

**TOWN COUNCIL MINUTES
BUDGET/MANAGEMENT COMMITTEE
Town Hall Council Chambers
April 19, 2007**

Present: Kenneth J. DiFazio, Chairperson
Paul J. Leary, Vice Chairperson
Sue Kay
Patrick O'Connor
Michael Molisse

Also Present: Jane Hackett, Chief of Staff
Robert O'Connor, Director of DPW
Richard Swanson, Auditor
James Wilson, Chief Financial Officer

Recording Secretary: Janet Murray (not present at meeting)

Chairman DiFazio called the Budget/Management Committee Meeting to order at 6:45pm.

Review/Discussion of Department of Public Works and Water and Sewer Budgets

Mr. O'Connor responded to the list of questions from Mr. Swanson.

Mr. O'Connor handed out an organizational chart. He noted that there are small changes one of which is in the labor pool. He also noted that the re-organization allowed for an increase in the labor pool as more employees are listed in one group. The general foreman position has been replaced with a supervisory position. The total number of employees has not changed.

Ms. Hackett noted that 100% of Ms. LaCroix's compensation will be charged to Management/Administration.

Mr. O'Connor noted that the decrease in salaries is the result of a retirement. The employee was at a higher rate of pay and the replacement is at a lower rate.

Mr. O'Connor noted that the decrease in clothing allowances is the result of a retirement which occurred after the budget was calculated.

Mr. O'Connor stated that there is no rent associated with street & sidewalks. He noted that this listing was the result of an error.

Mr. O'Connor noted that there appears to be a decrease in the refuse collection from FY 07 to FY 08. He noted that this is the result of FY 06 costs being paid in FY 07.

Mr. O'Connor noted that for FY 08 building maintenance electricity, the FY 07 carryover is not included. He stated that this is the case in a number of line items.

Mr. O'Connor noted that reorganization is what caused the increase in parks and playgrounds salaries.

Mr. O'Connor stated that the street lighting budget decrease is the result of carryover from 06 to 07; no street lights will be turned off.

Mr. O'Connor stated that eight (8) seasonal workers are hired for 8 weeks at 40 hours per week at approximately \$12.00 per hour. This is needed because of vacations.

Mr. O'Connor stated that sewer rates will increase by 6%. This is the result of a four (4) year plan; the town is currently in year four of this plan. The numbers are historically based.

Mr. O'Connor noted that there are not as many new connections to utilities are projected to be made. He stated that this amount is an estimate.

Mr. O'Connor noted that as construction projects are completed, money in bank accounts decreases, thus the interest income from these accounts decrease.

Mr. O'Connor stated that the Libby Parkway pump station is driving part of the increases in electricity and gas.

Mr. O'Connor stated that the water treatment sludge increase is the result of lagoon dredging. The sludge is dried out, and then shipped out to be used elsewhere as landfill.

Mr. O'Connor stated that capital repairs are not being budgeted for. This will be addressed, as needed, over the course of the year.

Mr. O'Connor stated that condo billing issues are no longer an issue as condo water meters are radio controlled and the condos are billed monthly.

Mr. O'Connor stated that one employee has indicated his intent to retire. The retirement reserve item is an attempt to plan for this. The sick time buyout is 20% or \$3000 maximum.

Mr. Swanson noted that there would be weeks available from the employee's line item if that person vacated the position. Mr. O'Connor stated that this position would need to be filled immediately.

Ms. Hackett noted that the Mayor would like to acknowledge that there has been a tremendous amount of work done in the DPW/Water and Sewer Department. She stated that the reorganization plan has changed the manner in which the DPW employees view their roles in the community and these changes have been positive in nature.

07 049-Capital Projects from Sewer CP Residuals Account

These are numerous projects in several parts of town which need to be done to continue maintaining the town's sewer system. I & I stands for inflow and infiltration.

Councilor DiFazio asked if the projects are on the Capital Improvement Plan (CIP). Mr. O'Connor stated that they are on the CIP.

Mr. O'Connor stated that these are engineering costs and not construction costs.

Ms. Hackett noted that these projects are not DEP mandated rather they are the town's initiative.

Mr. O'Connor stated that there are ejector stations to be replaced at Carlson Cove, Lake Street, Iron Hill Road, and Roosevelt Road.

Councilor DiFazio stated that there is a resident on Commercial Street who has a manhole right next to his house. He noted that the manhole is gushing water and sewerage. The noise and smell are unbearable.

Mr. O'Connor stated that although the Essex Street project is basically completed, there is still work that needs to be done at Montcalm. It is believed that this will resolve the problem. The process to resolve the Montcalm issue could take as long as three (3) years.

Mr. Swanson questioned the amounts for the four (measures).

I&I costs are taken from engineering design estimates, Montcalm engineering review, pump stations and ejector stations costs are from bids.

Councilor Leary noted that this item requires a public hearing.

A MOTION was made by Councilor O'Connor to send item number 07 049 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Kay and was UNANIMOUSLY VOTED.

07 050-Bond Request for Sewer I&I

It was noted that a bond request requires a 2/3 vote.

Mr. Wilson stated that this request reflects the amount of money to be received from a state program. He noted that the Montcalm review would be included in this request.

There are \$1.2 million worth of projects. Once completed, the state will reimburse the town for 45% of the costs. The exact amount to be bonded is determined when the state approves the grant payment. The amount to be bonded is expected to be \$660,000.

Mr. Wilson stated that there is a specific time frame which must be met in order to stay on the state's list for reimbursement.

07 053-Water Enterprise Fund – Bond Authorization for Design & Construction for New Great Pond Water Treatment Plant

This is a \$5 million request to be added to the previously requested \$30 million due to unforeseen additional work to be done. It was noted that the project is at 60% design completion.

Mr. Olsen gave a presentation regarding the new treatment plant.

07 054-Great Pond Water Treatment Plant Decommissioning, Borrowing Request

Mr. Wilson stated that the lagoon decommissioning will be done in two parts. The cost was originally estimated at \$2 million but the actual cost is \$2.6 million. This is not part of the treatment plan. It is part of the DEP order to have the lagoons taken off line. The town is behind in the process.

Decommissioning of the lagoons involves dredging, dewatering, transporting and disposing of about 10 million gallons of sludge that has accumulated over the past 15 years. Some of the sludge has spilled over into the pond. This sludge must be dredged. A bid has been received.

At 8:45pm, there being no further business, A MOTION was made by Councilor Leary to ADJOURN and was seconded by Councilor Kay and UNANIMOUSLY VOTED.

Approved by: _____
Kenneth J. DiFazio, Chairperson