



TOWN OF MIDDLEBURY

Office of the Selectmen

MINUTES MEETING OF THE BOARD OF SELECTMEN Tuesday, January 19, 2016 – 6:00 p.m. Town Hall Conference Room

Present: Edward B. St. John, First Selectman
Elaine M. Strobel, Selectman
Michael J. McCormack, Selectman

Also Present: Attorney Robert Smith
Attorney Dana D'Angelo
Larry Hutvagner, Chief Financial Officer
Dan Norton, Public Works Director
Betty Proulx, Recreation Director
Rita H. Smith, Board of Finance
Bill Stowell, Board of Finance
Barbara Whitaker, Recording Clerk
Rich Brown
Joe DeSantis
Tom Proulx

Call to Order with Pledge of Allegiance

The meeting was called to order by the First Selectman with the Pledge of Allegiance.

Approval of Minutes of January 4, 2016

The First Selectman MOTIONED to approve the minutes of the January 4, 2016 meeting, SECONDED by Selectman Strobel. Unanimous approval.

Tax Rebates

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| Hyundai Lease Titling, Fountain Valley, CA | \$241.24 |
| Vault Trust, Bloomington, MN | \$259.01 |
| Lawrence J. Pelletier, Middlebury, CT | \$40.66 |
| Shirley Y. Yip, Middlebury, CT | \$6.23 |

The First Selectman MOTIONED that the above-mentioned tax rebates take their normal course, SECONDED by Selectman Strobel. Unanimous approval.

Resignation

The First Selectman MOTIONED to accept the resignation of Marc D. Carroll (R) as a member of the Public Works Commission. Selectman McCormack said that Mark was a terrific member and he was a very knowledgeable member of the Public Works Commission, and he took the minutes. SECONDED by Selectman Strobel. Unanimous approval.

Appointments

The First Selectman MOTIONED to appoint Peter C. Vaccareli (R), as a member of the Public Works Commission replacing Mark D. Carroll for a term from January 19, 2016 through December 18, 2018, SECONDED by Selectman Strobel. Unanimous approval.

The First Selectman MOTIONED to appoint Jeffrey John Grosberg (R), as a member of the Planning and Zoning Commission for a term from January 19, 2016 through September 20, 2016, SECONDED by Selectman Strobel. Unanimous approval.

Discussion and Consideration

Call of Town Meeting

Independent Living Solutions Lease at Lower Level of Middlebury Library

The First Selectman stated that the Town received a proposed lease from the broker, and in turn the Board of Selectmen voted to move this business onto the Planning and Zoning Commission. The Planning and Zoning Commission made a favorable referral; now the next step is to move the lease to a Town Meeting.

At this time the First Selectman opened the floor to comments. There were no comments.

The First Selectman MOTIONED to call a Special Town Meeting on Monday, February 1, 2016 at 6:30 p.m. at the Shepardson Community Center, Room 26, SECONDED by Selectman Strobel. Unanimous approval. A copy of the Call of Town Meeting is attached, and Bill Stowell has agreed to be the Moderator. The Board of Selectmen's meeting will be held at 6:00 p.m. before the Special Town Meeting at the Shepardson Community Center in Room 26.

Assistance to Firefighters Grant (AFG)

the First Selectman stated that the Fire Department applied for a firefighters grant. They applied in the past and have been unsuccessful. First Selectman St. John stated that the Town is using a grant consultant, Kathleen O'Neil and Associates. The purchase will be for self-contained SCBA's; if someone is down, there is an immediate alarm. The Town is making an over \$200,000 requests for the packs. The First Selectman said that the grant is very competitive, as there are many Departments all over the country applying for this grant.

The First Selectman MOTIONED to accept the Resolution and grant application for the Assistance to Firefighters Grant (AFG); SECONDED by Selectman Strobel. Unanimous approval.

STEAP Grant Application

The First Selectman stated that the Town is applying assistance from this STEAP grant for the repaving of Bioski Road and Ravenwood Drive. This will also bring down the dollar amount of the Capital Improvement Plan.

First Selectman MOTIONED to approve the STEAP Resolution and Grant Application, SECONDED by Selectman Strobel. Unanimous approval.

Inter-Town Capital Equipment Purchase Incentive Program (ICE)

The First Selectman referenced the attached narrative prepared by Dan Norton, Public Works Director dated January 8, 2016. This program has been in effect since 2011. There are several Towns that are taking advantage of this grant money. The grant pays a portion of money for equipment purchased for two or three towns. This process has been started with Woodbury and Southbury. Woodbury has backed out.

At this time Mr. Norton requested that the Board to take the next step in the application process to commit to the Town of Middlebury's share for the purchase price of this equipment. Selectman McCormack said he discussed this with Mr. Norton last week; and he does not agree with the third scenario. Selectman McCormack said that Mr. Norton came up with a savings of \$300,000 and he came up with a savings of \$1,500 to \$2,000. However, Selectman McCormack stated that if there is a problem, it can be rectified quickly and it gives the Public Works Director the opportunity to take care of problems.

Selectman Strobel asked if the Town would be able to apply for another grant. Mr. Norton said that as time goes on he feels that you will see more of this type of shared service going on.

The First Selectman said the ICE Program was brought to his attention at a NVCOG meeting. There was a representative from Seymour who shared how this was working for them. The First Selectman said that he thought it works for Public Works it will work for other Departments. Town legal counsel has reviewed the agreement however; the Town does not have an agreement unless the Town of Southbury signs on. Woodbury declined because they felt they could use another type of equipment to better use. Middlebury already owns this piece of equipment.

Selectman McCormack asked if this was going to be a continuing process and if the Town should set up a joint entity. Attorney Smith said that he will review the matter. He made a slight modification, changed it to "within two weeks of the executive agreement". The hold harmless agreement can be signed letter.

The First Selectman said that Selectman McCormack's suggestion makes sense, and that this agreement may be the "tip of the iceberg" of what is to come. This is a step in the right direction.

Attorney Smith explained that the hold harmless agreement is because the Town of Middlebury is going to be considered the holder of the property. When Southbury has it, they will be solely responsible for any injury or loss suits that occur with the use of this equipment while Southbury is in possession of it. Attorney Smith believes that OPM uses the same Inter-municipality Agreement. He feels that it makes more sense to sign the agreement first and then negotiate the terms of the hold harmless agreement.

First Selectman MOTIONED to approve, SECONDED by Selectman Strobel.
Unanimous approval.

Emergency Management Performance Grant (EMPG) Resolution

The First Selectman read aloud the attached Resolution and MOTIONED that the Resolution be accepted, SECONDED by Selectman Strobel. Unanimous approval.

Town of Middlebury Audit

The First Selectman stated that Selectman McCormack requested that this item be listed on tonight's agenda. Larry Hutvagner, Chief Financial Officer was present to pass out the worksheets for the budget. The First Selectman encouraged the Board to review the worksheets and be prepared with their suggestions at the February 1, 2016 meeting.

Selectman McCormack congratulated Mr. Hutvagner of a good audit. Selectman McCormack said that the newspaper mentioned that the Town had an unassigned fund balance of \$2.8m at the end of 2015. In 2012 we had an unassigned fund balance of \$3.9M; he asked what the difference was. Mr. Hutvagner said that last year we used \$331,000 in 2015; some of the monies were used in prior year balance towards revenue and one amount was nearly \$500,000.

Selectman McCormack asked if unassigned fund balance is considered like a savings account. Mr. Hutvagner said that is the only thing for us to spend. Selectman McCormack asked if Mr. Hutvagner could come up with amounts over \$500,000 that has been spent. Mr. Hutvagner explained that on government activities page (net positions) it shows Public Works spending going up from \$4.0 to \$5.5 million. Mr. Hutvagner said that this is the total government accounting for public works and it also includes depreciation. This is not cash flow. There are \$78 million in roads, it's our biggest asset, but we cannot sell the roads, it is not a real asset.

Selectman McCormack referenced page 13 of the budget. The water revolving fund has money due to the Town for \$765,000 dollars, that fund came in at a negative balance. Mr. Hutvagner explained that the Town has spent money on the Washington Drive project and they borrowed this amount. There have been agreements to work on amounts that have been paid, and are going to be paid.

Selectman McCormack referenced page 51 of the budget. He questioned the \$678,000 due to capital funds. Mr. Hutvagner said those monies are part of the water revolving fund.

Cashless System for Tax Payments

Selectman McCormack said that moving to a cashless system seems to make all the sense. Selectman McCormack stated that a lockbox is going to happen in this Town, and sooner or later and every Town in the state is going to go to a lockbox system. If interest rates go back to normal, the Town will make \$20,000 in interest each year. Selectman McCormack said that the Tax Collector does a good job, but it takes seven days for the checks to clear. He feels that in advance of a lockbox it would be good to a cashless system, maybe not for Parks and Recreation. He feels that it would make the Tax Collector's Department more efficient. Selectman McCormack stated that now, in the Tax Collector's office if you misplace a check, it can be replaced. If you misplace cash, it cannot be replaced. The security requirements are high by accepting a lot of cash and it is only asking for trouble. Selectman McCormack asked "Are we going to say we are different, or are we going to take steps to take away the mundane work of the Tax Collector?"

Selectman McCormack added that he feels the Town needs to move to a cashless system, because it will be much more efficient for the Tax Collector.

The First Selectman said that Selectman Strobel chaired the group to move to a lockbox however, Selectman Strobel said that nothing new has been done. She thinks they spoke with someone from the Redding area and that person loves it; Southbury had a fiasco with Wells Fargo, and now they have a new system and she hasn't heard anything about anything going wrong. Selectman Strobel said she knows that there are other Departments besides Park & Recreation like Social Services that collect money, and they need \$25.00 or less. Selectman Strobel said that the Committee can look into it more. The First Selectman asked when the last time was that the group discussed this. The First Selectman said that he has been privy to emails that indicate meetings that have been held on going to a lockbox and a lot of progress has been made.

The First Selectman said that there has been a lot of serious discussion that has gone on between the banks and the Tax Office. Mr. Hutvagner said that Ion Bank didn't have lockbox a year ago; however the Town has requested it. Ion Bank is now also

using Lighthouse and they are going to show the Town of Middlebury how to use it. The First Selectman said that this would be a trial working with Ion Bank on the lockbox.

Mr. Hutvagner stated that he and Jean Dawes, Tax Collector met with Ion Bank and Ion Bank asked the Town of Middlebury to be a part of their pilot program. This discussion started last February, but there have been ongoing discussions. Ion Bank wanted to show the Town what they have and wanted the Town to meet with the Lighthouse representatives. Lighthouse is in Massachusetts. Selectman Strobel asked when we would go cashless. Mr. Hutvagner said that there are some costs involved with going cashless. Selectman McCormack said that this could be avoided by paying with a check.

The First Selectman said he is very optimistic about it. He suggested that Selectman Strobel discuss this with the Chief Financial Officer and the Tax Collector to be caught up. Mr. Hutvagner forwarded emails from People's United Bank because they wanted to meet to discuss their lockbox; they have another lockbox in Brattleboro, VT and now they have one in Bridgeport, CT. The First Selectman said since the Town does business with Ion Bank it makes more sense to go with them.

Public Comments

None.

Adjournment

Selectman McCormack MOTIONED to ADJOURN the meeting, SECONDED by Selectman Strobel. Unanimous approval.

These minutes are submitted subject to approval.

Respectfully submitted,

Barbara J. Whitaker

Barbara J. Whitaker
Recording Clerk