

**CITY OF NORWALK
FINANCE/CLAIMS COMMITTEE
REGULAR MEETING
JUNE 9, 2016**

ATTENDANCE: Bruce Kimmel, Chair; John Igneri, John Kydes, Shannon O'Toole-Giandurco, Nick Sacchinelli, Travis Simms

OTHERS: Council Member Steve Serasis, Fred Gilden, Comptroller; Lisa Biagiarelli, Tax Collector; Karen DelVecchio, IT Director; Fire Chief Laurence Reilly; Deputy Fire Chief Al Bassett; Robert Barron, Finance Director; Thomas Hamilton, BOE Finance Director; Michael Stewart, Tax Assessor; Michael Lyons, BOE Chair; Tim Callahan, Health Department Director; Pamela Augustine-Jefferson, Norwalk BOE Pupil Personnel; Bill Ireland, Building Inspector; Michael Wrinn, Planning and Zoning; Craig Schmidt, City of Norwalk Risk Manager

CALL TO ORDER.

Mr. Kimmel called the meeting to order at 7:07 p.m. A quorum was present.

PUBLIC PARTICIPATION

No one present wished to address the Committee at this time.

**APPROVE THE MINUTES OF THE FOLLOWING FINANCE
COMMITTEE MEETING:**

May 12, 2016

**** MR. IGNERI MOVED THE ITEM.**

The following corrections were submitted by Ms. Hebert:

Page 2, under **Approve FY 2016-17 Parking Authority Budget**, please change the following from: "Ms. Hebert said the lot was not involved at all."

to: "Ms. Hebert said the parking lot is currently not included in the plan."

Page 3, paragraph 4, please change the following from: "Ms. Hebert said that Mr. Chimento is her boss and oversees the process."

to: "Mr. Igneri asked who oversees the creation of the budget. Ms. Hebert said

she works together with the Director of Public Works, Mr. Chimento and presents the budget to the Parking Authority for discussion and approval. Mr. Chimento gave an overview of how the budget is created."

Page 3, paragraph 5, please change the following from: "Ms. Hebert said that they manage the garages and the \$100,000 management fees has not changed. There are no City employees involved in the Parking Authority."

to: "Mr. Kydes asked what role LAZ plays. Ms. Hebert said that they manage on and off street parking and the garages and the \$100,000 management fee has not changed for many years."

Page 3, paragraph 9, please change the following from: "Mr. Kydes asked about the Personnel and Benefits. Ms. Hebert said that there were 30 employees. Mr. Kydes asked about hiring process. Ms. Hebert said that the LAZ employees are required to do a variety of tasks, such as customer service, maintenance, landscaping, repairs and other items. Mr. Kydes asked about the 9% increase. Ms. Hebert said that there has been an increase in staff and they are working on increasing customer use in the Wall Street area. Mr. Chimento said that LAZ was a Connecticut company that was created by two men in Hartford who were running a parking lot."

to: "Mr. Kydes asked about the Personnel and Benefits. Ms. Hebert said that there are 30 FTE employees. Mr. Kydes asked about the hiring process. Ms. Hebert said that the LAZ employees are required to perform a variety of tasks, such as customer service, office tasks, maintenance, landscaping, building and equipment repairs, enforcement, cleaning, customer service, outreach, permit and ticket processing among other tasks. Mr. Kydes asked about the 9% increase in the salary line item. Ms. Hebert said that the budget includes additional customer service and ambassadorial staff in both the Wall and SoNo Districts. LAZ was a Connecticut Company that was created by two men in Hartford who were parking cars on a parking lot."

Page 4, please change the following from: "Mr. Sacchinelli asked what the \$100,000 managerial fee covered. Ms. Hebert said that the fee covered the cost of the back office in terms of checks and salaries."

to: "Ms. Hebert said that the fee covered the cost of the back office for tasks such as a project management staffing, general and administrative services, financial, accounting, technology, data and purchasing analysis."

Page 5, please change the following from: "Ms. Hebert said that she did not know. Mr. Kimmel asked if there would ever be a point where LAZ would have to readjust their costs downward. Ms. Hebert said that while the investments on the

equipment would decrease, there would still need to be ambassadors to work with customers. The revenue goes back into the general fund for the Parking Authority for use by the Parking Authority.”

to: “Ms. Hebert said that new innovations are discussed and analyzed and it is important that the Parking Authority always continue to look ahead and reinvest into city assets and the community. Mr. Kimmel asked if there would ever be a point where LAZ would have to readjust their costs downward. Ms. Hebert said that while the investments on equipment may decrease in the future with the increased use of technology, there would still be need to have staff to assist the public. Net revenues are reinvested into the parking system and the community.”

**** THE MOTION TO APPROVE THE MINUTES WITH THE SUBMITTED CORRECTIONS PASSED WITH FOUR IN FAVOR (KIMMEL, KYDES, IGNERI, AND SACCHINELLI) AND TWO ABSTENTIONS (O'TOOLE-GIANDURCO AND SIMMS).**

Authorize the Mayor, Harry W. Rilling, to execute all documents necessary for the City of Norwalk to be a fiscal agent to the new School Readiness provider for the Ben Franklin and Nathaniel Ely sites.

**** MR. IGNERI MOVED THE ITEM.**

Mr. Hamilton, the Board of Education Finance Director, came forward to answer questions. Mr. Kimmel said that he wanted to know why only the \$1.4 million was being mentioned rather than the whole \$5.4 million. Mr. Hamilton said that the \$1.4 million was for the new School Readiness providers, Odyssey. Mr. Serasis asked if the program had lost some slots. Ms. Pam Augustine-Jefferson came forward and said that there would not be a loss of slots.

Mr. Simms asked if there would be a break in services. Ms. Augustine-Jefferson said that the Housing Authority would be closing the program early. She said that they had expected to have the program run through June 30th, but Odyssey would not start until July 5th.

Mr. Serasis asked if there would be wrap around services that would allow the parents to pick up the students. Ms. Augustine-Jefferson replied that the wrap around program was a different grant and involved the Head Start Program.

**** THE MOTION PASSED UNANIMOUSLY.**

**Receive Board of Estimate and Taxation Appropriation dated: June 6, 2016:
Resolved that a sum not to exceed \$150,000 be and the same is hereby transferred from Fund Balance to fund a Special Revenue Special Education Development**

Fund.

**** MR. KYDES MOVED THE ITEM.**

**** MR. SACCHINELLI MOVED TO AMEND THE ITEM TO CORRECT THE AMOUNT FROM \$1,50,000 TO \$1,100,000.**

**** THE MOTION TO AMEND PASSED UNANIMOUSLY.**

Mr. Kimmel then gave a brief history about the CREC Report and the need to reduce the Special Education Out of District placement costs. He said that the Committee was not present to discuss the Memorandum of Understanding, which is yet to be worked out, or the money that had already been spent. Mr. Kimmel said that there had been extensive discussion on those topics previously.

Mr. Barron clarified that the BET had stated that the \$1.1 was subject to a three year memorandum of understanding. He said that the entire resolution should be forwarded to the full Council. Mr. Kimmel noted that what would be presented at the next Council meeting would be slightly different.

Mr. Michael Lyons, the Chairman of the Board of Education, said that he would like to support Mr. Barron's statement and was pleased to see this item moving forward.

Mr. Kimmel said that ten years ago, this type of collaboration would not have been possible. He said that the City and the School District was moving forward in addressing the Special Education issues.

**** THE MOTION TO APPROVE THE ITEM AS AMENDED PASSED UNANIMOUSLY.**

Authorize the Mayor, Harry W. Rilling, to execute General Liability, Automotive Liability, UM/UM, Employee Benefits Liability, Law Enforcement Liability, Public Officials Liability, School Leaders Liability, Umbrella Liability, and Automobile Physical Damage insurance placements for the one year period beginning July 1, 2016 with Connecticut Interlocal Risk Management Agency (CIRMA) for an amount not to exceed \$486,099 for FY 16-17. Account # 161343-541N, 165053-541N.

Authorize the Mayor, Harry W. Rilling, to execute Commercial Property and Boiler & Machinery insurance placements for the FY 2016-17 with A. J. Gallagher for an amount not to exceed \$475,000. Account # 161343-541N, 165053-541N.

Authorize the Mayor, Harry W. Rilling, to execute Excess Workers' Compensation insurance placements for the FY2016-17 with H. D. Segur, Inc. for an amount not to exceed \$147,175. Account # 161343-541N, 165053-541N.

Authorize the Mayor, Harry W. Rilling, to execute Crime Insurance placement for

FY 16-17 with CIRMA for an amount not to exceed \$2,626. Account # 161343-541N, 165053-541N.

Authorize the Mayor, Harry W. Rilling, to execute Flood insurance for seven (7) separate locations and placements for the FY 2016-2017 with National Flood Insurance Program – Middlesex Mutual Assurance Co. for a total amount not to exceed \$78,017. Account # 161343-541N, 165053-541N.

Authorize the Mayor, Harry W. Rilling, to execute TULIP insurance placement for the FY 2016-17 with Shoff Darby for a total amount not to exceed \$9,000. Account # 161343-541N, 165053-541N,

**** MR. IGNERI MOVED THE SIX ITEMS.**

Mr. Barron introduced Mr. Craig Schmidt, who is the City's full time Risk Manager. Mr. Schmidt has been working for the City for the last year. Prior to this, the City has a contract with an outside agency and the agent was only in City Hall one day a week. Having Mr. Schmidt on staff has proven valuable because the department heads can check in with him on various matters.

Mr. Schmidt came forward and said that the insurance programs are meant to protect the City. He then reviewed the liability insurance which is with CIRMA since the 1998 and gave a brief overview of the history of CIRMA. He then reviewed the Property Insurance, which had just gone out to bid two years ago; Excess Workers' Comp; the Crime insurance coverage; Flood insurance and the TULIP insurance with the Council Members.

Mr. Kydes asked about when the various insurance packages go out to bid. Mr. Schmidt gave a brief overview of the process. A discussion followed about the pros and cons of staying with insurance companies and the kinds of increases to be expected, along with clarification on what the Crime Insurance would cover.

Mr. Igneri asked for clarification on the TULIP coverage. Mr. Schmidt said that it was Tenant and Users Liability Insurance Policy and gave a brief overview of how this type of policy functions. Discussion followed.

**** THE MOTION TO APPROVE THE SIX ITEMS PASSED UNANIMOUSLY.**

Discussion Item: Discuss the possibility of hiring a company to verify to which cars should be registered in Norwalk so that the property taxes are properly paid on them.

Mr. Kimmel then gave a background on the vehicles that qualifies for beach passes. There are rental vehicles that have out of state plates and may not be paying taxes to the

City. Mr. Barron had some information regarding how West Haven handles it.

Mr. Barron and Mr. Stewart came forward. Mr. Stewart distributed information about the companies. Mr. Barron said that he was in West Haven in 2007 and MTS had just been terminated. There were many issues surrounding the program. Mr. Barron then reviewed the figures on the document that had been distributed.

Mr. Barron said that while the financial net gain would be around \$755,000 would be worthwhile, but cautioned the Committee members that there could be many residents who felt it would be an invasion of privacy. He also pointed out that there are some times when vehicles are registered out of state because the owner is an out of state student. Clearing up something like this could take a long time and erode the net gain. He said however that he had read other articles where Tax Collectors have said that this type of program did increase the grand list.

Mr. Stewart said that one problem would be determining what would be the baseline for determining whether or not a vehicle was properly registered in Norwalk. He gave several examples of potential issues where a vehicle is registered in one town but the vehicle may be found in another community frequently. He suggested that the City allow the owners who have primary residences in Norwalk to voluntarily come forward to pay the tax.

Questions were raised about those who lease vehicles or have company cars. Mr. Stewart said that if someone has a vehicle belonging to a company and has it in Norwalk frequently over the baseline, they should be paying Norwalk vehicle taxes.

Mr. Igneri asked how the vendor was going to investigate the vehicles. Mr. Stewart said that this was his biggest concern because it would take a great deal of work to track a vehicle. Mr. Igneri said that there was a growing number of people who owned homes or property in other states. Mr. Stewart said that if the vehicle was in Norwalk for 90 days, then the resident would be paying a full year's tax. Discussion followed.

Mr. Barron said that if the vehicle was registered out of state, it would be registered as personal property. Mr. Simms wished to know what would happen that if he had a rental for four months and then paid the full years taxes, turned the vehicle back to the rental agency and then it was rented to someone else who had it for more than four months. He pointed out that the City would be collecting another year's taxes on the same vehicle. Mr. Stewart said that when the vehicle was turned in, the paper work could be taken to the Tax Assessor's Office and the taxes would be pro-rated. However, Ms. Biagiarelli cautioned everyone that if the vehicle was registered as personal property, it could not be pro-rated by State law.

Mr. Serasis said that many of the vehicles that go to the beach or use the dump are registered out of state and by charging those drivers a fee, that would be better than

having a company checking on the vehicles parked on the street and in private driveways. He spoke at length about the issue and pointed out that about 20-30% of the vehicles coming to the beach were not registered in Norwalk.

Mr. Bill Ireland, the chief Building Inspector, said that back in the 1990's, a proposal to have out of town passes had been presented and the Council did not approve it. Discussion followed.

Mr. Kimmel said that he would like to send this item back to Ordinance for further research on what the Council could ask for and for a proposal to present to the full Council.

Mr. Sacchinelli said that for the record that having a company charge \$50/vehicle would encourage the company to create a case and would not be realistic.

Mr. Kimmel said that this would be on Ordinance agenda in a few weeks. He added that he had strong reservations about moving in this direction.

CLAIMS COMMITTEE

Claims Committee: receive the monthly Claims Report, review and approve claims as required for the Claims Report dated: June 2, 2016.

Ms. Biagiarelli said that there was one special request that was in excess of \$15,000. She reviewed the details with the Committee.

**** MR. SIMMS MOVED TO APPROVE THE CLAIMS AS REQUIRED FOR THE CLAIMS REPORT DATED JUNE 2, 2016.
** THE MOTION PASSED UNANIMOUSLY.**

Narrative on Tax Collections dated June 9, 2016. Receive Report and discuss.

Ms. Biagiarelli said that the current collection was at 99% at the end of May. She requested that the Council Members send her an email when they receive their tax bill so she can track the mailings.

The tax sale is five weeks away and Ms. Biagiarelli displayed a four page ad that was published in The Hour earlier in the day. She said that there were only 59 properties remaining in the sale because the other owners had paid their bills.

Monthly Tax Collector's Report - Receive Reports and discuss: May 31, 2016.

Ms. Biagiarelli said that the DMV has discovered a problem with the numbers assigned to the tax codes for the vehicles. The current tax bills may have incorrect number for the

vehicle and the residents must check their town codes. Norwalk's Tax Code is 103. If the town tax code is incorrect, the resident must contact the Tax Collector in the incorrect town to remove the vehicle from their lists and change the codes.

She added that the tax bills are now available on the City website and the residents can pay anytime they wish to do so.

Mr. Barron pointed out that since motor vehicles are moveable, the collection rate is much lower, which in turns pulls down the overall collection rate.

Authorize the Mayor, Harry W. Rilling, to execute a Software License and Service Agreement with Software Consulting Associates for the licensing and services of MuniCity for a cost not to exceed \$153,199.00. Accounts 09120600-5777-C0375 and 013410-TBD.

Authorize the Mayor, Harry W. Rilling, to sign a Letter of Agreement regarding the agreement of Software Consulting Associates, CRCOG, and the City of Norwalk, as one of the members of the IT Services Cooperative, commencing June 23, 2016 and ending June 30, 2021, with additional one year option to renew.

**** MR. SACCHINELLI MOVED THE TWO ITEMS.**

Ms. DelVecchio, Mr. Bill Ireland and Mr. Michael Wrinn came forward and gave an overview of the software packages for the Inspectors and Code Enforcement staff. Ms. DelVecchio said that the previous company unexpectedly went out of business. The Building Department and Planning and Zoning have continued to work with the program they have but there is no longer any technical support.

**** THE MOTION TO APPROVE BOTH ITEMS PASSED UNANIMOUSLY.**

Authorize the Mayor, Harry W. Rilling, to submit an application to the State of Connecticut Department of Emergency Services and Public Protection for grant funds for Emergency Management Performance Grant which is approximately \$37,000.

**** MS. O'TOOLE-GIANDURCO MOVED THE ITEM.**

Fire Chief Reilly and Deputy Fire Chief Al Bassett came forward. Deputy Chief Bassett explained the funding process and said that the team could not accept the funding directly. The request is for the City to accept the reimbursement funding. Deputy Chief Bassett said that the mutual aid communities have asked Norwalk to front the funding for this particular grant because Norwalk is the largest of the communities and has the resources to handle the finances.

**** THE MOTION TO APPROVE THE ITEM PASSED UNANIMOUSLY.**

Resolution: Approve a Special Capital appropriation in the amount of \$83,000 to fund the Removal of Underground Storage Tanks (09163110-5777-C0542).

**** MR. SACCHINELLI MOVED THE ITEM.**

Fire Chief Reilly said that the Department does not use the underground tanks and they were in place when the department took over the property. He gave the background history of the issue and explained that there was 360 tons of contaminated soil, much more than anyone expected.

**** THE MOTION TO APPROVE THE ITEM PASSED UNANIMOUSLY.**

Closeout of the following Capital Project, Health Department Security System Replacement with an available balance of \$6,400 (Account: 09152012-5777-C0552).

Resolution: Approve a Special Capital Appropriation in the amount of \$6,400 to fund HVAC repairs at the Health Department building (Account: 09162012-5777-C0453).

**** MR. SIMMS MOVED THE TWO ITEMS.**

Mr. Tim Callahan came forward and said that a decision was made to use a different company for the HVAC system and the original design that had been done was not usable. He also said that there was an intake vent that had collected a large amount of leaves and debris that required the contractor to spend the entire day pulling leaves out of the pit. He said that a simpler solution has been proposed.

**** THE MOTION TO APPROVE BOTH ITEMS PASSED UNANIMOUSLY.**

Receive Oak Hills Authority Monthly Financial Statements for April 30, 2016.

Mr. Barron said that the year to date July thru April, the Authority has seen \$113,000 increase in revenue, but they have \$160,000 more in expenses. May and June are major revenue months for the course and Mr. Barron said that he believes that these expenses were in preparation for the season. The debt service payments are on target.

Mr. Kimmel asked about the three year Memorandum of Understanding and the wording of the resolution that would be presented to the full Council. Mr. Barron reviewed the details of the resolution with the Committee.

ADJOURNMENT.

**** MR.IGNERI MOVED TO ADJOURN.
** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:58 p.m.

Respectfully submitted,

S. L. Soltes
Telesco Secretarial Services