

**NORWALK
FINANCE/CLAIMS COMMITTEE MEETING
JUNE 11, 2015**

ATTENDANCE: Bruce Kimmel, Chair; Jerry Petrini; Douglas Hempstead; David McCarthy; Shannon O'Toole-Giandurco (7:50)

ABSENT: John Igneri; David Watts; Travis Sims

STAFF: Thomas Hamilton, Finance Director; Lisa Biagiarelli, Tax Collector; Robert Baron, Director of Management and Budgets; Karen Del Vecchio, Director of Information Technology, Frederic J Gilden, Comptroller

OTHERS: Paul Cantor, Yvonne Lopaur, Scott Kimmich, Gavin Church, Diane Cece, Ernest DeRochers

The Chair called the meeting to order at 7:00 pm. A quorum was present.

1. Public participation

Mr. Paul Cantor said he believed the OHPA had been making two contradictory claims: first, that the restaurant was responsible for the financial troubles of the golf course and second, that the course needed to construct a driving range in order to be financially solvent. He cited numerous sources, from the New York Times to Golf magazine, stating that the sport of golf was on the decline and rapidly losing players and that numerous golf courses had recently gone out of business. He said it would be a waste of taxpayer money to subsidize the golf course. He urged council members not to waste taxpayer money and said the loan to the golf course should not be forgiven, nor should the City pay for a \$25,000 study to assess the feasibility of a driving range.

Yvonne Lopaur said if the golf course could not cover its operating costs it should be shut down and the park turned over to the Parks and Recreation Department. She said the city lacked Multi-purpose Park near the city center. She said the OHPA was legally obligated to pay off its debt and urged the Council members to act in the interest of the Norwalk tax payers.

Scott Kimmich said he was concerned about the diminishing numbers of golf players and the financial burden of the golf course on Norwalk tax payers. He said the \$25,000 requested for a study on a possible driving range should not be granted. He said perhaps a 9 hole course would be a better option.

Gavin Church spoke and said that he understood the golf course was not doing well financially and should not be subsidized by the tax payers. He said golf course was on city parkland that should be available for use for all residents and not just the small percentage who played golf.

Diane Cece said the Master Plan for the course was flawed from the start, given the financial troubles of the course, the decline in the sport of golf, and the fact the one bidder for the construction of the driving range had been involved in the Master Plan process. She suggested perhaps a 9 hole course would be a better solution. She said it would be a breach of public trust for the Council to forgive the Authority's debt to the City and place the burden on the taxpayers.

2. Approve the minutes of the following finance committee meeting, May 14 2015.

- ** MR. MCCARTHY MOVED TO APPROVED THE MINUTES OF MAY 14, 2015
- ** MOTION PASSED WITH 3 IN FAVOR AND 1 ABSTENTION (MR. PETRINI)

3. Claims committee: receive the monthly claims report, review and report dated: June 11, 2015

Ms. Biagiarelli said there had been just one major claim—a husband and wife had each paid the tax bill, resulting in a duplicate payment, and needed a refund.

- ** MR. MCCARTHY MOVED TO APPROVE THE TAX CLAIM DATE JUNE 11.
- ** MOTION PASSED UNANIMOUSLY

4. Narrative on tax collections date June 11, 2015-receive and report discuss

Ms. Biagiarelli reported tax collections at 98.63%. She said current tax bills would be mailed out July 1st, with a due date of Monday, August 3rd.

5. Monthly tax collector's reports-receive reports and discuss

Ms. Biagiarelli said the DMV was undergoing a major transition in its collection procedures and would be closing for a week in August to complete the process.

6. Receive Oak Hills monthly financial statements for April 30, 2015

Mr. Baron reported that April had been a quiet month for the golf course, in part because the severe winter had caused a delay in opening, and profit after combined revenue and expenses was down about 3.2% from April 14. He said, however, that, although not officially reported, May numbers had been strong, with revenue up nearly \$40,000 or approximately 12% from last year.

7. Discussion of Oak Hills Authority financial obligations to the city including status of meetings between Oak Hills Authority and the City

Mr. Hamilton stated that there had been several meetings between the City administration and the OHPA and the discussion was ongoing. He said the plan to be presented by Mr. Baron was part of the discussion phase, with no formal action required.

Ms. O'Toole-Giandurco arrived at the meeting (7:50).

Mr. Baron spoke and presented the OHPA proposal and the City's alternative. The OHPA proposal included the City assumption of the debt service on the restaurant. The City would receive \$72,000 in annual lease payments from the restaurant. The OHPA's debt for the cart path projects would be restructured to the current 2.43% interest rate, and the OHPA's reserve payment of \$120,000 to the City (to cover non-payment of restaurant debt) would be returned and future payments eliminated. This would make OHPA's annual debt payment to the city approximately \$80,000.

Mr. Baron said the City's alternative proposal would not entail forgiveness of the OHPA loan. Instead the loan would be restructured to reflect current interest rates of 2.43%, reducing the repayment term by 5 years. OHPA annual payments would still be approximately \$160,000 annually but the City would return the \$120,000 in reserve payments and eliminate the reserve requirement so Oak Hills would not have to make a pending \$40,000 payment in September. Mr. Baron said this plan should help the park shore up its thin financial margins. He said \$3.2 million proposed development of the driving range and golf school should go through the normal capital process.

Mr. Baron said he had reviewed the proposal for the driving range and believed it could be a profitable investment. He said he believed the OHPA's figures were conservative in terms of projecting revenue for the range.

Mr. Kimmel asked about the \$80,000 annual debt payment OHPA would still be making even if the restaurant debt was forgiven. Mr. Baron replied the payment would be toward money borrowed for the irrigation and cart path loans, and paid off in 8 years.

Mr. DesRochers spoke and said he thought the OHPA and the administration were making progress in putting together a plan. He said he would like the Council to act on placing an RFP for a consultant to evaluate the driving range/golf school plans. He said the Golf School would be a good opportunity to build a strong Junior Golf program as well as attract older members.

Mr. Kimmel asked what the best procedure would be to address the next step of hiring a consultant to evaluate the course and possible driving range. Mr. Hamilton said plans still needed to be finalized through the Mayor's office. There was discussion of how the request for the approximately \$25,000 needed to hire a consultant could be approved by the Council and the money in place by end of July or August. This would allow the report to be completed by the end of December or January to be included in time for discussions on the next city budget. Mr. McCarthy asked, aside from the loan, if the OHPA was subsidized or funded by the City as a City park, for example Cranbury Park. Mr. Hamilton replied that the OHPA did not receive any subsidies. Mr. McCarthy asked if the loan to the OHPA was costing the City taxpayers any

money. Mr. Hamilton said it would not cost money as long as the OHPA paid it back and the loan was not forgiven. Mr. McCarthy asked if the OHPA would have to be a City funded park if it was not a golf course, or perhaps the park land could be disposed of somehow. Mr. Hamilton said when the parkland was not a golf course it was 100% City funded, and it might be hard land to dispose of due to the fact there were perhaps some Federal government agreements involved.

8. Authorize the purchasing agent to issue to purchase orders to the lowest authorized reseller for the procurement of Cisco LAN switches (Bid Project #3560) for Norwalk Police and City Hall for an amount not to exceed \$50,000, account 09160600-5777-C0375 (budgeted IT capital item, not special appropriations required).

9. Authorize the Purchasing Agent to issue purchase orders to the lower authorized Verint AudioLog partner/reseller, for the turnkey upgrade to the Verint AudioLog Communications Recording System at Norwalk Combined Dispatch, for an amount not to exceed \$23,500.00, account 09160600-577-C0375 (budgeted IT capital items; no special appropriations required).

10. Authorize the Purchasing Agent to issue purchase orders in accordance with City Procurement Guidelines for the supply of personal computers workstations, laptops, ruggedized data terminals, tablets, printers and obsolete asset disposal according to City IT department specifications for an amount not to exceed \$158,968.00, account 09160600-5777-C0375 (budgeted IT capital item; no special appropriation required).

**** MR. MCCARTHY MOVED TO: AUTHORIZE THE PURCHASING AGENT TO ISSUE TO PURCHASE ORDERS TO THE LOWEST AUTHORIZED RESELLER FOR THE PROCUREMENT OF CISCO LAN SWITCHES (BID PROJECT #3560) FOR NORWALK POLICE AND CITY HALL FOR AN AMOUNT NOT TO EXCEED \$50,000, ACCOUNT 09160600-5777-C0375 (BUDGETED IT CAPITAL ITEM, NOT SPECIAL APPROPRIATIONS REQUIRED)**

AND TO:

AUTHORIZE THE PURCHASING AGENT TO ISSUE PURCHASE ORDERS TO THE LOWER AUTHORIZED VERINT AUDIOLOG PARTNER/RESELLER, FOR THE TURNKEY UPGRADE TO THE VERINT AUDIOLOG COMMUNICATIONS RECORDING SYSTEM AT NORWALK COMBINED DISPATCH, FOR AN AMOUNT NOT TO EXCEED \$23,500.00, ACCOUNT 09160600-577-C0375 (BUDGETED IT CAPITAL ITEMS; NO SPECIAL APPROPRIATIONS REQUIRED.)

AND TO:

AUTHORIZE THE PURCHASING AGENT TO ISSUE PURCHASE ORDERS IN ACCORDANCE WITH CITY PROCUREMENT GUIDELINES FOR THE SUPPLY OF PERSONAL COMPUTERS WORKSTATIONS, LAPTOPS, RUGGEDIZED DATA TERMINALS, TABLETS, PRINTERS AND OBSOLETE ASSET DISPOSAL ACCORDING TO CITY IT DEPARTMENT SPECIFICATIONS FOR AN AMOUNT NOT TO EXCEED \$158,968.00, ACCOUNT 09160600-5777-C0375 (BUDGETED IT CAPITAL ITEM; NO SPECIAL APPROPRIATION REQUIRED).

Ms. Del Vecchio said these were all approved budgeted items to keep systems up-to-date. With regard to the Police Department system, she said the current communication system software company was no longer providing or serving equipment and, after 5 years, new communications hardware was required. She said that used hardware was either disposed of environmentally, or held on to by the department for both parts and for use in cases where additional hardware might be required.

**** THE MOTION PASSED UNANIMOUSLY.**

11. Authorize the Mayor, Harry W. Rilling, to execute a contract with the Connecticut Interlocal Risk Management Agency (CIRMA) for total management of the City's Worker's Compensation and Heart/Hypertension Program for the five-year period beginning July 1, 2015 and ending June 30, 2020 at a cost per claim based on the following schedule: Medical Only Claim-\$205; Indemnity Claim-\$1,120; Record Only Claim-\$25; Heart/Hypertension Claim-\$1,120. Account #16-1344-5258.

12. Authorize Mayor Harry W. Rilling to execute General Liability, Automobile Liability, UM/UM, Employee Benefits Liability, Law Enforcement Liability Public Officials Liability, School Leaders Liability, Umbrella Liability and Automobile Physical Damage Insurance placements for a three-year period beginning July 1, 2015 with Connecticut Interlocal Risk Management Agency (CIRMA) for an amount not to exceed \$455,000 for FY 15-16 Account #161343-S41N, 165053-S41N.

13. Authorize Mayor Harry W. Rilling to execute Commercial Property and Boiler & Machinery insurance placements for the FY 2015-16 with A. J. Gallagher for an amount not to exceed \$467,466. Account #161343-S41N, 165053-S41N.

14. Authorize Mayor, Harry W Rilling to execute Excess Worker's insurance placements for the FY 2015-16 with H.D. Segur, Inc. for an amount not to exceed \$139,173. Account #161343-541N, 165053-541N.

15. Authorize Mayor Harry W. Rilling to execute Crime Bond insurance placements for the FY 2015-2016 with H. D. Segur for an amount not to exceed \$4,909. Account #161343-S41N, 165053-541N.

16. Authorize Mayor, Harry W. Rilling to execute Floor insurance placements for seven (7) separate locations and placements for the FY 2015-16 with National Flood Insurance

**Program-Middlesex Mutual Assurance Co. for a total amount not to exceed \$63,068.
Account #161343-541N, 165053-541N.**

17. Authorize Mayor Harry W. Rilling to execute TULIP insurance placements for FY 2015-16 with Shoff Darby for a total amount not to exceed \$8,000. Account #1615053-541N.

**** MR. HEMPSTEAD MOVED TO AUTHORIZE THE MAYOR, HARRY W. RILLING, TO EXECUTE A CONTRACT WITH THE CONNECTICUT INTERLOCAL RISK MANAGEMENT AGENCY (CIRMA) FOR TOTAL MANAGEMENT OF THE CITY'S WORKER'S COMPENSATION AND HEART/HYPERTENSION PROGRAM FOR THE FIVE-YEAR PERIOD BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2020 AT A COST PER CLAIM BASED ON THE FOLLOWING SCHEDULE: MEDICAL ONLY CLAIM-\$205; INDEMNITY CLAIM-\$1,120; RECORD ONLY CLAIM-\$25; HEART/HYPERTENSION CLAIM-\$1,120. ACCOUNT #16-1344-5258.**

AND TO:

AUTHORIZE MAYOR HARRY W. RILLING TO EXECUTE GENERAL LIABILITY, AUTOMOBILE LIABILITY, UM/UM, EMPLOYEE BENEFITS LIABILITY, LAW ENFORCEMENT LIABILITY PUBLIC OFFICIALS LIABILITY, SCHOOL LEADERS LIABILITY, UMBRELLA LIABILITY AND AUTOMOBILE PHYSICAL DAMAGE INSURANCE PLACEMENTS FOR A THREE-YEAR PERIOD BEGINNING JULY 1, 2015 WITH CONNECTICUT INTERLOCAL RISK MANAGEMENT AGENCY (CIRMA) FOR AN A AMOUNT NOT TO EXCEED \$455,000 FOR FY 15-16 ACCOUNT #161343-S41N, 165053-S41N.

AND TO:

AUTHORIZE MAYOR HARRY W. RILLING TO EXECUTE COMMERCIAL PROPERTY AND BOILER & MACHINERY INSURANCE PLACEMENTS FOR THE FY 2015-16 WITH A. J. GALLAGHER FOR AN AMOUNT NOT TO EXCEED \$467,466. ACCOUNT #161343-S41N, 165053-S41N.

AND TO:

AUTHORIZE MAYOR, HARRY W RILLING TO EXECUTE EXCESS WORKER'S INSURANCE PLACEMENTS FOR THE FY 2015-16 WITH H.D. SEGUR, INC. FOR AN AMOUNT NOT TO EXCEED \$139,173. ACCOUNT #161343-541N, 165053-541N.

AND TO:

AUTHORIZE MAYOR HARRY W. RILLING TO EXECUTE CRIME BOND INSURANCE PLACEMENTS FOR THE FY 2015-2016 WITH H. D. SEGUR FOR AN AMOUNT NOT TO EXCEED \$4,909. ACCOUNT #161343-S41N, 165053-541N.

AND TO:

AUTHORIZE MAYOR, HARRY W. RILLING TO EXECUTE FLOOR INSURANCE PLACEMENTS FOR SEVEN (7) SEPARATE LOCATIONS AND PLACEMENTS FOR THE FY 2015-16 WITH NATIONAL FLOOD INSURANCE PROGRAM-MIDDLESEX MUTUAL ASSURANCE CO. FOR A TOTAL AMOUNT NOT TO EXCEED \$63,068. ACCOUNT #161343-541N, 165053-541N.

AND TO:

AUTHORIZE MAYOR HARRY W. RILLING TO EXECUTE TULIP INSURANCE PLACEMENTS FOR FY 2015-16 WITH SHOFF DARBY FOR A TOTAL AMOUNT NOT TO EXCEED \$8,000. ACCOUNT #1615053-541N.

Mr. Hempstead asked Mr. Hamilton whether overall insurance payments had gone up or down. Mr. Hamilton said payments were down slightly mostly due in a reduction from \$472,000 in liability insurance to \$455,000.

**** THE MOTION PASSED UNANIMOUSLY.**

**** MR. PETRINI MOVED TO ADJOURN.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:40 pm.

Respectfully Submitted,

A. Lund
Telesco Secretarial Services