Call to Order / Pledge of Allegiance

Alderman Anglace called the meeting of the Board of Aldermen to order at 7 p.m. All those present stood and pledged allegiance to the flag.

Roll Call

Alderman John F. Anglace, Jr., President – present
Alderman Lynne Farrell – excused
Alderman John “Jack” Finn – present
Alderman Stanley Kudej – present
Alderman Noreen McGorty – present
Alderman John P. Papa – present
Alderman Eric McPherson - present
Alderman Anthony Simonetti – present

Administration:

Corporation Counsel Tom Welch
Attorney Kevin Blake
Thomas D. Taylor, Human Resources
Paul Hiller, Finance Director
William Gaffney, Tax Assessor

NO PUBLIC SESSION

Agenda Items
OCTOBER 17, 2013
BOARD OF ALDERMEN
FULL BOARD MEETING

MINUTES FOR APPROVAL

Alderman Papa MOVED to waive the reading and approve the following meeting minutes:

1. Special Meeting- September 4, 2013
2. Regular Meeting- September 12, 2013
3. Special Meeting- October 7, 2013

SECONDED by Alderman Finn. A voice vote was taken and the MOTION PASSED 7-0.

Minutes can be viewed on the city website: www.cityofshelton.org.

5.1 FINANCE COMMITTEE

No items.

5.2 PUBLIC HEALTH & SAFETY COMMITTEE

No items.

5.3 STREET COMMITTEE

5.3.1 RELEASE OF MAINTENANCE SURETY-HICKORY ACRES-SECTION II-FRANK DRIVE

Alderman McPherson MOVED, per the recommendation of the Street Committee, to release the $9,000 Maintenance Bond for Hickory Acres, Section II, Frank Drive.

SECONDED by Alderman Kudej. A voice vote was made and the MOTION PASSED 7-0.

REPORT OF THE MAYOR

None presented.

REPORT OF THE PRESIDENT

None presented.

6.0 LEGAL REPORT

6.1 CORPORATION COUNSEL BILLING

Alderman Papa MOVED to authorize a total payment of $1,975.00 to Corporation Counsel Welch, Teodosio, Stanek and Blake, LLC, for services rendered per statement dated October 1, 2013, with funds to come from the following Legal Services Accounts:
Legal Fees 001-1900-411.30-03 $1,725.00
Foreclosure Fees 001-1900-411.50-01 $250.00

SECONDED by Alderman Finn. A voice vote was taken and the MOTION PASSED 7-0.

6.2 ASSISTANT CORPORATION COUNSEL BILLING

Alderman Papa MOVED to authorize a total payment of $900.00 to Assistant Corporation Counsel Ramon Sous for services rendered per statement dated October 1, 2013 with funds to come from the following Legal Services Accounts:

Legal Fees 001-1900-411.30-03 $900.00

SECONDED by Alderman Kudej. A voice vote was taken and the MOTION PASSED 7-0.

7 LEGISLATIVE - OLD

7.1 ITEMS FROM PUBLIC HEARING
7.1 A NO ITEMS

8 FINANCIAL BUSINESS OLD

No items.

9 FINANCIAL BUSINESS NEW

9.1 OCTOBER STATUTORY REFUNDS

Alderman Papa MOVED that the report of the Tax Collector relative to the refund of taxes for a total amount of $9,892.21 be approved and that the Finance Director be directed to make payments in accordance with the certified list received from the Tax Collector with funds to come to from Statutory Refunds Account 001-0000-311.13.00.

SECONDED by Aldermen Simonetti. A voice vote was taken and the MOTION passed 7-0.

9.2 BOOTH HILL SCHOOL & ELIZABETH SHELTON SCHOOL- PAVING & CURBING

Alderman Papa MOVED to approve paving and curbing at Booth Hill and Elizabeth Shelton Schools with funding of $90,719.00 to come from bonding in accordance with Section 7.16 of the City Charter.
Seconded by Alderman Simonetti. A voice vote was taken and the MOTION PASSED 7-0.

Discussion:

Alderman Finn: Both schools were paved this past August; they did a nice job in rehabilitating the driveways in front of the schools. It is a shame that we have to wait to have this in front of us two months later for bonding. This should have been here a long time ago.

Alderman Anglace: That is a good point; I think it is the money from the referendum, but in my opinion it cannot come from the road referendum because that is a road referendum.

Alderman Finn: This is an in-kind service.

9.3 REQUEST EXTENSION OF FUNDS-SMALL CITIES HOUSING REHABILITATION PROJECT- 55 LONGMEADOW ROAD

Alderman Papa MOVED to waive the cap of $25,000 for the Small Cities Housing Rehabilitation Project and approve an extension of funds for the Housing Rehabilitation Participant located at 55 Longmeadow Road for a total cost of $27,364.00.

SECONDED by Alderman Simonetti. A voice vote was taken and the MOTION PASSED 7-0.

10. LEGISLATIVE - NEW

10.1 ITEMS TO PUBLIC HEARING

No items.

10.2 AUTHORIZING RESOLUTION- 2014 EMERGENCY MANAGEMENT PERFORMANCE GRANT

Alderman Papa MOVED to the following resolution:

RESOLVED, that the Board of Aldermen, City of Shelton, CT does hereby authorize and direct Mayor Mark A. Lauretti to execute and deliver to the State of Connecticut, Department of Emergency Services and Public Protection, Division of Emergency Management and Homeland Security, any and all documents necessary or appropriate to apply for the 2014 Emergency Management Performance Grant Program (EMPG) and to do and perform all acts and things which he deems to be necessary or appropriate to carry out the terms of such documents.

SECONDED by Alderman Kudej. A voice vote was taken and the MOTION PASSED 7-0.

10.3 FFY 2012 STATE HOMELAND SECURITY GRANT PROGRAM
Alderman Papa MOVED the following *amendment* to the resolution:

Be it resolved, that the City of Shelton Board of Aldermen may enter into with and deliver to the State of Connecticut Department of Emergency Management and Homeland Security any and all documents which it deems to be necessary or appropriate; and

FURTHER RESOLVED, that Mark A. Lauretti, as Mayor of the City of Shelton, is authorized and directed to execute and deliver any and all documents on behalf of the City of Shelton and to do and perform all acts and things which he deems to be necessary or appropriate to carry out the terms of such documents, including, but not limited to, executing and delivering all agreements and documents contemplated by such documents.

Be it further resolved, that the City of Shelton hereby approves the memorandum agreement regarding use of Federal Fiscal Year 2012 State Homeland Security Grant Funding, and custodial ownership of regional assets in DEMHS Region 2, and to further authorize Mayor Mark A. Lauretti to execute all documents necessary to effectuate that agreement.

SECONDED by Alderman Finn. A voice vote was taken and the MOTION PASSED 7-0.

Discussion:

Alderman Finn: The grant says “2012 State Homeland Security Grant Program”. It is 2013; is there an error in the year?

Alderman McGorty: The memorandum says Federal Fiscal Year 2012.

Attorney Welch: The due date for the application is November 6, 2013.

Alderman Finn: So, are we applying for this one-year later?

Attorney Welch: No, if I read it correctly, it was issued and you have to submit page 2 and it says that you have to submit your application by November 6, 2013.

Alderman Finn: So even if it says 2012, we are still submitting it on November 6, 2013?

Attorney Welch: The 2012 grant; yes we are.

Alderman Anglace: I think what they are giving us is a guideline from the previous year; I think that is the reason why the reference year is 2012. You cannot go back, so it has to be 2013. I think that there is something more significant: I found the resolution to be “herky jerky”. It says, “be it resolved that the City of Shelton Board of Aldermen may
enter into.” The Board of Aldermen has never entered into anything. We authorize the administration to enter into, not the Board of Aldermen.

Alderman Simonetti: Who wrote this resolution?

Alderman Anglace: This was on the agenda; this was part of what they sent to us to approve. That is why we are here to look it over. We are here to approve, or to not approve it. The other thing that you mention in here: “the authorizing resolution is attached”. Where is the attachment? I do not see an attachment. I do not know who prepared this but I can only tell you that whatever was prepared for us for consideration, not everything adds up in my opinion. I think this needs to be reviewed in depth by Counsel before the Board can take action on it.

Alderman Finn: Would you recommend that we change the resolution to read, “be it resolved that the City of Shelton, that the Board of Aldermen authorizes the Mayor to enter into, and deliver to the State of Connecticut?”

Alderman Anglace: I do not have a problem with this in principle with what they want to do. I just have a problem with the language.

Attorney Welch: If I may offer to the Board’s consideration: to an amendment of adding a third paragraph. If I can understand it, this resolution looks like it came directly from the people that are administering the grant. It is clear that the Board of Aldermen authorizes the Mayor to sign. I would ask as a catch all, to add a third paragraph that I would suggest for the Board’s consideration:

Be it further resolved, that the City of Shelton hereby approves the memorandum agreement regarding use of Federal Fiscal Year 2012 State Homeland Security Grant Funding, and custodial ownership of regional assets in DEMHS Region 2, and to further authorize Mayor Mark A. Lauretti to execute all documents necessary to effectuate that agreement.

10.4 PROFESSIONAL SERVICES- PAYLOCITY CORPORATION

Alderman Papa MOVED to adopt the amendment of the motion to approve the agreement between the City of Shelton and Paylocity Corporation (“Paylocity”) for payroll and related services in principle;

Further, authorize Corporation Counsel to develop the necessary contract and to schedule contract approval for the upcoming November Board of Aldermen Full Board Meeting.

SECONDED by Alderman Finn. A voice vote was taken and the ADOPTION OF THE AMENDMENT TO THE MOTION PASSED 7-0.

Discussion:
Alderman Anglace: Before we get into discussion, I asked Paul Hiller, Finance Director, to come here and give us a brief explanation and background on this. I do not think that Counsel has prepared a contract on this, at this point.

Attorney Welch: We have reviewed a contract that was prepared by Paylocity, but there is one issue in regards to certain consequential damages that we have placed a call into Paylocity, to inquire about a provision that I was uncomfortable with. I spoke to Mr. Hiller this afternoon with regards to that.

Paul Hiller: Thank you, Mr. President. Also, Tom Taylor, Director of Human Resources, has been involved with this over the last three months. As you may be aware, the City has utilized ADP for their payroll services for a lengthy period of time. I am not exactly certain when, but it goes back a long time. I think both, the Human Resources Department and the Benefits Department have been anxious for a conversion, and frankly, my department, the payroll clerk has been anxious to move forward to a newer platform. As you are probably aware, ADP is the giant in this field, probably the originator of this whole payroll system and there have been a number of corporations that have moved along. We solicited proposals from several different companies, and over the last three or four months we have met with these companies, including ADP. When I say we that includes myself, Tom Taylor, Robin Skowronski, Benefits Administrator and Melissa Anglace. We were very impressed of the work that Paylocity has done.

There are newer corporations that have been in existence, approximately 16 years. Many of their employees were former employees of ADP, and I think the two major factors, maybe three major factors are: their ability to make this a web-based product, which our ADP product is not right now. I am not a technology person, so do not ask me questions on that, but I think the ability for employees to check their records, their vacation schedule, sick time and other things are with this product. The efficiency of this product is what we call, “cloud-based”. Again, do not ask me where the cloud is, but it cloud-based, internet-based and most importantly for our services: we think that we will achieve savings in the 20-25% range on this system. If you look at the financial sheets through September 30, 2013, that were handed to you this evening; page 26 of the financial sheets. In my department there is a line item for “Other Outside Services” of $110,000. Over an extended period of time, we have paid ADP a large share of that money, in excess of $100,000 annually. The cases that we receive back from Paylocity, we feel we are able to reduce this line item by 20-25%. There are some conversion costs; there is some start up costs of around $10,000, and all of these costs would be covered under this budget line item so there is no new money that is required. So, we feel that we will probably save around $20,000-$25,000 over what we have paying for many years. If Tom wants to add anything to what I have said, I know that he and Robin Skowronski- Robin is away on a brief vacation, otherwise she would be here this evening. They are both very enthusiastic and look forward to this conversion in which we would target for January 1, 2014. The reason for that is mainly for tax reasons. It is just a cleaner break to do it at the end of the calendar year, and the employees will be getting new pay stubs on the first payroll, in the month of January.
Alderman Papa: Paul, does this give us better control of the overtime and vacation time?

Thomas Taylor: Yes it will. There will be some issues that we will have to change the way we do our procedures, and to utilize the system. The biggest change within being more efficient and computing employees’ pay, is our ability to start at the level of Human Resources, Benefits and to be able to communicate more efficiently with the other departments. Each department will have a piece of this, and it will be a major change in anywhere from processing personnel with more information and they will be able to share that information for whoever needs to know. As well as, being able to electronically evaluate employees’ performance within the system.

Alderman Papa: So this is going to be one heck of an upgrade.

Thomas Taylor: Yes it will.

Paul Hiller: One thing that I should add to that is, during the conversion or setting this up, Paylocity will be able to go through each particular bargaining unit that we have - Police Department, Highways and Bridges, people in City Hall and other departments and customize our system within the limits and restrictions of each bargaining unit contract; that will be unique to us. That will give us better control on overtime, and the reporting capacity. I might add one other thing, and that is, we will be able to integrate this with our accounting system, which we do not have right now. We have a payroll system, and with a municipality, a significant portion of the operating budget is not integrated. We just got the sheets today that will tell where each department was as of September 30, 2013. This is going to act as a bi-weekly update in the accounting system, where they can go into the system and see where they stand in their budget.

Alderman Finn: I want to go back to contracts. You said that when a contract is approved, they could go in and adjust everything to fit the contract itself? That would mean every time we approve a new contract, whether it would be the Police Department, Highways and Bridges, or in City Hall, we would have to go back and update the system again? Am I correct on that?

Paul Hiller: Yes that is correct. It would have to be modified. The major component of that would be computing the rates that the employees will be paid, which would be changed.

Alderman Finn: Would that be an additional cost?

Paul Hiller: If there was any change in working conditions, or things like that, it would affect their pay rates or vacation time, or all of these other changes would be within the system.

Alderman Finn: Would that be an additional cost, or is that part of the agreement?
Paul Hiller: I would have to go over the specific proposal. There is some minimal cost on any change, but ADP bills us for every little thing; nothing is free and every time we almost call them, there is an issue. Other communities and other businesses that have utilized this company have given us very high recommendations.

Alderman Anglace: I would like to ask Counsel a technical question, relative on how we should proceed with this. Since we do not have the contract in front of us to approve, should we approve this project in principle, so we can proceed to the contract stage? Or, is there some other way to proceed? Should we schedule another meeting once we have the contract, to approve the contract?

Attorney Welch: If I can first apologize to Mr. Gaffney, and second to Mr. Hiller, I know that we are saying January 1, 2014. In the conversation that we had today, there were a couple of issues that were proposed. If this were approved on the 7th of November, would that be sufficient time for you?

Paul Hiller: I believe so. Obviously, I cannot answer for Paylocity. Regarding the target date, going live with this system on January 1, 2014, they purposely shut down, and do not solicit or take on new clients after November 1, 2013. If they know that we are coming and it is just a question of wording on the contract, and they know that we are on board, I obviously cannot speak for Paylocity.

Alderman Finn: We have mentioned the fact that it deals with all of the employees with the contracts. Would this deal with all of the employees in the Merit System?

Thomas Taylor: Yes that is correct.

Alderman Finn: At budget session time, when it comes time to approve increases for Merit System employees, will it also be in the system?

Thomas Taylor: We will be able to enter in any changes to the actual rates. We will do that at our level. Those items that change periodically in the contract and how pay is computed, we are still going to have to enter in all of those rates.

Alderman Finn: Would you have to enter employees that are in a stipend position, and gets an increase on a yearly basis?

Thomas Taylor: Yes that is correct.

Attorney Welch: If I may, if I understand from reading the contract, what is happening now is when you are mentioning all of those contracts, Human Resources calls up the current vendor gives them the current information, and then they input it. With this new web-based system, the City is going to input the information, so the City is doing the work.

Alderman Finn: So there will be a savings.
OCTOBER 17, 2013
BOARD OF ALDERMEN
FULL BOARD MEETING

Attorney Welch: From my understanding, yes that is correct.

Alderman Anglace: You have answered our questions, and have presented fine. We understand the principle; should we agree to this in principle, upon pending the receipt of the contract, and then approve the contract?

Attorney Welch: I would, and that would give the authorization to negotiate the contract, and then we can bring it back for the November meeting with the understanding that Paylocity-

Alderman Anglace: The reason why I wanted to take it in this direction is because there is a transition process that has to take place. These gentlemen need to know from us that we agree in principle so they can get started with that. It is going to take a while to make the transition, and I think that our agreement in principle will allow them to get started on it. There is nothing in the contract that you have seen that is a showstopper, is there?

Attorney Welch: There was a provision, with regards to the damage clause, that is if they breach the contract; that is what I am addressing with the vendor right now. It is something that we do not have in our contracts, and it eliminates any type of consequential damages; it basically limits their damages to what they have would have been paid during the course of the year. That is something that we would normally not agree with; it is something that I am going to negotiate with them and have them try to remove that from the contract.

Alderman Anglace: I think technically our motion that is on the floor, would have to be amended to approve the contract between the City of Shelton and Paylocity Corporation in principle, and authorize Corporation Counsel to develop the necessary contract, and schedule contract approval for the upcoming November Board of Aldermen Full Board Meeting.

Alderman Finn: So, you would be rescinding the original motion.

Alderman Anglace: Yes. The next meeting that we have, the contract will be ready to go. That would be my recommendation.

10.5 STATE GRANT APPLICATION- GENERATORS

Alderman Papa MOVED to the following resolution:

BE IT RESOLVED BY THE CITY OF SHELTON BOARD OF ALDERMEN, that the City of Shelton may apply for a grant for a Generator for each of the critical facilities of the Shelton Police Department, the Shelton Senior Center, and the Echo Hose, Huntington, Pine Rock, and White Hills Fire Departments (total project cost of $410,000.00) from the State of Connecticut Department of Emergency Services and Public Protection, Division of Emergency Management and Homeland Security, in the amount of
$307,500.00, and deliver to said agency any and all documents which it deems to be necessary or appropriate; and that if said grant is approved, that the City of Shelton will contribute the 25% local share of the project cost, in the amount of $102,500.00

BE IT FURTHER RESOLVED, that Mayor Mark A. Lauretti, as Mayor of the City of Shelton, is authorized and directed to execute and deliver any and all documents on behalf of the City of Shelton and to do and perform all acts and things which he deems to be necessary or appropriate to carry out the terms of such documents.

SECONDED by Alderman Finn. A voice vote was taken and the MOTION PASSED 7-0.

EXECUTIVE SESSION

At approximately 7:30 PM, Alderman Anglace MOVED to enter into Executive Session to discuss the following items:

11. 1 STIPULATION FOR JUDGEMENT- 100 PARROTT DRIVE, LLC.
11.2 WORKER’S COMPENSATION CLAIM- MR. JAMES BROWN
11.3 WORKER’S COMPENSATION CLAIM- MR. TIMOTHY MANION
11.4 TAX APPEAL- HUBBELL, INC. & WATERVIEWS CORAM
11.5 TAX APPEAL- SHELTON ASSOCIATES LIMITED PARTNERSHIP

and invited Corporation Counsel Welch, Attorney Kevin Blake and William Gaffney to remain in the auditorium during the Executive Session; SECONDED by Alderman Simonetti. A voice vote was taken and the MOTION PASSED 7-0.

RETURN TO EXECUTIVE SESSION

At approximately 8:15 p.m. Alderman Papa MOVED to return to Regular Session; SECONDED by Alderman Kudej. A voice vote was taken and the MOTION PASSED 7-0.

It was noted that no votes were taken in Executive Session.

11.1 STIPULATION FOR JUDGEMENT- 100 PARROTT DRIVE, LLC.

Alderman Papa MOVED to approve the stipulated judgment as presented in the Tax Appeal, entitled 100 Parrott Drive, LLC versus the City of Shelton.

SECONDED by Alderman Simonetti. A voice vote was taken and the MOTION PASSED 7-0.
11.2 **WORKER’S COMPENSATION CLAIM- MR. JAMES BROWN**

No action was taken.

11.3 **WORKER’S COMPENSATION CLAIM- MR. TIMOTHY MANION**

Alderman Papa MOVED to authorize a voluntary agreement in a compromised rating, as presented by Attorney Kevin Blake.

SECONDED by Alderman Kudej. A voice vote was taken and the MOTION PASSED 7-0.

11.4 **TAX APPEAL- HUBBELL, INC. & WATerview CORAM**

Alderman Papa MOVED to approve the stipulated judgment as presented in the Tax Appeal, entitled Hubbell, Inc, et.al, versus the City of Shelton.

SECONDED by Alderman Simonetti. A voice vote was taken and the MOTION PASSED 7-0.

11.5 **TAX APPEAL- SHELTON ASSOCIATES LIMITED PARTNERSHIP**

Alderman Papa MOVED to approve the stipulated judgment as presented in the Tax Appeal, entitled Shelton Associates Limited Partnership versus the City of Shelton.

SECONDED by Alderman Kudej. A voice vote was taken and the MOTION PASSED 7-0.

**ADJOURNMENT**

Alderman Papa MOVED to adjourn; SECONDED by Alderman Simonetti. A voice vote was taken and the MOTION PASSED 7-0.

The meeting adjourned at approximately 8:25 p.m.

Respectfully submitted,

Brittany Gannon, Clerk
Board of Aldermen

DATE APPROVED: _______________ BY: ________________________________

Mark A. Lauretti
Mayor, City of Shelton