

BOARD OF FINANCE  
REGULAR MEETING  
MARCH 31, 2008

The Board of Finance held their regular meeting on Monday, March 31, 2008 in Conference Room B of the Parsons Complex. Chairman Jack Skudlarek called the meeting to order at 6:35 p.m.

Board Members Present

S. Bergami  
J. Fitzpatrick  
B. Lema  
S. Skudlarek

Also Present

Mayor James L. Richetelli, Jr.  
Judy Doneiko, Finance Director  
Louis LaVecchia, Fire Chief  
Keith Mello, Police Chief

Board Members Not Present

J. Agro – Business Trip Out-of-State

Consideration of Minutes

Mr. Bergami and Mr. Fitzpatrick made and seconded a motion to approve the minutes of the regular meeting of February 25, 2008. Motion carried unanimously.

Correspondence – None

Old Business – None

New Business

Chairman Skudlarek stated that the Board is adding an agenda item Transfer #15. The Chairman asked if this had been posted for the benefit of the public and Ms. Doneiko stated that when the transfer is completed it will be included in the Board of Aldermen package. Mr. Lema asked if this was a new item that they just added into the budget for this fiscal year and Mr. Skudlarek confirmed this item.

The Mayor continued by commenting that the Housatonic River Estuary Commission asked that this be an ongoing fiscal year and the Board of Finance put it into the budget but they are also asking for the funds immediately. They have been meeting for quite a while, for at least six months, and they have fees and they have asked that each community that belongs to contribute \$1,000. It is being administered by the City of Shelton and each community is being asked to contribute a \$1,000 to the fund now and into the future.

Mr. Skudlarek made it clear that this is just a motion to add this item to the agenda. Mr. Bergami and Mr. Fitzpatrick made and seconded a motion to add this Transfer #15 to the agenda. Motion carried unanimously. This item has been added to the agenda.

- A. Mr. Bergami and Mr. Fitzpatrick made and seconded a motion to approve Budget Memo Transfer #13, Fund 10, in the amount of \$163,650 from accounts listed into contingency. Motion carried unanimously.
- B. Mr. Bergami and Mr. Fitzpatrick made and seconded a motion to approve Budget Memo Transfer #14, Fund 10, in the amount of \$198,805 from contingency into accounts listed. Motion carried unanimously.

Mr. Lema referred this question through Mr. Skudlarek to Chief LaVecchia regarding Transfer #13. Mr. Lema asked if he could give a brief explanation as to why \$118,000 was being transferred from regular wages. Chief LaVecchia explained that most of the money is made available because of retirements.

Mr. Bergami and Mr. Lema made and seconded a motion to approve Transfer #15. Motion carried unanimously.

- C. Mr. Bergami and Mr. Fitzpatrick made and seconded a motion to approve Ordinance Appropriating \$1,440,000 for Various School Improvements and Authorizing the Issuance of \$1,440,000 Bonds of the City.

The Mayor stated the fact that this ordinance is new and that there are several amendments for the last year's bond authorization. It is new in the sense that it is a new authorization but not new in the sense that this has been included in the capital improvement plan and both of these have been multi-phase projects. The high schools, as you know, are 40 and 50 years old and both the high schools' infrastructure needs to be upgraded. At Foran high school this covers the asbestos and lead abatement, which is Phase II and last year they did Phase I. The security enhancements for all of the schools are Phase III of the five-year phase-in of \$220,000 per year.

Mr. Lema asked the Mayor if some of these bonding expenditures would be reimbursable by the State. The Mayor continued by saying that the lead and asbestos would be reimbursable and the school enhancements will probably not be reimbursable.

Mr. Fitzpatrick asked what the percentage would be of asbestos and lead abatement and the Mayor said 39%. Ms. Doneiko added saying that it would be 39% of what the State Department of Education deems eligible in expenditures. It is not the whole amount that would be eligible for that 39%. Motion carried unanimously.

- D. Mr. Bergami and Mr. Lema made and seconded a motion to approve Ordinance Appropriating \$4,275,000 for Various Public Improvements and Authorizing the Issuance of \$4,275,000 Bonds of the City.

The Mayor addressed the fact that this is also a new borrowing for this year, however, there is nothing that is really new but it is upgrading the existing infrastructure for the most part. Mr. Lema wanted to know with the downtown streetscape and resurfacing where the municipal parking lot is located on South Broad Street. The Mayor stated that this parking lot is behind the old Harrisons.

Mr. Fitzpatrick questioned Chief Mello as to the computer system upgrade and wanted to know if there was anything in the current budget that the Board of Finance has approved already and the Chief responded saying that there was nothing approved as of this point.

Chief Mello continued by saying that there were some software upgrades and a line item for an upgrade to traffic software.

He stated that this new system is the backbone of any modern Police Department. It runs all of the record systems and every piece of information that comes into the department including dispatch and there are millions of records involved. It is also the centerpiece of all the different components, for instance, mobile data in the cars, GIS mapping, GPS tracking, warrant preparation software, digital imaging - taking photos of arrestees and all of that falls into this one system.

Chief Mello stated that they need this upgrade to bring the department into the 21<sup>st</sup> century with the software and much of it is failing. It is very alarming. Mr. Bergami stated that if the software is upgraded doesn't the hardware need to be upgraded. Chief Mello stated that the AS400 has been upgraded and if they get this new software the MIS department has the hardware upgrade in their budget for the AS400. They are looking at different platforms and they are going to look to see if it is time to switch to a server-based platform and that is something that they will examine closely.

Mr. Fitzpatrick asked Chief Mello if the Police department is integrated with the City's MIS system or a separate system. The Chief mentioned that there is some level of integration but they have their own systems, they run their own mainframe, their own servers and they run a number of different software programs to accommodate their needs. They do get a great deal of support from MIS but they are separate from the City boxes. Motion carried unanimously.

E. Mr. Bergami and Mr. Lema made and seconded a motion to approve Ordinance Appropriating \$3,025,000 for Replacement of the Buckingham Avenue Force Main and Authorizing the Issuance of \$3,025,000 Bond of the City. Motion carried unanimously.

F. Mr. Bergami and Mr. Lema made and seconded a motion amending an Ordinance Appropriating \$12,937,000 for Various School Improvements and Authorizing the Issuance of \$12,937,000 Bonds of the City.

Ms. Doneiko stated a technical point that the Board of Finance has already approved the \$12,937,000 and the Board is voting on amending this amount by \$5,552,511 over the original \$12,937,000.

The Mayor continued by saying that he mentioned in earlier conversation that these figures are in addition to last year's authorizations. For instance, the asbestos removal and tile replacement at various schools and driveway and safety improvements at Pumpkin Delight were done. The Foran high school asbestos and lead abatement Phase I was done, a portion of Phase II was done and the Alternative High School is in the process of being done. The major components that were not done were Foran and Jonathan Law high school science labs and that is because when they actually went out to bid in the Fall, bids came in higher than there was money appropriated for and that has to do with timing, the escalation of prices, oil, steel, cement and sewer costs. There was enough money to do one of the high schools but not for both. The school facility building committee decided to hold off on doing either and then put them out to bid together in hopes of getting better pricing.

Mr. Fitzpatrick questioned Ms. Doneiko regarding the first \$12M and indicating that they have bonded short-term and spent some of this money. He assumes that they have applied to get reimbursement from the State on some portion of this money.

Ms. Doneiko stated that those items were submitted to the State Department of Education for approval. This was from the bonding ordinance that was passed last February so the application was made by June 30. Ms. Doneiko does not believe they have voted on it yet. They are still waiting to here how much of the reimbursement was approved.

Ms. Doneiko continued by saying that the City pays for a portion of the project directly and then they apply for the State to get draw downs from the portion they are going to pay. As a result, they don't end up bonding the whole \$12M. They will only bond the portion that they are paying for but the City needs to have the authorization and spend the whole \$12M to get the grant money in.

Mr. Lema continued with two questions for the Mayor. Mr. Lema asked if the City saved any money with the rebid. The Mayor stated that the bids still came in higher. Mr. Lema asked what the status was of the Alternative High School. The Mayor said that the project is within budget and it is not as timely as the Mayor wished it would be. They were not concerned because the Alternative High School already had a place to go and it is not an emergency situation. They are telling the Mayor that the Alternative High School and the Pond House will be finished mid to late April.

Mr. Fitzpatrick asked if this project was coming in under budget. The Mayor stated that this project is within budget, they are not over budget but they may come in under budget. This project again is State reimbursable but only portions of the project. Motion carried unanimously.

G. Mr. Bergami and Mr. Lema made and seconded a motion amending an Ordinance Appropriating \$64,500,000 for The Planning, Acquisition and Construction of Improvements to the Wastewater Facilities of The City of Milford and Authorizing the Issuance of \$64,500,000 Bonds or Notes of the City.

Mr. Skudlarek stated that this ordinance is adding an additional \$28,212,000 to the original \$64,500,000 to amend that to \$92,712,000.

The Mayor addressed the fact that he would like to give a general overview. This project is one that completely overhauls the entire wastewater system. The two treatment plants are over 20 years old since the last time they were overhauled. The planning, study and design of this project started before Mayor Richetelli became Mayor. The actual bonding was done in 2003 and then the State changed the way that they calculated the formula and changed the priority list. They had to fight for several years to get on the priority list. The Housatonic finally got on and then they fought through a deviation letter to include Beaverbrook. By the time they actually started construction and went out to bid again there was a difference of \$28M. A good portion of the \$64M will be through either Clear Water Fund grants or 2% loans and the City is hopeful that they can include some of the smaller projects that are included in the \$28M on the priority list for the future.

The \$64M was enough to cover Beaverbrook and Housatonic. The additional appropriation will cover those things that were originally included in the project which then fell off because of the time period and the escalation of costs such as the upgrade of

the various pump stations, various force mains, the Beaverbrook siphon, the East Broadway pump station, the repair of the Indian River interceptor, East Broadway interceptor and all other items that are listed. Mr. Bergami asked the Mayor that when we get to a point where the City becomes State-of-the-Art then will the City start getting revenues from nitrogen credits and the Mayor answered yes. The Mayor stated that it should start turning around this year. A discussion continued about nitrogen credits and the sewer and wastewater system. Motion carried unanimously.

H. Mr. Bergami and Mr. Fitzpatrick made and seconded a motion amending an Ordinance Appropriating \$3,300,000 for the East/West Interceptor Replacement and Authorizing the Issuance of \$3,300,000 Bonds of the City.

The Mayor stated that this is also an amendment for the section of pipe that runs from Pearl Hill to the West Avenue pump station and more than 65% of the entire system flows through that particular pipe. The City is actually asking for an additional \$950,000. Mr. Lema recused and the other members approved the motion making it 3 to 0.

Staff Report – Ms. Doneiko stated that they will be having a note sale on April 24 for over \$13M worth of notes. The next time the Board meets Ms. Doneiko will let them know the result of that sale.

Being no further business to discuss, the meeting adjourned at 7:15 p.m.

Respectfully submitted,

Donna E. Holden  
Acting Recording Secretary