

SPECIAL MEETING OCTOBER 25, 2007

The Wethersfield Town Council held a special meeting on Thursday, October 25, 2007 at 7:00 p.m. in the Pitkin Community Center, Room F-3, 30 Greenfield Road, Wethersfield, CT.

Present: Councilor Drake, Forrest, Kirsche, Kotkin, Montinieri, Walsh, Deputy Mayor Fortunato and Chairperson Adil.

Also present: Bonnie Therrien, Town Manager and Dolores Sassano, Town Clerk

Absent: Councilor Cascio

PUBLIC HEARING

PURCHASE OF LAND, LOT 47 PROSPECT STREET

Bonnie Therrien, Town Manager, said that this hearing is on the purchase of a 4.96 acre parcel of land owned by the YMCA that abuts Mill Woods Park. It will be used for passive space and open space. The negotiated price is \$310,000. The Town Council referred this to the Planning and Zoning Commission for an 8-24 review and received a positive referral back.

Richard Roberts, 15 Lantern Lane, speaking in favor of the purchase of land, said that the Planning and Zoning Commission unanimously approved the 8-24 review of this parcel. He said that it is good to add land to Mill Woods Park and open space. He said another reason for open space is to limit the construction of new homes. Because of the purchase price for this parcel, it doesn't make sense to use bond money. There is money available in the Land Acquisition Fund. He said that he doesn't know how the Town will deal with the back taxes owed on the property, but it makes more sense to use the Land Acquisition Fund and keep the \$4,000,000 bond money for a big ticket item.

Barbara Ruhe, 75 Main Street, said that she is not eager to see the bond money used. It will cost the Town an additional \$110,000 over 20 years. She said that government all too often thinks the taxpayers' pockets are endless and they are not. She said that it is wise to buy this land. There will be a significant savings to the Town by not having this property built up with homes. She urged the Town Council to purchase this property and use money the Town has on hand and make the YMCA pay the back taxes on the property.

COUNCIL ACTION

PURCHASE OF LOT 47 PROSPECT STREET

Deputy Mayor Fortunato moved **"TO PURCHASE LOT 47 PROSPECT STREET FOR PASSIVE RECREATION AND OPEN SPACE AS NEGOTIATED BETWEEN THE TOWN MANAGER AND THE YMCA"** seconded by Councilor Forrest.

Bonnie Therrien, Town Manager, said that she needs to know if the Town Council wants to purchase the property with funds from the Land Acquisition Fund or through the bond.

Councilor Kotkin asked how the purchase would work with the back taxes. Will there be two checks moving simultaneously? He asked what the net amount would be.

Bonnie Therrien, Town Manager, said that there is roughly \$32,000 in back taxes owed. The amount will be deducted from the \$310,000 sale price.

Councilor Kotkin said that this obviously won't be bonded out alone. Can this be combined with other bonds?

Bonnie Therrien, Town Manager, said that this can be bonded out with the last \$1,000,000 of the road projects and second half of the Town Hall/Library project in the spring.

Councilor Kotkin asked if the bond total would be about \$5,000,000.

Bonnie Therrien, Town Manager, said yes it would be in that area. She said that the Fund Balance could be used as a bridge.

Councilor Kotkin said that in the market now there is a high premium given to high quality issuers. Wethersfield has a double A rating. The rates will be extremely attractive and investment cash may be coming down a bit, too.

Bonnie Therrien, Town Manager, said that the interest rate is down to about 4.25 percent. The Town may still be able to get 4 to 4.5 percent on a bond rate.

Councilor Kotkin said that the rates are low now. He recommends that the Town carry this expense until such time as the Town has a meaningful amount to bond. He supports using the bond money because of the favorable market.

Councilor Drake said that they all agree that this parcel should be purchased. He asked why the funding is an issue. The Town has the money in the Land Acquisition Fund.

Bonnie Therrien, Town Manager, said that the tax check will go into the General Fund. The Land Acquisition Fund does not have \$310,000. Money can be taken from the General Fund.

Councilor Drake said that he doesn't understand why the Town is trying to work out an angle to make a little money. The Town has the funds and should use the money. He said he wants the Town to purchase the property but should get the taxes paid and purchase it with existing funds.

Councilor Forrest said that he understands Councilor Drake's comments but thinks the Town should try to pick up a 1/2 of a percent by bonding. The Town will get a return on the investment. From a financial standpoint, it is not a risk. He said the Town should keep the Land Acquisition Fund in place for other parcels that the Town is looking at.

Councilor Drake asked about the other land fund.

Bonnie Therrien, Town Manager, said that the Agricultural Land Fund is to preserve farm land in Town and does not fit this purchase.

Councilor Kirsche said that it seems with cash on hand there is no reason to incur debt. He said that he supports the purchase of this land but believes the Town should not have unnecessary debt.

Councilor Montinieri asked if there was a clock ticking on the open space bond money.

Bonnie Therrien, Town Manager, said that the bond money disappears if nothing is spent within three years from the time it was approved.

Councilor Montinieri said that the bond was passed for open space purchases and the clock has already started ticking. The Land Acquisition Fund was established as a way to address other issues, too.

Bonnie Therrien, Town Manager, said that she believes a previous Town Council established it to start to build a fund to acquire open space in Town.

Councilor Montinieri said that if a parcel became available in a competitive market, the Town should have this fund to move quickly for the purchase of the property.

Bonnie Therrien, Town Manager, said that the Town could float money from the General Fund if the Town Council

wanted to purchase a property. She said that there should not be a timing issue with floating this bond. She tries to group bonds together and combine the costs associated with them. She said that a bond could go out this spring.

Councilor Montinieri said that open space is tough to purchase. He said that it may be of some prudent value to say the Town is making a commitment to the bond. The Town has committed to land acquisition and may not even use the money.

Bonnie Therrien, Town Manager, said that once some of the bond money is spent, the three year term starts again.

Councilor Drake asked what closing costs would be associated with this purchase.

Bonnie Therrien, Town Manager, said that closing costs associated with the Town Attorney would be paid out of the Town Attorney fund.

Councilor Kotkin said that it is clear cut in the financial flexibility with bonding. He said that the bond money could run out and a property could come up and the Town will have no money to use for the purchase of it. Since the Town already has other bonds coming up to sell, there will be no additional overhead.

Deputy Mayor Fortunato moved **"TO AMEND THE MOTION TO READ 'TO PURCHASE WITH BOND FUNDS LOT 47 PROSPECT STREET FOR PASSIVE RECREATION AND OPEN SPACE AND TO NEGOTIATE THE OUTSTANDING TAX LIEN BETWEEN THE TOWN MANAGER AND THE YMCA'"** seconded by Councilor Forrest.

All Councilors present, including the Chairperson voted AYE. The motion passed 8-0-0.

GREATER HARTFORD TRANSIT DISTRICT - OPERATING ASSISTANCE GRANT

Bonnie Therrien, Town Manager, said that this is an annual grant that is supposed to be executed by November 1st. It allows the Town to receive \$9,300 for the Dial-A-Ride program.

Councilor Kirsche moved **"TO AUTHORIZE THE TOWN MANAGER TO SIGN THE GREATER HARTFORD TRANSIT DISTRICT OPERATING ASSISTANCE GRANT FOR THE DIAL-A-RIDE PROGRAM"** seconded by Councilor Forrest.

All Councilors present, including the Chairperson voted AYE. The motion passed 8-0-0.

EXECUTIVE SESSION

At 7:30 p.m., Councilor Drake moved **"TO ENTER EXECUTIVE SESSION TO DISCUSS UNION NEGOTIATIONS"** seconded by Councilor Kotkin.

All Councilors present, including the Chairperson voted AYE. The motion passed 8-0-0.

At 7:37 p.m., Councilor Forrest moved **"TO LEAVE EXECUTIVE SESSION"** seconded by Councilor Kirsche.

All Councilors present, including the Chairperson voted AYE. The motion passed 8-0-0.

Councilor Kotkin moved **"TO APPROVE THE PHYSICAL SERVICES CONTRACT AS NEGOTIATED BY THE TOWN MANAGER"** seconded by Councilor Walsh.

All Councilors, present including the Chairperson voted AYE. The motion passed 8-0-0.

At 7:38 p.m., Deputy Mayor Fortunato moved **"TO ADJOURN THE MEETING"** seconded by Councilor Kirsche. All Councilors present, including the Chairperson voted AYE. The motion passed 8-0-0.

Dolores G. Sassano
Town Clerk

Approved by Vote of Council November 19, 2007