

TOWN MANAGER'S REPORT

TO: Honorable Town Council Members

FROM: Karl F. Kilduff, Town Manager

DATE: January 14, 2022

Please find my report concerning various items of interest to the Town Council and community.

1. Council Business:

- FY22-23 Budget – Budget preparation is underway with department head requests being reviewed. I am anticipating a presentation of the budget to the Council on the second week of February (as has been done recently). As I noted previously, the Council will need to set a schedule for budget workshops to review the budget and make adjustments before the budget advances to a public hearing. I will give you a draft schedule for consideration based on your availability for workshop meetings and the length of time to review budgets.

Additionally, I am working with Morgan students again this year on a budget preference survey to solicit feedback and get a feel of the public's mood on budget preferences and spending. We are updating the same survey instrument used last year.

- Bond Sale – The Town sold its bonds and bond anticipation notes on Thursday, January 6. There was a strong response from Connecticut-based investors and the bond anticipation notes were over-subscribed. The strong credit characteristics of the Town helped carry the sale for the Town despite headwinds generally in the bond market and indicators from the Federal Reserve that rates may be increasing in 2022.

The structure of the debt included a small refunding opportunity which helped pull down total debt service in the near term. Since the refunding was in the near-term, we were able to see those bonds sold with no real impact from the general economy.

2. River COG:

River COG held its annual legislative meeting on January 13, 2022 to share with area legislators the concerns and priorities for the region. A copy of the legislative report is attached to this memo for your reference.

3. 9 Town Transit:

The Transit District board met on January 7, 2022 and continued its on-going focus on merging with Middletown Area Transit. Service planning is underway for the merged system and evaluating enhancements. A Fare Study is the next project to be completed with the goal of equalizing rates and technology. Action was taken to adopt updated policies and by-laws which reflects the larger district.

4. Miscellaneous:

- Façade Improvement Program – Many of the businesses interested in using the façade improvement program are experiencing difficulties securing multiple quotes for the planned improvements. The projects seem to be either too small or too large for the different contractors, and unfortunately, some contractors have not offered to quote the work. Since the program was funded by a State grant, the Town does have an obligation to make sure that procurement standards are maintained.

I was able to work with State staff to explain the issue and potential options. We were able to change the procurement standards from 3 quotes to 2 quotes. This lower bar satisfies the State's interest in making sure there was competition for the work, but it also makes it potentially easier for a business to come forward with an application.

- Paving for Connecticut Water – Connecticut Water is offering to provide the Town with funds to restore the surface on Beach Park Road following their construction work. Previously funds were provided to the Town for road restoration on Glenwood Road. The work can be added to our planned spring paving schedule.
- Landfill Location – For some time now I have had a number of meetings with different entities to explore ideas and options that might find a beneficial re-use of the old landfill site while also being cost effective for the Town. I will be looking for some time at a future meeting to discuss one possible approach once I have fully vetted the concept.



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From: RiverCOG Staff

To: RiverCOG Members & Elected Officials

Date: January 5, 2021

Re: *DRAFT* Legislative Agenda Review

The following memo contains a *DRAFT* of the 2022 Legislative Agenda that will be considered for adoption at the upcoming meeting. Please review this document and be prepared to vote to adopt this final version on January 13, 2022. The creation of this agenda originated from input gathered over the last few months including suggestions from executive and public meetings, previous agenda items, staff suggestions, and input from CCM/COST. This draft will be distributed to our region's elected officials and various CEOs for review. The agenda's purpose will be to serve as a guide for the region's policy goals during the upcoming legislative session which begins on February 9th. Please contact Ben Lovejoy at blovejoy@rivercog.org if you have any questions before the legislative RiverCOG meeting on 01/13/22.

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Lower Connecticut River Valley Council of Governments 2022 DRAFT Legislative Agenda

Attract Youth to the Region and Support Growth

Continued expansion of state and local efforts to attract and retain residents including but not limited to tax breaks, homeownership incentives and small business creation programs

The lack of young families and children in our region was identified as a major threat to growth during the recent existing conditions report generated for RiverCOG's Regional Housing Plan. This lack of young adults is disproportionately impacting the region and cause for concern. For Connecticut to thrive it must do more to attract and retain younger adult residents. Multiple solutions have been offered in the last few years and they include supporting job growth through small business development, tax breaks for student loan payments, home buyer incentives, and the creation of enterprise zones. The committees of cognizance for driving growth are expensive but in general Banking, Higher Education and Employment, Commerce and Labor are tasked with preliminary policy creation on this subject matter.

Maintaining Consistent Revenue Streams

Provide the region's municipalities with stable funding streams

As municipalities seek to recover and stabilize from the pandemic, it is crucial that existing revenue streams remain stable. Funding for capital improvement projects, bridge and road improvements, and educational cost sharing grants must continue. Additional funding for recovery projects should also be included and bonding for new projects should also be considered. Timely payments of municipal aid and fully funding the PILOT program should also occur.

Mandate Relief

End passage of legislation that creates additional unfunded mandates for member municipalities

To assist municipalities that are being asked to do more with less state support, there needs to be thoughtful and significant relief from unfunded mandates. Cuts in support to municipalities or the imposition of new unfunded mandates result in increases in property taxes.

Reduce construction costs for municipal projects by revising the prevailing wage threshold for municipal public works renovation projects to \$500,000 and rejecting efforts to expand such requirements.

Municipal Staffing Shortages

Create pathways and pipelines to expand and support municipal employee job force creation

Many municipalities in our region are struggling to find staff for various positions, particularly in HR, Building Inspections and Zoning Enforcement Officers. There have been discussions around creating a regional approach that would help support these positions for the COG members. Staffing shortage in

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many agencies are also anticipated as many state employees are expected to retire within the next year. State agencies such as DPH, DMHAS, DEEP and DEMHS are also experiencing shortages. Creating partnerships with local state and community colleges should be considered. The creation of educational programming that supports the creation of a pipeline of potential public sector employees will be crucial for the long-term viability of municipal and state services. Lack of staff in these key agencies could lead to complications, slow down, and lack of support at the state and municipal level.

Minimum Budget Requirements Revisions

Provide school districts with greater flexibility to control education spending by revising the Minimum Budget Requirement and addressing special education costs.

COVID-19 Health Pandemic & Public Health Concerns

Improve options and increase funding to municipalities to address the ongoing COVID-19 pandemic. Policy considerations should include new funding stream options for health districts, use of virtual and hybrid meeting technologies and continued support for modernizing municipal services

A significant increase in the prevalence of the omicron variant in the beginning of 2022 proves that the health pandemic is far from over. State policies and initiatives that provide the municipalities the necessary tools to fight COVID are supported by RiverCOG. Options to extend and facilitate fully virtual and hybrid meetings and process paperwork electronically should be considered in the 2022 legislative session.

The state has created an incentive structure for municipalities to join forming regional health districts. Municipalities that create these districts receive a \$1.85 per capita amount that assists in the managing the district. Some municipalities have chosen not to regionally collaborate because costs would increase. Nevertheless, they may struggle to manage their individual health districts. Offering multiple solutions to serve the health needs of constituents should be prioritized.

Support programs that step-up efforts to address the state's opioid crisis. There is not a person or place in the state that has not been impacted by the ongoing opioid epidemic. 2020 saw the highest rate of overdoses ever recorded. Support services, rehab centers and sponsored wrap around programs struggled to provide under isolation orders. The region's municipalities must continue to see state support to address the multitude of issues that stem from this epidemic.

Solid Waste Management

Support a proactive approach to solid waste management that will lower tipping-fees and offer a long-term environmentally sustainable solution for the region and state

Connecticut has a solid waste management issue that needs to be addressed immediately. The anticipated closing of the MIRA facility in Hartford will require the transportation of waste to be buried in other states. Hauling solid waste out of state will dramatically increase tipping fee costs for member municipalities and is not an environmentally sustainable long-term solution. In the past few years,

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discussions around expanding anaerobic digestion facilities have often dominated the waste management conversation. Anaerobic Digestion is the process of capturing gas from the fermentation of food waste, but siting challenges and prohibitive costs along with trash separation issues are currently preventing widescale implementation. Considerations to align decision making with recommendations from the Connecticut Coalition for Sustainable Materials Management (CCSMM) should also be included.

Environmental Protection Efforts

Efforts to combat the impacts of climate change must continue, the region's waterways are critical assets and currently at risk of erosion and destruction by invasive species and contaminants

- Hydrilla Eradication and Invasive Species Management in The CT River
- Establish a municipal option conveyance fee on real property sales that can be used in conservation efforts and environmental protection efforts.
- Reduce the impact of road salt and deicing chemicals on equipment and water resources by encouraging the use of Green Snow Pro training and certification. Funding for training, equipment and new chemicals should also be provided.
- Assist communities in funding climate resiliency initiatives to address flooding, infrastructure, and other concerns.
- Increase funding for conservation and protection efforts
- Adopt a State Plan of Conservation and Development

PFAS and Soil Contaminants

Expansion of state support for the cleanup and removal of PFAS and other harmful contaminants

PFAS are harmful chemicals found in everything from food packaging to firefighting foams. These chemicals are used to help repel liquids, prevent sticking in cookware and even combat certain types of chemical-based fires. PFAS are also part of the "forever" chemicals family and do not degrade over time. This means that when spills or contamination occurs, clean up can be incredibly costly. Recently, PFAS in firefighting foam have been addressed. The legislative body has taken action to limit the use and ownership of these foams. Unfortunately, the foams that contain these chemicals are often the most effective option for containing certain types of fires and replacement products are not easily obtainable. When these foams are used and not properly cleaned up, they risk ground water and soil contamination.

COG members have acknowledged that further action is required to deal with issues around PFAS. Removal, replacement, and cleanup of identified contamination sites are costly, and municipalities need state support to further any efforts. So far, the state has focused policy to limiting the use of these PFAS containing firefighting foams and sought to ban the sale of products that contain these chemicals.

Lowering Carbon Emissions from the Transportation Sector

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Consider multiple options for lowering transportation sector emissions including but not limited to infrastructure investments in renewable energy projects, additional funding for electric vehicle charging station utilizing the C-PACE program and clean energy fleet conversions

Carbon emissions from the transportation sector account for a sizable portion of our state's air pollution and carbon emissions. The main policy initiative that seeks to lower these emissions is contained in portions of the Transportation Climate Initiative (TCI). CT signed onto this initiative in 2019 and is now part of the multistate effort to reduce carbon emissions. TCI proposes lowering emissions through a form of cap and trade on gasoline distributors. To enact the initiatives contained in the multistate compact requires legislative action. The initiatives have the potential to raise gas prices, and this has made the program increasingly unpopular amongst legislators.

The Governor and DEEP continue to support the plan and there has been discussion for aspects in the compact to be considered in the 2022 session. Currently, the Governor has requested that legislature take lead on passing this bill. Response from the legislature has been lackluster and many have requested that other solutions are considered that can lower emissions without causing increases in costs of living. A recent executive order has rolled out provisions of TCI but many environmental advocates are requesting further action. If additional provisions of TCI are passed, specifically the carbon tax program, the revenue generated would be used for projects that reduce the states total emissions. These include investments in local clean energy infrastructure and related projects.

Additional Transportation Considerations

- Find a fix to the Special Transportation Fund to allow the state to have enough revenue to continue capital investments in our transportation system
- Continued funding for the merger of Middletown Area Transit with the Estuary Transit District. Without state support of this merger, not only will our region's transit riders be impacted, but the state will lose the opportunity to show how transit can be provided in more innovative and regional ways
- Protect funding for the Local Transportation Capital Improvement Program (LOTICIP). LOTICIP allows more efficient use of federal funds on, fewer state assets. Defunding of LOTICIP will create havoc as state projects are delisted from the COG's transportation improvement programs. Potentially increase funding of LOTICIP to keep pace with increasing federal funds that LOTICIP funds were intended to replace.

Infrastructure Improvements

Consider solutions tailored around expanding bike-ped options, Transit Oriented Development (TOD) and improving roads and bridges

- Municipalities and utilities on their own are not providing the infrastructures that are needed for economic growth

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- Support continued investment in local infrastructure by maintaining adequate funding for Town Aid Road, the Local Capital Improvement Program, the Small-Town Economic Assistance Program (STEAP), and other infrastructure programs
- State needs to assist the expansion of public water and sewer, fiber-optic and 5G cellular data, and energy (electric transmission, off-shore wind, solar, and car charging stations)

Universal High-Speed Broadband Internet

Support initiatives that expand high speed internet rollout in underserved communities

The COVID-19 Pandemic has made it clear that high-speed internet needs to be a universal utility, available at every home in the state. By investing in IT infrastructure, we make Connecticut competitive for new residents that can bring their jobs with them. Poor, inadequate, or unavailable internet service from the wired (broadband/fiber) and wireless (5g) providers in many parts of the state has real costs for our economy and quality of life. Universal broadband needs to be available to ensure that business and education can be conducted from home when desired or necessary.

Public Safety

Funding solutions for police body and dash cam storage and additional options for compliance with 2020's Police Accountability legislation

The passing of 2020's AAC Police Accountability included language that mandated that all police officers now wear body cameras. The bill also placed the maintenance of the recorded footage on the municipality without significant direction on how to do this effectively. For many municipalities, the costs incurred for the initial purchase of recording equipment was covered by grants. But for many municipalities the storage and maintenance of recorded footage remains the larger issue.

COG members have expressed concern that there are multiple storage solutions being used with significantly varying costs. The management of this data is causing strain on limited resources. The municipalities would like to inquire on a potential uniform storage solution and request additional resources are dedicated towards managing the saved footage.

Addressing additional unfunded mandates resulting from the legislation should also be considered. This includes the option to allow a municipality to fulfill training accreditation mandates through POST or CALEA. Committees of cognizance would be Judiciary and Appropriations

Deer Lake Scout Camp in Killingworth

Consider a solution for preserving the campgrounds for continued public use

The recent settlement agreement for the Boy Scouts of America has placed significant financial strain on the organization. In February of 2020, they filed for bankruptcy but are still obligated to pay out nearly \$850 million dollars in their settlement agreement. To raise funds, the Boy Scouts of America are looking to sell multiple land assets nationwide. They have identified the Deer Lake Scout Camp in Killingworth as

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one of many potential locations to offload to raise capital. The 255-acre lot has long served as a camping ground for the region and many residents have requested that the property is preserved as open space.

Maintenance of Privately Owned Dams

Support efforts to expand state level programs that offer solutions for managing maintenance of privately owned dams especially those that pose a public safety risk

Many of the region's small dams are located on private property. Because these dams are privately owned, they are generally the responsibility of the property owner for any maintenance and upkeep. If the property owner chooses to neglect required repairs, the risk of dam failure increases, threatening the safety of nearby residents. Municipalities need dams inspected regularly and to be properly maintained. In the case of dam failure, any damages that occur are generally the responsibility of the dam property owner and not the municipality, state, or their employees, but this does not solve the safety issues. COG members have requested to inquire on a potential monetary relief/assistance program for owners of these dams who are unable to manage maintenance responsibilities.

Enable Regionalism

Support policy aimed at expanding approaches to providing regional services

The seventeen member municipalities of RiverCOG support regional services and actively cooperate and participate in a multitude of regional shared services (ex. regional schools and regional health districts). In every instance, the regional services that RiverCOG municipalities share save money, provide quality services, and were created via voluntary municipal action. Imposition of regional services from above could create more problems and increased costs and will lack the local input and buy-in necessary for success. Municipalities must be empowered to work together and take on vested interests that keep them from working together.

There are statutory and contractual impediments to shared and regional services. Enabling legislation that allows municipalities to pursue cheaper ways of providing municipal services is necessary to realize any real savings and movement in this area.

- Allow Specific Changes to Municipal Charters with Regard to Regionalism, Without Opening the Entire Charter Up For Debate
- Avoids local political resistance to opening up the entire charter for debate.
- Devolve Administration of More State Grants to the COGs Along the Lines of LOTCIP
- On many topics, COGs, overseen by CEOs, may be able to more efficiently and effectively program funds than state agencies
- A comprehensive study of state grants and programs would be required to identify the best opportunities
- Exempt regional services from municipal collective bargaining agreements
- Regional shared services that could save municipalities are thwarted by the individual collective bargaining agreements and units in each municipality

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- Statutes that are obstacles to regional and shared services should be eliminated, such as allowing a regional department or contractor to be appointed for various municipal services instead of a specific person.
- Regionalism requires study and a transparent, inclusive, and bottom-up process where Chief Elected Officials and COGs are involved in shaping proposals
- Just because a service is provided regionally does not mean it saves money. Consider using cost benefit analysis in decision making process when implementing any regionalized services mandates

Investigate Implementing a Federal Tax-Deductible Payroll Tax

- Maximizing federal deductions for Connecticut residents and businesses benefits the state economy
- Payroll taxes are deductible for employers
- Employees' gross pay would decline, but net pay could remain the same if the payroll tax replaced state income tax withholdings
- Allow more Connecticut residents to claim their full SALT federal deduction, increasing refunds / lowering federal tax liabilities

2022 RiverCOG Staff Policy Considerations

- COG Planning Region County Equivalency
- Create a pilot program to allow municipalities in the Lower Connecticut River Valley Region to enact a local property transfer fee for municipal conservation
- Increasing total COG Funding
- Safe Disposal of Tires, Gas Cylinders, Smoke Detectors - Product Stewardship Council
- Addressing food insecurity/food systems improvements
- Farm stewardship programs & expansion of mobile markets
- Regional refrigerated trucks and support for regional food insecurity projects
- Address regional homelessness and housing insecurity issues
- Expand regional support for affordable housing development
- Expansion and Support of State GIS Initiatives
- Adjustments to Seasonal Employee Cap on Hourly Wages – Park Management
- Allow Participation in A Regional Shared Service to Fulfill Statute Mandates on Municipalities
- Adoption Of the State Plan of Conservation and Development
- Dead Tree Management
- Adaptive Reuse Potential - Prioritize redevelopment of grey and brownfields where infrastructure, jobs, and transit exist
- Find ways to support buyers to make home ownership affordable
- Approaches should not treat all municipalities as if they have the same needs and the same roles in a larger regional context

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