hill Rd thru summer.

MAINTENANCE OF TOWN BUILDINGS

- We pulled out the underground tanks at the Community Center and at both the Flanders Fire and Niantic Fire Dept facilities. This saves us money by not having to pay for UST insurance for these sites, the costly tests that are required of UST's, along with freeing us of these liabilities in the future.
- We are about to go forward with replacing the generators at both the Niantic Fire Department main station along with at their Station 2 facility next to Bridebrook Park
- We installed new video surveillance systems at not only the new fueling station at Capitol Drive but also at the Town Hall and we are almost finished with the system at the ELCC.

IT

- We continue to support all the expanded computer systems and networks that the Town has while expanding our support of the Police Department as they gradually move towards an independent force

To say our employees have been very busy is an understatement. That is just a highlight of our current year and we are hoping to continue to provide valuable service and support in the coming fiscal year.

PROPOSED BUDGET (HANDOUT)

- Of the 4 PW budgets that we are discussing tonight, they are up a combined \$44,605 increase on a proposed budget of \$4,915,284 or a 0.91% total increase.
- Specifics of each budget are as follows;

Highway/Sanitation

- Our Highway Supervisor, Mr. Charles Holyfield will be retiring this March after 22 dedicated years of service to our Town. I am not planning on filling this position right away so we can save some money as we figure out what skill sets are needed in this position going forward.
- In this budget, I have requested we go back to our FY 15-16 budget level for Highway OT. Just to keep the transfer station open on Saturday morning costs the Town approx \$17,000 so the \$21,000 level this year does not provide enough to cover OT for Celebrate EL, the Light Parade, double garbage collections after holidays along with all of the other requests that are made of us like trees down or blocked roadways after our regular hours. We are trying to work with the union right now on eliminating the cost of OT on Saturdays for Transfer Station personnel but we haven't come up with any resolution at this time.
- The Storm Overtime account is mainly for winter operations and tropical storms needing our assistance. The \$68,000 is just an estimate and can be less or more depending upon the year.
- The road reconstruction line item is critical to us for performing smaller drainage and paving jobs, for purchasing all of our materials including asphalt, gravel and precast concrete drainage structures and for any other road expenses that come up during the year that we can't always plan for.
- We reduced the tree warden budget, not because there is less need, but to try to bring the budget in as low as possible.
- The recycling lines – 210 services (222,233, 295 and 296) need to hold steady as these are costs that we incur due to trash and recycling pick up. Line 295 has an offsetting \$288k revenue we received from commercial haulers. We raised the fees on the commercial haulers a year ago to come more in line with other area towns which has provided us additional \$20-25k of revenue annually.
- The fleet maintenance line item # 220-221 covers the parts, oil, and supplies for the Highway, Sanitation, Parks and rec, PD, ACO, building maintenance, engineering, building dept, fire marshal, and for the senior buses. We maintain the BOE, Water and Sewer and fire chief's vehicles as well but they pay for their own parts and supplies.
- On line item 300-440 (Storm materials) – I am requesting an increase of \$5,600 to be able to purchase 1,900 tons of salt and another \$7.5k for plow blades and parts. This line item was cut \$26.4k this time last year. As you are aware, if it is a harsher winter than average, we would need more than what is proposed but we can only guess what we might need.
- I am requesting an additional \$7,333 for streetlights not because of our streetlight purchase and retrofit, but because we keep getting more streetlights that are being

requested by the Planning comm. for developments like the Orchards that has been increasing the streetlight expenses. The \$207,333 was the actual cost from last year.

ENGINEERING

- Scorecard of who is who; Victor – Town Engineer, Peter – Civil engineer and Marilyn is the Adm Asst
- In the present year's budget; the Admin asst dropped to 75% of her salary as 25% was allocated to the Water dept because she spends at least 25% of her time on Water Dept business
- In the FY 17-18 budget, I am proposing to increase the Civil Engineer's position from 60% town/40% water to 100% town. I have eliminated the inspector position entirely, but to do this, we need the civil engineer to spend all of his time not only doing what he did before but to perform some of the functions that the inspector performed.
- Everything else is flat so the budget increase is only 1.25%

IT

- The only increase in this budget is for salary and longevity payments
- The biggest portion of the Maint of office equip line item is the Star Computer contract for \$31.25 per year for which the PD chips in \$5k. This has been very successful relationship as they have done a great job in keeping our enterprise wide IT systems working well and Star is a local contractor and EL taxpayer.

BUILDING MAINTENANCE

- This budget is flat over last year
- There is a 10% increase to the Fire Protection line as a few members of the Water & Sewer Commission have been pushing to get back closer to the \$75k level that the Town was paying the Water Dept approx 15 years ago.
- We are showing a slight increase of \$1,150 to the Telephone line to cover increased costs with upgrading our phone system. The good thing about this is that there was not a need to appropriate any capitol costs for the phone upgrade as we are trying to pay for this thru operating.
- Our electricity accounts have been under pressure so I put an additional 2% into this account to cover increased electricity usage at our facilities
- The 8% increase in water and sewer charges reflects the rising rates that the Water and Sewer Dept has had to implement to cover their rising maintenance costs of an aging system
- I was able to reduce Heating oil as we have been able to secure lower fuel costs over the last few years and as we took down the old Parks and Rec building at 8 Roxbury and switched the ELCC over to natural gas last year

CONCLUSION

- We fully understand that this will be a difficult budget year with projected cuts to state revenues.
- However, these departments were cut over 85% of last year's General government cut and are running on bare minimums so any large cuts would unfortunately require reduction of services to our taxpayers.
- I am more than willing to discuss as we go through this process what services we might have to pare back to get to where the budget needs to get too
- Thank you for listening to my budget presentation