

TOWN MANAGER'S REPORT

To: Members of the South Windsor Town Council

From: Matthew B. Galligan, Town Manager

Subject: Town Manager's Report for 1/17/17 Town Council Meeting

Date: January 13, 2017

Funding for Drainage Projects

Edwin Road and Ridge Road have serious drainage issues. An engineer will be reviewing these two locations. As you know, the Governor will hold off LoCIP funding starting in March 2017, and we were going to utilize LoCIP funding for these drainage issues. In February, we will be floating bonds and some notes and possibly deposit some premiums into the Capital Non-Reoccurring Account. In March, we could have a public hearing to discuss funding the two drainage projects. We are working with staff to make this happen, and I suggest waiting to see how the funds pan out after the bond issue in February.

Truck Traffic and Avery Street Guardrail

Councilor Pendleton requested a discussion about truck traffic Oakland Road and Sullivan Avenue and a guardrail on Avery Street. We have previously tried to resolve the issue of truck traffic on Oakland Road and Sullivan Avenue, and the Police Department spoke to many companies that utilize the road with their trucks. Those are State roads and open to commerce, and there was a major lawsuit years ago on the limitation of truck traffic on certain Town roads. The proposed limitation was determined to be a violation of commerce and anti-trust laws. Oakland Road and Sullivan Avenue roads are major thoroughfares to the Town. It is unfortunate, but all we can do is have the Police Department continue speaking to the various vendors about being good neighbors.

Also, I have visited the guardrail on Avery Street and spoken to Mr. Young. Our contractor, Town Engineer, Director of Public Works, and former mayor Tom Delnicki have also spoken to Mr. Young. The guardrail was placed in its location because of the

area's safety requirements. We have to wait six months for the guardrail to oxidize before we paint it. The paint color will help the guardrail blend into the background. There is no way that we can remove the guardrail at this point, and we have discussed that with Mr. Young.

Mower Resolution

There is a resolution to waive competitive bidding for a mower. This is a secondhand mower, and it is hard to go out to bid for this item. It is a very attractive mower for the Town at a much-reduced price. This mower will allow us to maintain an area of Town that the Department of Energy and Environmental Protection has agreed to mitigate near I-291. We will be able to complete this project in-house instead of paying a vendor yearly to maintain it. We will go into further explanation when the Council reviews the resolution on Tuesday night.

Contingency Transfer

I am asking for a transfer of \$14,400 from contingency to the Health Department. There is a health issue in the Town of South Windsor that I cannot discuss due to disclosure reasons but that the Town is obligated to handle. We will use this money as required by our Health Department regulations as well as placing liens to recoup the money in the future. The situation involves the cleanup of a property, so the lien will be against the property. On Tuesday, I will try to expand further, but I need to be careful, as it is a sensitive issue.

Sewer Fees

At the last Council meeting, I gave the Town Council a plan for the sewer fees payments. I would like to recap the plan. The company that the WPCA has hired will take care of all outstanding sewer liens to date. On February 15, anything that is current from the most recent sewer billing will be put out in liens. The constables will have 60 days to collect those current liens. If they are not collected after 60 days, the liens will go to the firm for their collection process. The current collection rates are 92-93% for those fees. I believe the use of the outside collection agency will bring the collection

rates higher. I am not sure why this became such a big issue as collection rates are appropriate compared to other towns' water rates, sewer rates, and utility collection processes. The WPCA has no authority to cut off service, so we do the best we can to ensure payment of sewer fees.

Tax Incentives

There are four tax incentive programs for your approval. Two of these incentives are for the same business in two phases. We discussed these at the last Town Council meeting. I sent a memorandum to you in December regarding these incentives. All three businesses are local businesses looking to expand their facilities.

School Referendum

Mr. Don Gonsalves raised an issue about the school referendum going out in March 2017. First, the 33-34% reimbursement rate used is on the lower side, and it could be higher. The rate was discussed with the State Department of Education. The Superintendent had numerous meetings with the Department of Administrative Services, and the Department relayed to the Superintendent that was the reimbursement rate for this referendum. The Chairman of the Education Committee for the State Legislature said there are school districts that have already been approved at these rates. If the referendum passes in March, the rates will be solidified if the Superintendent submits the budget and receives approval for the end of the fiscal year in June.

The incremental costs have been an issue for years. The Town Council, in their financial consideration, has always managed debt service and capital together. In 1996, when I first started working for the Town, when debt went down, capital was increased to manage capital needs, ensuring the budget would not have various spikes. We have always used incremental costs, as that has been the Town Council's policy. The Official Statement shows the costs that go out for public bids and bonding. I will put a copy of the analysis done by our independent bond counsel in your packet so you can see the cost of the project as well as the tax effects.

Proposed Town Council Agenda Revisions

The Clerk of the Council and I will be working together to review the Council's agenda items that were discussed at the last meeting. We will review the entire agenda process and suggest a few agenda changes for the committee, once formed, to review. The Council would then be able to make suggestions as well. This should expedite the process. I understand where Mr. Gonsalves is coming from, and I would like to help make the Council meetings run as effectively and efficiently as possible.

Financial Discussion for February 6

The Town Council received the Audit Report at the previous meeting. At the February 6 meeting, I would like to have a discussion with the Town Council regarding the Town's financial condition and how well we fared during the last audit. I think it will be a great discussion, and the public can see the fiscal responsibility that the Council exercises in order to keep our financials in tiptop shape.

Proposed State Tax Structure Revisions from CCM

The Governor's State of the Union Address indicated that local governments might be drastically cut in the upcoming budget. I relayed that information to our staff as we prepare our budgets. In addition, I want to bring to your attention that CCM has put together a package adopted by the Board of Directors that proposes to revise the tax structure in the State of Connecticut. The revisions would help municipalities stay whole while giving more revenue to the State of Connecticut without raising property taxes. Property taxes are the most burdensome on our taxpayers, and we feel that restructuring these other revenues would better serve municipalities and our residents. A preliminary newspaper article was leaked and does not describe the final product. However, the final product was approved at our meeting on Tuesday, and there will be a CCM campaign starting shortly in order to finalize the report and send it to the legislators. Our aim is to sit down as a working group with the legislators to make changes that will benefit the entire State of Connecticut as well as municipalities.

CRT Budget Request

The Community Renewal Team has sent out a letter to mayors asking for an additional \$11,000 for elderly nutrition in the current budget. We are waiting to see what the increase will be for 2017/2018. Staff from various towns have met with CRT to get a handle on the situation. I have had a discussion with Andrea Cofrancesco, but we cannot do anything until we receive an official letter sent to mayors asking for additional funds for 2017/2018. When we receive the letter, Andrea and I will review the situation and make appropriate recommendations to the Town Council.

Mayor and Deputy Mayor Elections

With regard to the last Council meeting with the election of the new Mayor and Deputy Mayor, I want to make it very clear that there are no requirements, rules, or regulations for the highest vote getter and second-highest vote getter of the majority party needing to be Mayor and Deputy Mayor. I believe this has been a tradition of past Councils. If the Council wanted to nominate a Councilor from the minority party to be either Mayor or Deputy Mayor, it is possible.

In addition, if no one is interested in those positions when a Mayor or Deputy Mayor leaves, they do not have to move up automatically. Somebody else can ask for the position and gain approval from the Town Council. I wanted to make it very clear that there are no specific rules, and it has been a tradition to replace these positions in this manner when someone resigns or leaves office.