Call to Order / Pledge of Allegiance

Mayor Mark A. Lauretti called the meeting of the Board of Aldermen to order at 7:00 p.m. All those present stood and recited the Pledge of Allegiance to the Flag of the United States of America.

Roll Call

Alderman John F. Anglace, Jr., President – present
Alderman Eric McPherson, Vice President – present
Alderman David Gidwani – present
Alderman Stanley Kudej – present
Alderman Noreen McGorty – not present
Alderman Cris Balamaci - present
Alderman Jim Capra – present
Alderman Anthony Simonetti – present

Administration:

Attorney Francis Teodosio, Corporation Counsel

PUBLIC PORTION

Michelle Laubin, 6 Cornhill Road, Member of Board of Apportionment & Taxation

I am just going to pass these out for your consideration. For those of you who may not know me I am an attorney with the law firm of Bertram Moses in Milford, CT. In my professional life what I do is represent school districts. Most of what I do is representation of school districts on student matters including Special Education matters. So, I am familiar with the Excess Cost Grant reimbursement process used by the State of Connecticut. I was here for the presentation by the auditor a couple of weeks ago that dealt with the Excess Cost Reimbursement issue that was identified in the audit report. My overall impression that I want to share with you is that you were not provided with all of the information that you need to understand this issue as part of that public presentation. I wanted to provide you with a little bit more information to provide you with food for thought. The statute that I just provided you with and, I think there are a couple of attorneys on the Board of Aldermen, so you should feel free to get your own copy and ask about the full copy of the statute and the commentary on it. This is from CT General Statutes Section 10-76G Subsection B which is discussed in the audit report. The general process for Excess Cost Reimbursement is that twice a year the Board of Education applies for the state for Excess Cost Reimbursement for extraordinary costs for Special Education students. The threshold for this grant is that they have to send at least four and half times the per pupil expenditure on each student in order to even qualify to apply for the grant from the state. So these are students who have extraordinary needs. Many of them are educated out of district in expensive programs. Twice a year the Board of Education applies for the grant, the grant application goes up to the State Department of Education, if the grant qualifies it comes back, the money comes back twice a year and it comes back into the town treasury. As you can see from the statute, it is essentially being held in trust by the town for the use of the Board of Education for Special Education needs. It is not revenue that is supposed to be put into the
revenue column in the city budget which is, and I can tell you because I looked at the city budget, in the last budget cycle it is in the revenue column in the city budget right now and I think it has been for awhile. I haven’t gone back to all the budgets to check. The language of the statute subsection B which is on page 2 of the handout that I just gave you, says that the amount due each town pursuant to the provision of the subsection shall be paid to the treasurer of each town entitled to such aid provided the treasurer shall treat such grant or portion of the grant which relates to Special Education expenditures incurred in excess of such town’s Board of Education budgeted estimate of such expenditures as a reduction in expenditures by crediting the expenditure account rather than town revenue. We need to know a couple of things here. We need to know what was the Board of Education’s budgeted expenditure for Special Education and then we need to know whether or not the town appropriated that money to the Board of Education. The unbudgeted portion comes back from the state that is in excess of the Board of Education’s budget for Special Education students must be credited, according to the statute, within 30 days of receipt. This process requires communication between City Hall and the Board of Education. What I heard last week was that the auditor and this body want to blame the Board of Education for spending in excess of its appropriation which would be illegal. That is not what is happening here. This statute provides that this money comes back from the state and is held in trust by the city and if it is needed it must be credited to the Board of Education. What I heard so far in terms of the response from this body, is that there was a meeting last week and that a committee has been appointed of this body to investigate the Board of Education. From what I understand there is no member of the Board of Education on that body. The management of the Board of Education is not included in that committee and I do not understand how that committee is going to get to the bottom of this issue. A few years ago, and I think I brought this up during last year’s budget hearing, there was a significant embezzlement of funds from City Hall by a Shelton employee, over a million dollars. After that embezzlement occurred there was no operational audit of city finances. That was established during last year’s budget hearing. To my knowledge, even though we suggested it in last year’s budget hearing, there still has been no operational audit of city finances and now your own auditor is coming back after doing a financial audit, which is a paper audit, and is saying, and this I agree with, there is a lack of operational control in the City of Shelton and what that means is we need to re-establish operational control. In order to understand where the holes are, why don’t we understand that the Board of Education is spending this money? Why don’t we know that that money is no longer in the revenue column and that we don’t have that money to budget with for the following fiscal year? Now we are behind the eight ball. The only way to fix this is to do an operational audit. You need a forensic auditor to audit the city finances of the City of Shelton and then come back and make a robust recommendation for how to fix this problem. I will tell you also that I have been in communication with the Board of Education, I have been in communication with the superintendent and they have asked for a meeting. The new finance director came on board a couple of weeks ago and they wrote to you and they asked for a meeting. That meeting request was declined. I don’t understand why you would decline that meeting request under the circumstances? The letters that have been going to you at the end of each fiscal year from the Board of Education to let you know that they in fact do need the excess cost reimbursement and they do need it credited to their account have been going to Mr. Hiller and they have been copied to you Mr. Mayor. To say that we did not know that the Board of Education was spending this money and we are finding this out for the first time beyond the end of the fiscal year is frankly irresponsible and to blame it on the Board of Education is equally irresponsible. I am here tonight to ask you to consider again doing an operational audit and I would like you to consider trying to improve communication with the Board of Education through whatever channels you see fit but right now what I am hearing
from the Board of Ed side is that they are asking to meet with you, they are looking for collaboration, and they are not receiving any. Thank you.

Mayor Lauretti asked if anyone else wished to address the Board.

Being none, he closed the public session.

Mayor Lauretti noted that there were a few items that need to be added to the agenda.

Alderman Anglace MOVED to add to the agenda the following the items:

**MINUTES FOR APPROVAL**

2. SPECIAL MEETING – JANUARY 31, 2019
3. SPECIAL MEETING - FEBRUARY 7, 2019

**LEGISLATIVE NEW**

10.2 APPOINTMENT OF AD-HOC POLICY COMMITTEE

Seconded by Alderman Simonetti.

A voice vote was taken and the MOTION PASSED 7-0.

**MINUTES FOR APPROVAL**

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

1. REGULAR FULL BOARD MEETING – JANUARY 10, 2019
2. SPECIAL MEETING – JANUARY 31, 2019
3. SPECIAL MEETING – FEBRUARY 7, 2019

Seconded by Alderman McPherson.

A voice vote was taken and the MOTION PASSED 7-0.

Minutes can be viewed on the city website: [www.cityofshelton.org](http://www.cityofshelton.org)

5.1 **FINANCE COMMITTEE**

5.1.1 NO ITEMS

5.2 **PUBLIC HEALTH & SAFETY COMMITTEE**

5.2.1 **REQUEST FOR STREET LIGHT ON POLE #10299 AT CORNER OF SYLVESTER’S WAY AND PERRY HILL ROAD**

Alderman Balamaci MOVED, per the recommendation of the Public Health & Safety, to approve the installation of a 39-watt LED light on Pole #10299 at the corner of Sylvester’s Way and Perry Hill Road at an annual cost of $98.92 with funding to come from Street Lights Account #001-4600-716.35-03.
Seconded by Alderman McPherson.

Mayor Lauretti: You know we have been dealing with these streetlight requests for years and over the years the majority of them have been denied based on the police department record, rate of incident, and I don’t understand where this is coming from and why you need a light on this pole? I would oppose this as I am going to oppose the second one so much so that there will probably be a veto coming if it gets approved because with streetlights it will never stop. Once you give one group of people a streetlight there is a chain effect. People will want more and more and more and that is not what this community has been about over the years. I don’t know what the rationale was for this. Did the police department say there is a high rate of incident in this intersection?

Alderman Anglace: I asked the same question and a couple reasons were that in recent years we have increased the lumens and reduced the wattage and as a result reduced the annual cost of lights on the streets so they are now down lower than $100 a year. Also, the main reason back before I was born when they passed this ordinance, they put this into effect so that drivers could see street signs, turns and so forth. Of course, that has since become passé but where you have a $100 at stake it doesn’t seem like a huge expense to put in a light. I don’t know what the incidence rate was at these intersections, there may not have been accidents or there may have been, but I trust that the Public Health & Safety Committee has asked the police department.

Alderman Balamaci: Yes. He (Sgt. Siglinger) gave us a recap and he had visuals. These particular streets we did approve. We did not approve several others. The parameters were different and we voted in favor of it.

Mayor Lauretti: To my knowledge the rate of incident is almost non-existent on Sylvester’s Way. This was a PDD application through Planning and Zoning and if the developer at the time thought it was important to have a street light they should have incorporated it as part of their project and their association should pay for it. You know we spent millions of dollars upgrading this road years ago and I really got to ask the question, where is the justification for this? You know a $100 is a $100 but at the end of the day multiply it times a lot and it’s more than just $100.

Alderman Balamaci: We did rationalize that out and that was posed as a potential issue going forward but we felt there was enough to warrant it. Eric, this one is in your ward?

Alderman McPherson: I think that the other part of it is when the residents asked for it...

Alderman Balamaci: They had a petition.

Alderman McPherson: Yes, they had a petition, that’s correct. It is a new street, even though it is a private development. Given the amount of traffic on the road and the way people drive and given it’s a new street and people may not know it, especially coming up the curvature there, even though it has been improved over the years...that is where their real concern is, especially where that curve is and when you are coming up Perry Hill.
Mayor Lauretti: If you use that rationale you set yourself up for a lawsuit in the future. Someone says, ‘oh you admitted in a public meeting that the road was defective or deficient in some way shape or form,’ when we spent millions of dollars to upgrade this road. I can’t tell you how many times I’ve been down this road about streetlights, especially on main roads. I just don’t get it.

Alderman Anglace: On the basis that Public Health & Safety is recommending it and on the basis that it doesn’t cost that much...

Alderman Balamaci: The whole street did sign the petition.

Mayor Lauretti: Well that’s not a reason...

Alderman Balamaci: I understand that...

Mayor Lauretti: That’s not a valid reason in my opinion.

Alderman Balamaci: I can appreciate that but Sgt. Mark, when we viewed the number of signatures and the potential on this particular street, we voted in favor.

Alderman Simonetti: Cris, can you again say what came up at that meeting because I didn’t hear that?

Alderman Balamaci: I don’t have it in front of me and I honestly can’t remember verbatim but Sgt. Mark does a very good presentation of the facts. On this particular one, like Mayor Lauretti said, I don’t believe there were any crashes per se, it is a relatively new street but there is an issue of the neighborhood itself and there was one little area where I believe the streetlight was down on the other end, I can’t remember the pictorials, so we voted in favor of this one. Again, a couple other ones we opposed.

Alderman Anglace: Why don’t we table this until such time we get some experience and background on the road?

Alderman Balamaci: He had the statistical information on it. I don’t have it here because I came straight from work.

Mayor Lauretti: I went through this with the golf course people a few years back. Their complaint was that people race down the hill and that you have golfers crossing that road constantly and there is a potential about it. There is always a potential. We did things to try and mitigate that potential by highlighting the crosswalks, by putting signs in the middle of the road that you must stop for pedestrians crossing.

Alderman Anglace: If he made his decision based on public safety...

Mayor Lauretti: He doesn’t make a decision.

Alderman Balamaci: He didn’t make a decision. That’s not what I said. He just presented the facts and we made the decision. He doesn’t make the decision for us.
Alderman Capra: Cris, just let it go, it doesn’t matter. It’s $90, let it go. Let’s just vote.

Alderman Anglace: Call the question.

Alderman McPherson: Move the question.

Mayor Lauretti asked all in favor? So, we have three in favor? Let’s do this again. All in favor?

A voice vote was taken and the MOTION PASSED 6-1. Simonetti opposed.

5.2.2 REQUEST FOR STREETLIGHT ON POLE #2007 AT CORNER OF COPPEL LANE & ARMSTRONG ROAD

Alderman Balamaci MOVED per the recommendation of the Public Health & Safety Committee, to approve the installation of a 39-watt LED light on Pole #2007 at the corner of Coppel Lane & Armstrong Road at an annual cost of $92.06 with funding to come from Street Lights Account #001-4600-716.35-03.

Seconded by Alderman McPherson.

Mayor Lauretti: For the record, my comments are the same.

A voice vote was taken and the MOTION PASSED 6-1, Simonetti opposed.

5.3 STREET COMMITTEE
5.3.1 SIDEWALK REIMBURSEMENT REQUEST – 420 CORAM AVENUE/50 FAIRMONT PLACE

Alderman McPherson MOVED, per the recommendation of the Street Committee, to approve the sidewalk reimbursement of $10,344 to Saint Joseph Catholic Church Corporation, 50 Fairmont Place, Shelton, CT 06484 for the repair of the sidewalk at 420 Coram Avenue & 50 Fairmont Place per Ordinance #877 (Section 14-9 of the Code of Ordinances) with funding to come from the Sidewalk Reimbursement Account #001-3600-713.80-43.

Further, authorize the Finance Director to transfer $13,398 from Contingency General Account #001-9900-900.99-00 to Sidewalk Reimbursement Account #001-3600-713.80-43.

Alderman Capra seconded.

A voice vote was taken and the MOTION PASSED 7-0.

5.3.2 SIDEWALK REIMBURSEMENT REQUEST – 129-131 OAK AVENUE

Alderman McPherson MOVED, per the recommendation of the Street Committee, to approve the sidewalk reimbursement of $5,040 to Manisha Yadav, 15 King Street, Shelton, CT 06484 for the repair of a sidewalk at 129-131 Oak Avenue per Ordinance #877 (Section 14-9 of the Code of Ordinances) with funding to come from the Sidewalk Reimbursement Account #001-3600-713.80-43.
Seconded by Alderman Kudej.

A voice vote was taken and the MOTION PASSED 7-0.

REPORT OF THE MAYOR

NO REPORT.

REPORT OF THE PRESIDENT

I would like to read into record once again, the statement by the Board of Aldermen.

PUBLIC STATEMENT FOLLOWING THE BOA MEETING WITH THE AUDITOR ON FEBRUARY 7, 2019.

We are in the process of reviewing the June 30, 2018 Audit of the City’s financials with our Auditors.

They have identified five (5) areas where the Board of Education has accumulated fund deficits.

We are researching how these deficits happened and how to address them.

OBSERVATIONS:

- The City ended FY 2017-2018 with a lower than expected operating surplus but no deficit.
- This will impact the FY 2018-2019 budget requiring immediate administrative oversight.
- City’s financial health remains strong.
- Special Revenue Account deficits occurred in 5 BOE accounts requiring more attention.
- Our long-standing method of Special Education Cost (SPED) accounting is an acceptable accounting practice.
- The BOE SPED Excess costs have been paid from city-side funds. Consequently, no pass through is required. Otherwise, those expenses would be paid twice.
- The City and the BOE need to jointly address the underlying policy issues going forward.
- The BOA will appoint a Policy Committee consisting of the Mayor, the Finance Director, the Assistant Finance Director and the City Treasurer to meet with the BOE.
The Board of Education will name their own people. That is the statement we released and communication will be forthcoming. Another thing, there was no meeting requested by the Board of Education other than a budget meeting. That is not appropriate at this time. We are not talking budget, we are talking audit.

6.0 LEGAL REPORT

6.1 CORPORATION COUNSEL BILLING

Alderman Anglace MOVED to authorize a total payment of $2,562.50 to Corporation Counsel Teodosio Stanek, LLC, for services rendered per statement dated February 4, 2019, with funds to come from the Legal Fees account 001-1900-1130-03.

Seconded by Alderman Kudej.

A voice vote was taken and the MOTION PASSED 7-0.

6.2 ASSISTANT CORPORATION COUNSEL BILLING

Alderman Anglace MOVED to authorize a total payment of $1,452.00 to Assistant Corporation Counsel Thomas Galvin Cotter for services rendered per statement dated January 29, 2019, with funds to come from the Legal Fees account 001-1900-1130-03.

Seconded by Alderman Simonetti.

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

8.1. NO ITEMS.

9 FINANCIAL BUSINESS NEW

9.1 FEBRUARY STATUTORY REFUNDS

Alderman Anglace MOVED that the report of the Tax Collector relative to the refund of taxes for a total amount of $8,482.52 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 from the Statutory Refunds Account 001-0000-311.13.00.
9.2 RECLASSIFICATIONS FOR ADMIN/CLERICAL UNION POSITIONS - SEWER/ENGINEERING CLERK; BUILDING CLERK & INSURANCE COORDINATOR

Alderman Anglace MOVED, pursuant to the recommendations of the Mayor and the Administrative Assistant, to approve the changes in the job descriptions and the upgrade of the following positions in the Admin/Clerical Union:

- Sewer/Engineering Clerk to Sewer/Engineering/Tree Warden Departments’ Administrative Aide
- Building Clerk to Building Department Administrative Aide
- Insurance Coordinator to Workers’ Compensation and Insurance Claims Coordinator – Administrative Aide

In accordance with the revised job descriptions attached, these positions will be upgraded from Grade “D” to Grade “F” effective July 1, 2018.

Seconded by Alderman Simonetti.

A voice vote was taken and the MOTION PASSED 7-0.

10 – LEGISLATIVE - NEW

10.1 ITEMS TO PUBLIC HEARING

10.1 NO ITEMS.

9.3 AGREEMENTS FOR LANE STREET BRIDGE REPLACEMENT INSPECTION AND CONSTRUCTION SERVICES

Alderman Anglace MOVED to approve the agreement between the City of Shelton and Milone & MacBroom Inc. in an amount of $249,329 for construction inspection services required for the replacement of the Lane Street Bridge over Means Brook with an 80% reimbursement from the State of Connecticut’s Department of Transportation.

Further authorize Mayor Mark A. Lauretti to execute any and all documents necessary to effectuate the same.

Alderman Anglace MOVED to approve the agreement between the City of Shelton and New England Road, Inc. in an amount of
$2,048,092 for construction services for the Lane Street Bridge over Means Brook with an 80% reimbursement from the State of Connecticut’s Department of Transportation.

Further authorize Mayor Mark A. Lauretti to execute any and all documents necessary to effectuate the same.

SECONDED by Alderman Simonetti.

Alderman Anglace: Funding to be appropriated at a future BOA meeting.

Mayor Lauretti: For one project, for the Lane Street project.

A voice vote was taken and the MOTION PASSED 7-0.

9.4 FUNDING FOR SCHOOL SECURITY UPGRADES AT HOLY TRINITY SCHOOL

Alderman Anglace MOVED to approve Invoice #1000132451 dated 01/31/2019 to be paid to Calvert Safe & Lock in an amount of $4,580.10 for school safety upgrades at Holy Trinity School (formerly St. Lawrence School) with funding to come from Contingency General Account #001-9900-900.99-00.

SECONDED by Alderman Kudej.

Alderman Capra: Have we always handled security for St. Lawrence or rather Holy Trinity School?

Mayor Lauretti: No. This is the first time.

Alderman Simonetti: Will these locks be accessible to our police department in case they have to get into the building?

Mayor Lauretti: That is the objective. Same type of locks they have on every elementary school in the city...a real public safety issue. This is a real legitimate public safety issue.

Alderman Capra: So are the Elizabeth Shelton windows. Those are not in yet.

A voice vote was taken and the MOTION PASSED 7-0.

10. LEGISLATIVE – NEW
10.1 ITEMS TO PUBLIC HEARING
10.1 A. NO ITEMS

10.2 APPOINTMENT OF AD-HOC POLICY COMMITTEE

Alderman Anglace MOVED to appoint the following people to the Ad-Hoc Policy Committee effective immediately.
February 14, 2019

BOARD OF ALDERMEN
FULL BOARD MEETING

Mark A. Lauretti - Mayor
Paul Hiller – Finance Director
Lynne Piscitelli – Assistant Finance Director
Ray O’Leary - Treasurer

Seconded by Alderman McPherson.

Alderman Capra: John I want to thank you for working on this because you are the one who proposed it.

Alderman Anglace: I purposely don’t believe that any of us should be on it. This is an administrative issue. It’s got to be understood on an administrative level. Administrators should be talking to administrators so they can straighten this out. This is not a question of something not getting paid. This is just understanding how it was paid. You don’t pay for these things twice and they have been paid.

A voice vote was taken and MOTION PASSED 7-0.

11. EXECUTIVE SESSION

11.1 NO ITEMS.

ADJOURNMENT

Alderman Anglace MOVED to adjourn; Seconded by Alderman Gidwani. A voice vote was taken and the MOTION PASSED 7-0.

The meeting adjourned at approximately 7:35 p.m.

Respectfully submitted,

Theresa Adcox
Theresa Adcox, Clerk
Board of Aldermen

DATE APPROVED: ________________ BY: _____________________________

Mayor Mark A. Lauretti