



**CITY OF NORWICH**  
CONNECTICUT

**AGENDA – MEETING OF THE COUNCIL OF THE CITY OF NORWICH**  
**August 19, 2019**  
**7:30 PM**

**PRAYER**

**PLEDGE OF ALLEGIANCE**

**CITIZEN COMMENT GENERAL (30 Minutes)**

**PETITIONS AND COMMUNICATIONS**

1. Estimated Tax Impact of Debt Service on Proposed Bond Ordinance

**PUBLIC HEARINGS**

1. AN ORDINANCE AMENDING SECTION 14-2(e) OF THE NORWICH CODE OF ORDINANCES WITH RESPECT TO THE SELLING OF FOOD OR DRINK IN MOHEGAN PARK
2. Relative to participation in a Cost Sharing Program with the City of Norwich to construct concrete sidewalks.

**SECOND READING AND ACTION ON THE ORDINANCE LISTED ABOVE**

**CITY MANAGER’S REPORT**

**OLD BUSINESS RESOLUTION**

1. Relative to the disposition of property at 18 Falls Ave.

**CITIZENS COMMENT ON RESOLUTIONS**

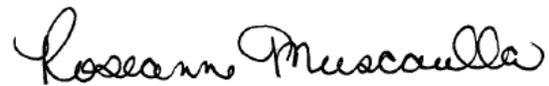
**NEW BUSINESS-RESOLUTIONS**

1. Relative to providing for referendum vote to be held in connection with the Municipal Election on November 5, 2019 regarding entitled “AN ORDINANCE APPROPRIATING \$5,000,000 FOR THE CITY OF NORWICH INFRASTRUCTURE IMPROVEMENT PROGRAM (2019) AND AUTHORIZING THE ISSUE OF \$5,000,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE”

2. Relative to participation in a Cost Sharing Program with The City of Norwich to construct concrete sidewalks.
3. Relative to the transfer of funds among various departments to close out Fiscal Year 2018-19

**NEW BUSINESS-ORDINANCE**

1. AN ORDINANCE REGARDING ADDITIONAL FISCAL YEAR 2018-2019 APPROPRIATIONS FOR THE GENERAL FUND AND CITY CONSOLIDATION DISTRICT.

A handwritten signature in black ink that reads "Roseanne Muscarella". The signature is written in a cursive, flowing style.

Assistant City Clerk  
Roseanne Muscarella



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August 12, 2019

To: Mayor Peter A. Nystrom and Members of the Norwich City Council through City Manager John Salomone

## Estimated Tax Impact of Debt Service on Proposed Bond Ordinance

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The purpose of this memo is to give the estimated tax impact on the debt service for the proposed bond ordinance on the agenda for the August 19, 2019 Norwich City Council meeting.

### Assumptions

The estimates in this memo make the following assumptions:

- Approval of the bond ordinances by the City Council and Norwich voters
- 4% interest rate on the debt issued
- 20 year amortization for the bond issues
- 0.5% increase in the grand list each year

### \$5 Million Infrastructure Improvement Program

The funds for this proposed project would be spent over a series of years. Because of this, the debt service estimates assume that the bonds would be issued incrementally from 2020-2023. Over the first five years, a homeowner with a median valued single-family home would pay an average of approximately \$20 per year in real estate property taxes related to debt service for this project. The annual debt service cost begins to decrease in year three.

**AN ORDINANCE AMENDING SECTION 14-2(e) OF THE NORWICH CODE OF ORDINANCES  
WITH RESPECT TO THE SELLING OF FOOD OR DRINK IN MOHEGAN PARK**

**NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH that  
Section 14-2(e) of the Norwich Code of Ordinances be repealed in its entirety and that a  
new section 14-2(e) as set forth herein be adopted:**

**Section 14-2. Property**

~~(e) The selling of food or drink in Mohegan Park, with the exception of the Reynolds Road-Mahan Drive recreation area, is limited to the concession building. No other vendor is allowed to sell food and drink in the park during the period the concession is in operation, unless permitted in writing by the director of public works.~~

*The selling of food or non-alcoholic beverages in Mohegan Park shall be permitted at such times and locations as are authorized by permit or other written authorization issued by the Director of Public Works or his designee. Any such permit or other written authorization shall specify the location or locations at which such vending is permitted and may limit the scope and time when such vending is permitted.*

- 1) The Director of Public Works shall establish regulations which shall identify the location or locations in Mohegan Park where the vending of food or non-alcoholic beverages is permitted and shall establish limits as to the dates and hours of operation when such vending is permitted. Such regulations may also establish limits as to the number of vendors permitted in the park as well as the number permitted to vend at any location or locations identified for the purpose. Such regulations may also establish rules for any festivals and events with multiple vendors selling food and non-alcoholic beverages.*
- 2) The Director of Public Works may establish a schedule of permit fees applicable to vendors selling food and non-alcoholic beverages in Mohegan Park, which fees shall take into account the operating expenses and other costs to the City, and may differ as a result of the location at which vending is to take place, and the duration of the vending activity. All sums received from the collection of such permitting fees shall be used to defray the operating expenses and costs to the City arising from the sale of food and non-alcoholic beverages in Mohegan Park.*
- 3) The Council shall by resolution approve the permit fees proposed by the Director of Public Works and may by resolution increase or decrease permit fees to reflect any increase or decrease in the operating expenses and other costs to the City associated with the vending of food and non-alcoholic beverages in Mohegan Park.*

- 4) Unless exempted under the statutes of the State of Connecticut, no person shall vend in Mohegan Park without holding a proper license or licenses as may be required for the vending of food or non-alcoholic beverages as determined by the Uncas Health District and the Chief of Police.***
- 5) Vending may be conducted from a properly equipped and licensed motor vehicle or a wheeled vehicle or device, other than a motor vehicle, which may be moved with or without a motor and which does not require registration by the Department of Motor Vehicles.***
- 6) Before any permit, as provided in this section, shall be issued, such vendor who utilizes a motor vehicle shall file with the Director of Public Works a certificate of insurance that also names the City of Norwich as an additional insured party. This insurance shall contain the specific policies, and be in the amounts required by the City, to protect both the vendor and the City. The Director of Public Works will provide these requirements to each vendor requesting a permit.***
- 7) All vendors shall, prior to the issuance of a permit, submit an executed agreement to indemnify and hold harmless the City of Norwich and its employees, officers and officials both elected and appointed, and/or agents from any and all claims, actions, injuries, or damages of every kind and description which may accrue to or be suffered by any person by reason of or related to the vending of food and non-alcoholic beverages by the vendor in Mohegan Park.***

Mayor Peter Albert Nystrom  
President Pro Tem Bill Nash  
Alderman Samuel Browning IV

**PUBLIC HEARING #2**

**WHEREAS**, the property owners listed below want to participate in a cost sharing program with the City of Norwich to construct concrete sidewalks along their property; and

**WHEREAS**, the City of Norwich wants to improve sidewalks throughout the City.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NORWICH** that: granite curbing and concrete sidewalks will be constructed at the following locations where the property owners will pay for an assessment for the cost of the sidewalks and the City of Norwich will pay for the cost of the curbing and miscellaneous items.

<b>Name</b>	<b>Location</b>	<b>Owner Cost</b>
Gretchen Philbrick	27 Sturtevant Avenue	\$4515.00
Broadway Soulor LLC	143-145 Rockwell St.	\$6640.00
Burnham Sq. Development LLC	19 North Cliff St.	\$1816.00

**BE IT FURTHER RESOLVED** that the cost of this project be funded from the existing capital budget line item for sidewalks, Capital Improvement Fund #3602 and the Sidewalk Fund, #2858.

The estimated city's cost for curbing and miscellaneous construction items is \$6,775.00.

Alderwoman Stacy Gould

## **OLD BUSINESS RESOLUTION #1**

**WHEREAS**, the City of Norwich owns the property identified as 18 Falls Avenue (map 101/block 4/lot 63) which property is located along the west channel of the Yantic River and adjacent to the Intermodal Transportation Center; and

**WHEREAS**, this property is used in connection with the Intermodal Transportation Center to provide one handicapped parking space and two shoreline access parking spaces for a public access walkway running along the bank on the west channel of the Yantic River; and

**WHEREAS**, the property at 18 Falls Avenue including the parking area for shoreline public access and the Transfer Station Bridge used to provide access to the upper floors of the Intermodal Transportation Center use the same roadway off Falls Avenue for entering and exiting; and

**WHEREAS**, the Council of the City of Norwich finds it to be in the best interest of the City of Norwich to sell 18 Falls Avenue, subject to its present public access parking and continuing use for public shoreline access, by a competitive bid process to be conducted by the city purchasing agent pursuant to sections 7-39 to 7-53 of the Norwich Code of Ordinances; and

**WHEREAS**, the Council finds that the fair market value of the property and current and continuing use for public access are such as to require compliance with the provision of Connecticut General Statute § 7-163e as to notice by publication and the posting of a sign on the property concerning the conduct of a public hearing on the sale.

**NOW, THEREFORE BE IT RESOLVED, BY THE COUNCIL OF THE CITY OF NORWICH, CONNECTICUT** that City Manager John Salomone be and hereby is authorized and directed to arrange, through the purchasing agent, City Clerk, and Public Works Department, and such individual(s) or department(s) as he may utilize to arrange to sell the property at 18 Falls Avenue, subject to the public access and parking conditions referenced in this resolution, to the highest responsible bidder by a competitive bid process.

Mayor Peter Albert Nystrom  
President Pro Tem Bill Nash  
Alderwoman Stacy Gould

## RESOLUTION #1

### BE IT HEREBY RESOLVED BY THE COUNCIL OF THE CITY OF NORWICH:

That the ordinance entitled “AN ORDINANCE APPROPRIATING \$5,000,000 FOR THE CITY OF NORWICH INFRASTRUCTURE IMPROVEMENT PROGRAM (2019) AND AUTHORIZING THE ISSUE OF \$5,000,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE”, as adopted by this meeting of the Council, be submitted to a referendum vote of the electors of the City for approval or disapproval in conjunction with the general election on November 5, 2019, between the hours of 6:00 A.M. and 8:00 P.M. and that the warning of said referendum state the question to be voted upon and the ballot label with respect thereto as follows:

#### Question 1:

“Shall the ordinance entitled ‘ORDINANCE APPROPRIATING \$5,000,000 FOR THE CITY OF NORWICH INFRASTRUCTURE IMPROVEMENT PROGRAM (2019) AND AUTHORIZING THE ISSUE OF \$5,000,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE’, as adopted by the City Council on August 5, 2019, be approved? YES NO”

The ballot label for said question shall read as follows:

“Shall the \$5,000,000 appropriation and bond authorization for the planning, acquisition and construction of the City of Norwich Infrastructure Improvement Program (2019), which consist of the improvement or new construction of roads, bridges and bridge structures, sidewalks, piers and wharves, and appurtenant areas throughout the City, as may be accomplished within said appropriation, pursuant to the ordinance adopted by the City Council on August 5, 2019, be approved? YES NO”

The voting will be by paper/electronic ballot. Those desiring to vote for the question shall fill in the box in front of the question on the ballot at “**YES**”. Those desiring to vote against the question shall fill in the box in front of the question on the ballot at “**NO**”. Absentee ballots will be made available in accordance with the law.

The warning of said referendum shall also state that the full text of the aforesaid ordinance and question are on file open to public inspection in the office of the City and Town Clerk, that the vote on the aforesaid bond ordinance is taken pursuant to Chapter VIII, Section 4 of the City Charter and Chapters 90 and 152 of the Connecticut General Statutes, as amended, and that absentee ballots will be made available in accordance with the law.

The City and Town Clerk is hereby authorized and directed to prepare and print pursuant to section 9-369b of the Connecticut General Statutes (i) explanatory text for the foregoing question and (ii) materials concerning such question in addition to the explanatory text.

President Pro Tem Bill Nash  
Alderswoman Stacy Gould

**RESOLUTION #2**

**WHEREAS**, the property owners listed below want to participate in a cost sharing program with the City of Norwich to construct concrete sidewalks along their property; and

**WHEREAS**, the City of Norwich wants to improve sidewalks throughout the City.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NORWICH** that: granite curbing and concrete sidewalks will be constructed at the following locations where the property owners will pay for an assessment for the cost of the sidewalks and the City of Norwich will pay for the cost of the curbing and miscellaneous items.

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**BE IT FURTHER RESOLVED** that the cost of this project be funded from the existing capital budget line item for sidewalks, Capital Improvement Fund #3602 and the Sidewalk Fund, #2858.

The estimated city’s cost for curbing and miscellaneous construction items is \$6,775.00.

Alderwoman Stacy Gould

**RESOLUTION #3**

Relative to the transfer of funds among various departments to close out Fiscal Year 2018-19.

**WHEREAS**, the Law Department expended approximately \$40,000 in excess of its 2018-19 appropriation primarily resulting from higher than anticipated condemnation relocation costs; and,

**WHEREAS**, the Police Department expended approximately \$560,000 in excess of its 2018-19 appropriation resulting primarily from retirement payouts, overtime, and replacement overtime costs; and,

**WHEREAS**, Norwich Public Schools expended approximately \$1,400,000 in excess of its 2018-19 appropriation resulting from higher than anticipated special education tuition and transportation costs; and,

**WHEREAS**, several departments underspent their 2018-19 budgets in an amount totaling approximately \$1,172,000.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NORWICH**, that \$1,172,000 be and hereby is transferred *from* the 2018-19 budgets of the departments listed below *to* the 2018-19 budgets of the Law, Police, and Norwich Public Schools departments as follows:

**Budget Decreases**

<u>Department</u>	<u>Org (s)</u>	<u>Amount of Transfer</u>
City Council	10410300	\$31,000
City Manager	10411300	3,000
Finance	10411700	10,000
Assessment	10413100	33,000
Treasurer	10413700	4,000
Human Resources	10414100	7,000
Planning & Neighborhood Services	10415100	17,000
Elections	10419700	8,000
Norwich Fire	10420200	60,000
Emergency Management	10422300	13,000
Laurel Hill VFD	10423400	5,000
Taftville Volunteer Fire	10423600	7,000
Public Works	10430300 - 10434800	410,000
Human Services	10441700 - 10450300	24,000
Insurance	10500000	79,000
Contingency	10500000	461,000
<b>Subtotal - Budget Decreases</b>		<b>\$1,172,000.00</b>

**Budget Increases**

<u>Department</u>		<u>Amount of Transfer</u>
Law	10413900	\$40,000
Police	10420100	560,000
Norwich Public Schools	10470000	572,000
<b>Subtotal - Budget Increases</b>		<b>\$1,172,000.00</b>

<b>Net Budget Change</b>	<b>-</b>
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**BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NORWICH**, that the remaining 2018-19 budget deficit of \$828,000 (\$1,400,000 minus \$572,000) for Norwich Public Schools shall be addressed in a separate ordinance for an additional appropriation from General Fund unrestricted fund balance.

City Manager John L. Salomone



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August 12, 2019

To: Mayor Peter A. Nystrom and Members of the Norwich City Council through City Manager John Salomone

# Explanation of Proposed Resolution and Ordinance Regarding 2018-19 Budget Transfers and Additional Appropriations for the General Fund, CCD, and TCD

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There are a resolution and an ordinance on the August 19, 2019 agenda to make budget transfers and additional appropriations for fiscal year 2018-19. This memo explains the transfers, additional appropriations, and net impact on the fund balances of these three funds.

## General Fund

### Revenues

Revenue collections slowed during the last quarter of the fiscal year. When I sent out a memo on the projected results in May 2019, I was projecting revenues to be \$0.7 to \$1 million ahead of budget. Tax collections were much lower in May-June 2019 compared to the same periods the previous two years which is a stark contrast to how strong the collections were for the first 10 months of the fiscal year. All-in-all, property tax collections were on target with the budget, but not as high as anticipated in May.

In addition, the \$1 million of revenue for Kelly Middle School construction grants wasn't realized during fiscal year 2018-19 because of a late start to the project audit by the Connecticut Department of Administrative Services (late May instead of mid-March). This should just be a timing difference and the revenue should be included in the 2019-20 fiscal year.

General Fund revenues will be approximately **\$640,000 below** budget for fiscal year 2018-19.

### Expenditures

A few departments will need a budget transfer this year.

- Law – This department has experienced higher-than-anticipated unreimbursed relocation costs due to condemnations. It will need a transfer of \$40,000.
- Police – This department offset the majority of the costs of payouts of accrued time to five individuals who retired during the fiscal year in addition to higher-than-budgeted Overtime and Replacement Costs. The Police will need a transfer of \$560,000.
- Public Schools –NPS has a deficit of \$1,400,000. Earlier estimates had ranged between \$2.0 - \$3.0 million.

*The draft resolution transfers budget savings totaling \$1,172,000 from several General Fund departments to offset the deficits of the Law, Police, and a portion of NPS's deficit.*

*The draft ordinance includes an additional appropriation for NPS of \$828,000 – the amount in excess of the transfers from the other General Fund departments.*

## **Unrestricted Fund Balance**

The 2018-19 adopted budget included an appropriation of \$200,000 of General Fund unrestricted fund balance (UFB).

The General Fund UFB will decrease \$1.7 million which will put the balance at approximately \$14.3 million, or 11.3% of annual operating expenditures for the fiscal year ending June 30, 2019. The target range for General Fund UFB is currently 10%-17%.

## **City Consolidation District**

### **Revenues**

Revenues are \$22,000 higher than the 2018-19 budget.

### **Expenditures**

This fund has experienced higher-than-budgeted Replacement Costs and Overtime. *The draft ordinance includes an additional appropriation of \$420,000 for the CCD.*

## **Unrestricted Fund Balance**

The 2018-19 adopted budget included an appropriation of \$280,000 of CCD UFB.

The CCD UFB will decrease approximately \$678,000. The CCD's UFB *deficit* will be \$220,000, or (2.8)% of annual operating expenditures for the fiscal year ending June 30, 2019. The City does not have a policy for the UFB level of this fund. *The draft ordinance also includes a plan for restoring the CCD deficit by increasing the 2020-21 CCD tax levy by the amount of the projected deficit of this fund at the time that the 2020-21 budget is being developed.*

## **Town Consolidation District**

### **Revenues**

Revenues are \$14,000 higher than the 2018-19 budget.

## **Expenditures**

Volunteer Firefighter Property Tax Abatement costs were \$15,000 lower than anticipated.

## **Unrestricted Fund Balance**

The 2018-19 adopted budget did not include an appropriation of TCD UFB.

The TCD UFB will increase by approximately \$29,000 which will bring it to a slightly positive position. The TCD had been in a deficit position at the end of fiscal year 2017-18.

**NEW BUSINESS ORDINANCE #1**

**AN ORDINANCE REGARDING ADDITIONAL FISCAL YEAR 2018-19  
APPROPRIATIONS FOR THE GENERAL FUND AND CITY CONSOLIDATION  
DISTRICT**

**WHEREAS**, Norwich Public Schools expended approximately \$1,400,000 in excess of its fiscal year 2018-19 General Fund appropriation as a result of higher than anticipated special education tuition and transportation costs; and

**WHEREAS**, \$572,000 of the \$1,400,000 overage was offset by transfers of unexpended appropriations from other General Fund departments— leaving a net spending deficit of \$828,000; and

**WHEREAS**, the City Consolidation District’s (“CCD”) wages, overtime, replacement costs, and fringe benefits for fiscal year 2018-19 are \$420,000 higher than anticipated compared to the adopted 2018-19 budget for the CCD; and

**WHEREAS**, the General Fund and CCD have adequate levels of unrestricted fund balance (“UFB”) to absorb the impact of the budget variances described above; and

**WHEREAS**, the CCD will have a fund deficit of approximately \$220,000.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH THAT** the fiscal year 2018-19 appropriations for the General Fund and CCD be, and hereby are, increased by the sums of \$828,000 and \$420,000, respectively, for the reasons set forth above.

**BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH THAT** if, during the fiscal year 2020-21 budget development process, the City Consolidation District fund is projected to be in a deficit position at the end of fiscal year 2019-20, then an additional amount will be included in the 2020-21 tax levy for the City Consolidation District to restore such deficit.

Purpose: To increase the appropriations of the General Fund and City Consolidation District funds for projected expenditures in excess of the adopted 2018-19 budget.

City Manager John L. Salomone