

SPECIAL COUNCIL MEETING OF THE AGAWAM CITY COUNCIL

November 16, 2011

President Rheault – Good evening ladies and gentlemen. Welcome to the Special Council meeting of November 16, 2011.

Item 1. Roll Call

President Rheault – Barbara, please call the roll.

ROLL CALL – 11 PRESENT, 0 ABSENT

President Rheault – Eleven present, we have a full Council.

Item 2. Moment of Silence and the Pledge of Allegiance

President Rheault – Please rise for a Moment of Silence and the Pledge of Allegiance.

Item 3. TO-2011-41 - Recent Snow Storm Damage Debris Remediation and Removal Emergency Preamble

President Rheault – The Preamble reads as follows:

WHEREAS, The City of Agawam experienced an unprecedented snow storm on October 29, 2011 which caused a great amount of debris and damage; and

WHEREAS, debris remediation and removal are necessary to protect the health and safety of the citizens of the City of Agawam

WHEREAS, in order to promote and protect the health, safety, and welfare of the citizens of the City of Agawam the funds must be appropriated immediately by the City of Agawam and its City Council; and

WHEREAS, it is in the best interest of the City of Agawam for the Agawam City Council to act on TR-2011-59 at its special meeting on November 16, 2011.

NOW THEREFORE, The City Council of the City of Agawam hereby declares pursuant to Section 2-9(b) of the Agawam Home Rule Charter that an emergency exists and hereby approves this Emergency Preamble.

President Rheault – Moved by Councilor Perry, seconded by Councilor Walsh. Any discussion? Seeing I'm hearing none, Barbara, please call the roll to declare the emergency.

ROLL CALL – 10 YES, 1 NO (Councilor Rossi)

President Rheault – Ten yes, one no, you have approved the emergency.

Item 4. TR-2011-59 - A Resolution Authorizing Emergency Spending in Excess of Appropriations Pursuant to M.G.L. Chapter 44, Section 31

President Rheault – And I'll read that into record. Moved by Councilor Perry, seconded by Councilor Magovern.

WHEREAS, The City of Agawam experienced an unprecedented snow storm on October 29, 2011 which caused a great amount of debris and damage; and

WHEREAS, The City Council has declared that an emergency exists; and

WHEREAS, The Department of Public Works Superintendant and Members of FEMA have completed a Preliminary Disaster Assessment of the damages caused by the recent snow storm;

WHEREAS, The Department of Public Works Superintendant has estimated the cubic yardage of storm debris from the recent snow storm at fifty thousand (50,000) cubic yards;

WHEREAS, preliminary cost of disposing of one cubic yard of storm debris is estimated to be thirty one dollars (\$31.00) per cubic yard;

WHEREAS, the estimated cost of storm debris remediation and removal and monitoring is preliminarily estimated to cost two million three hundred and fifty thousand dollars (\$2,350,000.00)

NOW THEREFORE, the Agawam City Council authorizes the Mayor pursuant to M.G.L. Chapter 44, Section 31 to incur liabilities in excess of amounts appropriated for the storm remediation and removal of debris caused by the October 29, 2011 snowstorm.

President Rheault – Open to the floor for debate. Councilor Bitzas?

Councilor Bitzas – I would like to make a move to go into Committee as a Whole to allow the people to explain to us.

President Rheault – All right. Moved by Councilor Bitzas, seconded by Councilor Messick, to go into Committee as a Whole. All those in favor? Opposed? We're into Committee. Questions?

Councilor Bitzas – Yes, this goes to three of them, actually to DPW first. I saw the numbers that \$2,300,000 and something dollars actually the exact number is \$2,350,000.00 total estimated cost, I almost fell over, it's so excessive cost. It is that much? It cost that much for the town \$2,350,000.00 can you, I know I saw the breakdown, but do clean the debris removal is \$1,550,000.00 how possible it can be that high, maybe I'd like an explanation, I believe it but for me it's unbelievable numbers here, can you explain a little bit more?

Chris Golba – Well what we did is we did a PDA which is a Preliminary Disaster Assessment and I did that with FEMA and we rode around the city evaluating how much debris there was accumulated on the roadside. In my opinion their figures were low. I contacted a number of other contractors that routinely do this type of work and they've estimated by going around the town and looking at what's on the ground at 50,000 cubic yards of debris, hopefully this funding will be enough to cover that. Additionally there's a lot of trees with hanging limbs, over wires, over sidewalks, potentially dangerous estimated at 1,000 trees that have hanging limbs. Each tree and it doesn't matter how many limbs are hanging, each tree would cost \$195.00 to remediate. The storm debris monitoring, it's a two-part process where there is a debris removal company and that's the \$1.550 million, they actually do the work, the debris monitoring company actually supervises and tracks and documents how much debris is removed and disposed of and we need these figures when we eventually go to FEMA to get reimbursed for all of these funds so it's kind of a convoluted process but these are the estimates that we came up with and it's pretty much soup to nuts. The company, the debris management company, will go out and they have tandem trailers that hold about 100 cubic yards each so they'll fill those up. We set up Tuckahoe Farms as a staging area, they'll bring the debris to Tuckahoe Farms and at some point probably about a week into the process, they'll bring a grinder up, they'll grind the material and they'll haul it away. The critical issue is monitoring it and they'll have monitors with each truck and they'll have a monitor at Tuckahoe Farms. I did add a contingency because it's very difficult to determine exactly how much debris is on the ground. Part of the detail that Laurel submitted to you, the DPW did expend almost \$30,000 in overtime since this snowstorm in opening up streets to ensure that fire trucks and emergency vehicles had access, fire overtime during the event \$16,000.00; police overtime \$54,000.00 including auxiliary police coming up with a total of the requested funding.

Councilor Bitzas – Okay, the next question is when can, if we approve tonight and people they like to know, how and when will the process will start and who will do the job? Do we have a private contractor already? Why taking so long to start it? Are we starting in two days or one day? Are we to remove all the debris up to Tuckahoe Farm because that would be more costly because of the gas back and forth, why don't you have the companies to come through the streets and do it, the process down there, and have the big chippers that grind the wood and just go down there and do it right there, we don't make a circle out of it, just go straight to the streets, it'd be a lot – can you do that?

Chris Golba – To answer your first question – how long it's taken – I've evaluated a number of companies, contacted them and to determine first of all you have to determine how much debris is on the ground. When I went with FEMA for the original PDA my feeling was they underestimated the amount of debris on the ground and so I contacted two other companies and they evaluated our situation and the third company is the only, the company that we will be using, Ashbrit, is a state licensed contractor as is the monitoring company, O'Brien, so the only option that we have at this point aside from going out to bid which would take another month to complete, would be to go with the state contractor. To answer the second portion of your question, I have the contracts signed by Ashbrit, O'Brien, subject to approval of the funding tonight, we can sign the

contracts tomorrow, they'll be good to go Friday morning. They estimate based on the amount of equipment and resources they have, it'll take two to three weeks to completely clear the city.

Councilor Bitzas – It'll take that long?

Chris Golba – I, let me put it this way, we've been working – the Department of Public Works has been working since the storm, every day almost every day, with our trucks. Our trucks hold eight cubic yards. We have one truck that will hold 24 cubic yards. We've been working since the storm and we've cleared 36 streets and accumulated 7,787 cubic yards of material. Now to put it into perspective the tornado we had 1800 cubic yards of material. They're coming in with tandem trailers, each trailer holds 100 cubic yards of material so to say that it's gonna take three weeks is a long time for 50,000 cubic yards of material, that's pretty quick in my opinion.

Councilor Bitzas – And my last question would be to the other two ladies there, to be about the money. I don't like to see the taxpayers burden that, how much money can we get from the state and from the federal government because that's a big amount of money and I don't see next year, taxes going up. How we can do that and how much money are you expecting to come to us?

Chris Golba – May I answer this? If you'll allow me to address that question, it's a convoluted process. The first thing that has to happen is that the state has to declare an emergency, then the federal government has to declare an emergency which has been done and then that would activate FEMA and then FEMA comes in, does their Preliminary Disaster Assessment (PDA), determines how much debris there is, what it's gonna cost to remove and it includes all of Hampden County. You have to meet a minimum threshold number for cost, once that threshold number is met, then that's when the funding will take place. The funding from FEMA having gone through a number of disasters and filling out the paperwork for FEMA for the tornado, for the hurricane, we had the snow and ice issue earlier this year, they'll reimburse 75%. So whatever the final figure is, if the funding's passed through the federal government, we will receive 75% of what our expenditures are.

Councilor Bitzas – Okay. I will let the other councilors ask the questions. Thank you so much.

President Rheault – Councilor Simpson?

Councilor Simpson – Thank you. A little concern and a question on it with this amount of money, I don't like to be negative but with the way the weather has been lately, we don't know what's gonna happen next, hopefully nothing but will the amount, or could the amount change with the fact that you're saying how long it's gonna take with the massive amount that needs to be done and we have, I mean we've had big snowstorms at Thanksgiving which is a week away. What happens if we God forbid we had that with more issues, can we be looking at an added amount of money if they have to even like

stop for a period of time because there's gonna be snow removal and that I mean is there any contingency built in here if in a week and a half we have you know ten inches of snow on the ground? What happens does there price go up? Are we contracted with them for x amount of time or is it until the job is done? How does that work?

Chris Golba – First of all to answer the first part of your question, I've looked at the ten day forecast and we're anticipating a little bit of snow that will not affect their operation and what was the second question?

Councilor Simpson – Just in case, I mean we look at, I mean as we know that forecast could change three days down the road

Chris Golba – Sure.

Councilor Simpson – None of us can predict it but suppose something happened and it prolonged, like you're saying it might take three weeks to get it done and for some reason it's five, are we contracted with them per the job or the amount of time? How does that work out as far as money? Like if it for some reason they had to stop working or it gets prolonged to five weeks, is this the whole number for the job or is it the amount of time that we're doing, are we contracted by the hours or by the actual whole job?

Chris Golba – We're contracted by the amount of debris that they remove so it doesn't matter how long they take, it's \$31.00 per cubic yard.

Councilor Simpson - Okay.

Chris Golba – And it's in their best interest to do it as quickly and as efficiently as possible.

Councilor Simpson – Okay and I'm actually glad to see that there's a staging area because I happened to come down one road that the DPW was actually trying to clear debris and the whole road was blocked off so I can't imagine what it would be like if you had chippers and for people even trying to get into their house so I think that it's a good idea that they're moving it and my last thing is is when they chip everything is there any way that we can sell the wood chips and make use of that or is that something that it's not even worth getting into afterwards when all the chipping is done?

Chris Golba – It's gonna be a lot of material and the contract, the state contract that Ashbrit has, is for them to remove all the debris.

Councilor Simpson – Okay, that's just part of it, okay.

Chris Golba – Part and parcel, I guess.

Councilor Simpson – And I know it's a huge amount that we're looking at dollar wise but I don't know if anyone's had anyone just come remove debris from your house, it's a

huge amount of money so I mean it's terrible to look at but when you look at the town and you go down some side streets and it's just piled high, the money doesn't totally surprise me for it so thank you for the information.

President Rheault – Councilor Perry?

Councilor Perry – Thank you Mr. President. I know in our budget that we appropriated I didn't have time to look it up, I know it was around \$400,000 or half a million dollars for snow removal and things of that nature. It's not? But we can't use that funding at all to offset these costs? It's storm related, that's why I'm asking. The overtime for the plowing?

Laurel Placzek – When we prepared the estimate, we asked Chris to differentiate between snow removal and debris and we did speak with the DOR and DOR said that debris removal is not snow removal. Because a lot of communities are thinking well we can just overspend the snow account and they advise that we not do that, that we set up a separate account for debris removal. I think that would also make it easier for us to apply for FEMA funding as well.

Councilor Perry – Okay. Now in regards to the cost and I can understand how much it is. Obviously the contractor is gonna want to get paid and I understand and you and I, Chris, have had some conversations on the last bookkeeping you had to do for FEMA and how detailed it had to be so it would be quite some time I'm sure before any reimbursement from the state or federal level would come. The contractors are gonna want to get paid and that's why we're looking at appropriating this money. It's coming from Free Cash? The Free Cash account is what we would pay them out of?

Laurel Placzek – We have sufficient cash flow to pay for the bills but what we don't have is an authorization to spend the money.

Councilor Perry – Cash flow from where?

Laurel Placzek – Cash flow from real estate, real estate is collecting on a quarterly basis, I do have cash on hand.

Councilor Perry – So you wouldn't be taking \$2,350,000 out of Free Cash and then replacing it when we get reimbursed?

Laurel Placzek – Well it would be out of available cash that we have at the bank. It's not out of our Free Cash Account.

Councilor Perry – Okay and if we don't get reimbursed?

Laurel Placzek – If we don't get reimbursed, because what we're asking you to do is to allow us to spend at a deficit –

Councilor Perry – But you're not telling us where that money is coming from I mean that's the point I'm trying to make.

Laurel Placzek – At the end of the year, if there's no reimbursement, our options at the end of the year would be to close any excess revenues that we receive, any unspent appropriations against the deficit which we did last year for the sewer main break. If in the end there's still money that is overspent, it can come from Free Cash, you can vote to borrow it and re-pay it over ten years or you can vote to raise it on next year's tax rate. Those are the options given me by DOR this week because originally I thought we needed to come to you for a Free Cash appropriation and DOR said no.

Councilor Perry – Wouldn't it be better to do that?

Laurel Placzek – Pardon me?

Councilor Perry – Wouldn't it be better and more accountability to do that – to take it out of Free Cash? I mean from my standpoint sitting here as a City Councilor, it's like well we're just gonna take the money from here, there and everywhere and you know I understand you have cash flow coming in from real estate taxes and the water, I mean not the water and sewer, that's a separate account, but I mean you have cash coming in, a cash flow coming in. I'm just trying to understand where the accountability is gonna be from my standpoint, if we take it out of here, we get reimbursed, we vote to place it back in there at the 75% level if we get reimbursed there and I have the accountability right in front of me. How are you gonna control that where it's coming from and how are we going to know?

Laurel Placzek – Cheryl will set up an account where all of these charges will be charged, if you authorize this, any FEMA reimbursement would come in in a revenue account for FEMA reimbursements, the next of the two would be the 25% that we would have to fund as a community.

Councilor Perry – And that 25% you would come back to us and ask – because obviously all the tax dollars, Laurel, are accountable in regards to where it goes into the budget so if we take 25% of \$2.3 million, it's a lot of money.

Laurel Placzek – Absolutely.

Councilor Perry – But you're gonna have to come back to us and ask to put that back into those accounts from somewhere and that's why I'm saying from my standpoint I would prefer to see it come out of Free Cash. It's cut and dry and we go from there. Do you understand where I'm coming from, I mean?

Laurel Placzek – I do.

Councilor Perry – Okay.

Laurel Placzek – I do, I mean if you want to amend this and appropriate it from Free Cash, you could do so, I am talking to Standard and Poors tomorrow and I hate to tell them that you did that.

Councilor Perry – I'm just throwing that out there. It's up to the Full Council, it's up to the Full Council, Laurel, I'm just, coming from where I stand from on the money itself because I know, I emailed Cheryl and we've got \$5,647,694 in Free Cash right now. I understand that we use from one million and a half to two to balance the budget every year. In 2010, the overlay that went into Free Cash, the excess that was not spent in 2010's budget was almost a million and a half dollars that we put back in. In 2011, it was \$1,537,000 which I don't think goes in until the following year because we have to hold it for a year.

Laurel Placzek – Well, it goes in at the end of the year. What it is is the next of your revenues and expenditures basically is what goes in at the end of the year.

Councilor Perry – But 2011's can't go in until 2013, is the way I've always understood it.

Laurel Placzek – Well it goes in on June 30th and it has to be certified before you vote it. I mean we have our fiscal 11 Free Cash available now, that's that \$5million.

Councilor Perry – We do, that's part of the five million so basically we're gonna cut that in half and if we get 75% reimbursement back it's a done deal and we spent 25% of the \$2,350,000 out of that account. I mean to me it's a lot more simpler than what I'm hearing right now. So I'll go from there and let the other councilors ask questions. Thank you.

President Rheault – Next in line is Councilor Magovern.

Councilor Magovern – It's been going on so long I almost forgot my question. There's been a lot of questions asked, what I wanted to, I think the question was answered but basically on the theme of that covers all the police and everything else that's on that \$2,300,000 figure, that's what FEMA is paying back or is it just strictly the picking up of the debris, does it also cover the police and fire emergency?

Chris Golba – Within the contract with Ashbrit, they're responsible for police duties, any mains that have to be cleared, they're responsible for officers.

Councilor Magovern – No my question is of the \$2,350,000 that's here, the police overtime of \$51,000 which I presume has already been spent, is that a projected figure or is that the actual number that has been spent up until this date?

Laurel Placzek – That's the overtime that was spent on the storm.

Councilor Magovern – Okay, is that \$51,000 covered under the FEMA reimbursement?

Chris Golba – That would not be, no.

Councilor Magovern – Well, wait a minute, one shook her head yes –

Chris Golba – Well, yes it would be, during the last three emergencies or declarations that we've had, the storm & ice, the tornado, and the hurricane, the Fire & Police did submit a requisition for reimbursement for their overtime so this would be eligible for reimbursement, yes.

Councilor Magovern – Okay, so of the \$2,350,000 the FEMA covers 75% of that figure and my next question is and in carrying on with what Councilor Simpson asked the question is that if we get a major snow storm before it's finished and that major snow storm causes more damage such as trees that already have hanging limbs coming down and creating more problems where we're gonna have more debris and more expense but subject to these problems that we already have existing, will that also be included into the expense so that we can get that back from FEMA too or do you have to go through a whole new process of coming up with figures? I mean is that still part of the same emergency is my question.

Chris Golba – It would not be part of the same emergency but this was such an unusual event. We had twelve inches of very heavy wet snow. The leaves were still on the trees. If this storm had happened a month later, it would be a non-issue. You'd have a few trees down, a few branches but with the leaves still on the tree, it just devastated the town.

Councilor Magovern – Yeah, I mean that I understand but I mean if we get another snow storm with wind and there's a lot of trees that have hanging limbs which were created by this storm that have not been able to get resolved at this point, if they come down and create more damage and there's a significant amount of clean up Is that also which is more than the \$2 million, is that going to be covered? That was the question.

Chris Golba – The hanging limbs are part of the contract so one of the first things that they'll do within the next week or so would be to actually they're gonna have, they're bringing in five bucket trucks, which would be the trucks that would have the guy with a chain saw up in the air cutting all those hangers, that's the first part, and then they're bringing in ten self-loaders at a hundred cubic yards each so again looking at the projection, the weather projection for the next couple of weeks, we don't anticipate any large storm but that could change but the first part of the process would be the bucket trucks going out, getting the hangers down, public health, public safety, the other trucks following behind clearing the debris and getting it up to Tuckahoe.

Councilor Magovern – Okay, but just one last thing. If for some reason, you've underestimated the amount of cubic damage or cubic pick up here and it comes to \$2 ½ million instead of \$2.3 million, do we get the \$2 ½ million resolved or are these numbers cast in stone where submitting FEMA requests for \$2.3 million?

Chris Golba – It's a best, the 50,000 cubic yards is a best estimate. Again I went around with –

Councilor Magovern – But if it goes over that number?

Chris Golba – Then we'll have to come back and get some more money.

Councilor Magovern – No, but what I'm saying is will it be covered under FEMA, that is the question.

Chris Golba – Will FEMA reimburse? Yes.

Councilor Magovern – Okay, thank you.

President Rheault – Councilor Messick?

Councilor Messick – FEMA will reimburse only if we go through this process with a monitoring and the, we have to follow that process in order to get reimbursed?

Chris Golba –Correct.

Councilor Messick – Okay. And you had mentioned there is a threshold, what is that threshold?

Chris Golba –I honestly don't know because it is for the whole county. I tried to get a hold of FEMA or MEMA today but nobody was around – much to my surprise.

Councilor Messick – All right. And the debris that's out at Tuckahoe, can they take the other stuff away that was out there while they're there?

Chris Golba –All the debris when I met with officials from FEMA we did go to Tuckahoe to show our staging area. They measured the material that we've collected. That is eligible, yes.

Councilor Messick – Okay, so all of it can be taken away.

Chris Golba –Yes.

Councilor Messick – Good. That's it.

Chris Golba –It's a mountain, I mean even the 7,000 cubic feet that we've acquired through our work – it's a mountain and I guess the only way to look at it is one cubic yard of material equates to think of a sani-can, that dimension, that's one cubic yard. So think of 50,000 of those piled up is what we have on the ground throughout the city.

Councilor Messick – And we're keeping it out of the wetlands, right?

Chris Golba –Absolutely.

Councilor Messick – Okay.

Chris Golba –Now, the site's been approved, fortunately there's a taper to the ground itself so the water run-off if it does rain is not flowing into any wetlands.

Councilor Messick – Good, thank you.

President Rheault – Councilor Letellier?

Councilor Letellier – Yes, thanks Chris for coming tonight and also to Cheryl and to Laurel. I have a couple questions. On the trees that the limbs are gonna be removed, are these trees on town property or if a private resident has a tree limb that hasn't been fixed yet, is that included in the thousand estimated tree limbs to be cut?

Chris Golba – Just town property.

Councilor Letellier – Just town property okay so people are still responsible for their own limbs.

Chris Golba – Yeah.

Councilor Letellier – I just wanted to make sure, okay.

Chris Golba – Yeah, it's just public, the funds are just reimbursed for public expenditures.

Councilor Letellier – That's what I thought but I thought I would ask. I want to get back to something that Dennis talked to Laurel about but also this email that we got from Cheryl that says "we have not received any official notice from FEMA regarding federal disaster reimbursement". Is this part of a normal time table thing or they're still waiting to assess the whole county? What do any of you know about that?

Chris Golba – The way it works is again Governor Patrick declares an emergency –

Councilor Letellier – Right, then President Obama declared an emergency.

Chris Golba – President Obama declares an emergency at which point FEMA's activated. They come in and do a Preliminary Disaster Assessment determining how much debris is on the ground, how much it's gonna cost to remove it. Once they determine that, they compare it to the threshold for the county and that's when it goes back to Washington, they declare it a payable emergency and free up funds for reimbursement.

Councilor Letellier – So even though it's been declared a federal disaster area, federal emergency area, I'm sorry, we actually don't get the money until the county meets a certain threshold?

Chris Golba – Once FEMA determines how much damage there is and it exceeds the threshold, that's when the federal funds come in.

Councilor Letellier – So they can declare an emergency but not actually give us any money?

Chris Golba – Correct.

Councilor Letellier – Okay, I just think the public should know that.

Chris Golba – Yeah, well it's been declared a disaster but declaring a disaster and the funding are two different issues.

Councilor Letellier – So the disaster and emergency declaration are separate from the funding? That's what you just said to Laurel.

Chris Golba – Part and parcel but separate, yes.

Councilor Letellier – Okay. And I want to get back to what Dennis was talking with you, Laurel, about Free Cash versus cash flow? I mean we've budgeted the cash flow estimates to pay for payroll and whatever else and so I don't know how we can cough up \$2.4 million dollars out of Free Cash and yet still pay all our other obligations?

Laurel Placzek – Well we have \$5.6, \$5.8 million in Free Cash so that's cash.

Councilor Letellier – Right.

Laurel Placzek – We've collected half of our levy for next year so that's about \$20 million. We've collected about half of our state local aid so we have cash flow.

Councilor Letellier – I understand the concept of cash flow but isn't that money already budgeted to go towards other things like school and town and you know?

Laurel Placzek – All of it isn't budgeted I mean we have available funds that were not budgeted. We didn't budget all of our Free Cash or all of our fund balance so we still have a residual amount of funds available.

Councilor Letellier – 2.4 million dollars in residual funds?

Laurel Placzek – \$5.8 million.

Councilor Letellier – In Free Cash.

Laurel Placzek – In unreserved, unappropriated funds which is Free Cash.

Councilor Letellier – Right but how does that differ from your saying we can pay the bills as they come in through cash flow because I'm kind of on Dennis' side where I would just like to see one entry, each entry in and out of Free Cash versus we're taking money out of this account, we're taking money out of that account.

Laurel Placzek – No, we're not asking you to do that. We're asking you to approve an appropriation in excess so there will be one fund, one account –

Councilor Letellier – I understand that.

Laurel Placzek – That will be where all of the charges are charged –

Councilor Letellier – Right but –

Laurel Placzek – At the end of the fiscal year, with last year we spent \$138,000 on a sewer break. At the end of the year, we were able to cover that amount with other receipts. For example, last year I collected \$468,000.00 of tax title receipts which were not budgeted.

Councilor Letellier – Right but that's not as much as \$2.4 million.

Laurel Placzek – No it isn't and I don't anticipate that if we do not get the FEMA money that we would ever be able to cover \$ 2 ½ million other than a Free Cash appropriation. My concern is I went to DOR and said we appropriate Free Cash and they said no you should not. You should wait and see during the year whether you have other receipts and FEMA money come in and then do so. I have a telephone presentation with Standard and Poor's very timely at 1:00 tomorrow to obtain a debt rating for the refunding that you authorized a month or so ago. One of their main questions is what have you done since the budget's been passed, have you appropriated Free Cash – I would like to tell them that you authorized \$2 ½ million of emergency spending of which we're hoping to get some reimbursement from FEMA rather than say yeah, well we appropriated half of our Free Cash.

Councilor Letellier – Right but we don't get the reimbursements until after we've paid; I guess I'm trying to mathematically figure out how can we afford to pay out \$2.4 million and then wait for FEMA to give us \$1.8 million because that's basically what 75% is? So I understand the cash flow. I understand we have excess revenues sometimes over what we've anticipated. I understand all of that but I –

Laurel Placzek – And when we did the budget, July 1st, those appropriations are for the entire year.

Councilor Letellier – The entire year – but the payroll you already have to spend half of, I just don't see where we would have that much money available, I understand how it works accounting wise, I just don't see how we're gonna have \$2.4 million available to use until we get the \$1.8 million reimbursement. I mean if you're saying don't spend it out of Free Cash then I guess come budget time next year, the question's gonna be well if we had all this "extra" money to pay \$2.4 million in bills or all this unallocated is that a more accurate word, unallocated money to pay bills with, I just, I'm not telling you how to run the bank because you have more training than I do in this, I guess I'm just questioning how or where this \$2.4 million?

Laurel Placzek – Well we do have \$5.8 million in our savings, let's call it our savings account, the Free Cash, that's not attributed to any payroll item or any appropriation that currently exists.

Councilor Letellier – Oh, I understand that.

Laurel Placzek – So I mean \$5.8 million is more than \$2.5 million so we do have some cash available. I mean I have, my quarterly cash account for the end of September was \$30 million or I can tell you what it was –

Councilor Letellier – But isn't that already allocated under the budget to go to specific –

Laurel Placzek – But in terms of cash flow, we don't pay everybody July 1st for the whole year.

Councilor Letellier – Oh, I understand that. Oh I understand that. I understand that. I think –

Laurel Placzek – I'm sorry maybe Cheryl could explain it better.

Councilor Letellier – I understand where you're coming from. I just question why we would have that much unallocated money or that much and there's also a period of time before we're gonna get the FEMA reimbursement I would assume, months probably.

Laurel Placzek – Oh, I would imagine we probably wouldn't get it until April.

Councilor Letellier – Right. Okay, I've asked enough questions.

President Rheault – Councilor Rossi?

Councilor Rossi – Thank you. Maybe I understood what you are saying, let me just try and go over it a little bit. I think what you're saying is the money that you have available in your cash flow that we don't spend right away or I understand the concept that not all of our budget appropriations go out all at once and they go out over a period of time but I think what you are saying is that should this FEMA money not become available then at some place down the road we're gonna be faced with some very difficult options and one

is take it out of Free Cash – the \$5.8 million plus – or we're gonna have to go back and expand the levy for next year which would mean it would fall onto the tax rolls for the following year. Am I not correct with that?

Laurel Placzek – Well, Councilor, you have three option at the end of the year as explained to me by the DOR because there was a disaster and an emergency declared, we would be allowed to borrow so that if it were a \$2 ½ million expense we could borrow it over a period of years. The other option is to take the whole thing to Free Cash and the third option is to raise or any combination of the three to raise it on the tax levy.

Councilor Rossi – Correct.

Laurel Placzek – That's correct.

Councilor Rossi – So I guess my real problem is whether or not we want to make that appropriation based on ropes of sand I guess if you want to call it because we haven't actually been guaranteed any money from the state.

Laurel Placzek – No we haven't.

Councilor Rossi – And probably we're not gonna get any. I don't know what the criteria is to be qualified but I would think somewhere along the line because this storm has since passed a couple of weeks, that maybe somebody should have some idea as to whether or not we qualify before we go out and start spending money or getting estimates for clean up and the other question I want to direct over to Chris is are we, if we go ahead and appropriate this money and actually do the clean up, will FEMA at some where down the road come back and reimburse us for the money that we expended or is it part of their procedures that they're the ones that actually go out and do the hiring and do the clean up?

Chris Golba – We're responsible, to answer the second part of your question, we're responsible to do the clean up. We have to pay up front and then when we meet the threshold, that's when the federal funds kick in and we're reimbursed.

Councilor Rossi – So just for example New Orleans all of those people down there when they had those problems, they come up with the money up front, the City of New Orleans come up with the money and then they were reimbursed by the federal government, is that how it worked down there?

Chris Golba – Yes.

Councilor Rossi – Really? I didn't know that. Okay now the other question I asked you is we've just declared or the Council just said that they considered it to be an emergency this meeting here. I don't know if I quite see it as an emergency. I know that all of the limbs have been removed from the trees, everything has been brought back out of the roadways, all the hazardous conditions have been met or cleaned up, I don't know if I

actually would call what we have left an emergency preamble in that I think that the point of this whole thing is why can't the DPW peck away at this thing and maybe rent the necessary equipment that would be appropriate to do this job even if it took a week or two longer, I mean what would be the harm in that?

Chris Golba – First of all we don't have sufficient personnel. We have other projects that we have to complete before the winter snows fly. In terms of public safety, if we don't remove the debris and we start plowing it's gonna be a nightmare. It's gonna definitely affect public safety.

Councilor Rossi – So what you're saying is you don't have the manpower or equipment to remove this stuff?

Chris Golba – That's correct.

Councilor Rossi – So we have to hire somebody to do the work outside.

Chris Golba – That's correct. Because of the massive amount of material. Again we've worked since the storm started every day just on debris removal, we've completed I think 36 streets compiled 7,700 cubic yards of material in two weeks and there's 50,000 cubic yards of material out there. There's no way we're gonna even put a dent in it before the snow flies and if you drive along the streets people are piling it six, eight feet high, 20 to 30 feet long, you start getting snow storms like last year where you couldn't even see over the end of your driveway and you're piling snow on top of the brush, it's gonna cause public safety issues. I guarantee it.

Councilor Rossi – And because we didn't go out to bid, we considered this to be an emergency situation as to why you didn't bring this out to bid?

Chris Golba – We have a time limit here. To go out to bid, I did contact the Department of Revenue, for this amount of money, you have to solicit bids, you have to advertise, central register, have an open bid, compile the bids and that would take at least two to three weeks to do, even at an accelerated pace which they would allow, it still has to go out to a formal bid.

Councilor Rossi – Well, why haven't we done that? I mean maybe we could get this done at considerable savings as to what we have here. Why haven't we done that?

Chris Golba – Well if you want to wait until next spring to remove the debris.

Councilor Rossi – Well you just said a couple of weeks Chris you didn't say next spring, you just said a couple of weeks it would take.

Chris Golba – In a couple of weeks we may have a huge snow storm. There's a state contractor-

Councilor Rossi – Well, well maybe let's attack this in a different direction. If the state, if the law requires us to go out to bid and we haven't gone out to bid, what justification can we give for not following state mandate?

Chris Golba – We are because the contractors that we're using are the official state contract bidders. You don't have to go out to bid because they are approved by the state now.

Councilor Rossi – Well, I guess if we're legal I guess we're legal. And the other question I have here is you said that we've already got expenditures here or previous expenditures like police overtime, fire overtime and DPW overtime, those all have been expended already? That are included in this bill?

Chris Golba – Correct.

Councilor Rossi – Why aren't they coming out of their account that was just appropriated?

Chris Golba – They did come out of those accounts.

Councilor Rossi – So why are we asking to reimburse those accounts?

Chris Golba – So that we won't over expend our snow and ice account.

Councilor Rossi – Well if we over expend, why can't we come back, if we have to over expend? Why do we have to pay these now, why do we have to put these back in at this point in time?

Laurel Placzek – Those figures are on there in terms of figuring what the FEMA reimbursement could be, those amounts have already been charged to the existing appropriations.

Councilor Rossi – But they're not included in the \$2.3 million that you're asking for?

Laurel Placzek – They are.

Councilor Rossi – You're asking for it tonight, right?

Laurel Placzek – I'm sorry?

Councilor Rossi – You're asking for the \$2.3 million –

Laurel Placzek – I'm asking for authorization to spend in excess of appropriations. I'm providing you with an estimate of what I believe that to be.

Councilor Rossi – So you're up to, any number up to?

Laurel Placzek – Mhmm.

Councilor Rossi – Okay, I'll defer so.

President Rheault – For the first time, Councilor Walsh?

Councilor Walsh – Yes, just in putting the math together on some of this I think if our town employees were to continue at their present rate, we'd be looking at fifteen more weeks of clean up which I don't think is acceptable but I think when it comes to the emergency aspect, every time I come to a street corner, I'm trying to peer around I think there's a tremendous safety aspect with everybody in town so I think we have to clean it up, the sooner the better, and whether we get reimbursed \$1,750,000 or we get \$0 we've still got to clean it up. We can't let it sit there so I think we're talking a lot of semantics and I'm not sure that it's productive.

President Rheault – Councilor Perry you were next did you have a – no? Okay, Councilor Magovern?

Councilor Magovern – The way that you presented to this to be voted on this evening was the way that was recommended by the DOR if I understand what you've said correctly, correct?

Laurel Placzek – Yes.

Councilor Magovern – And your conversation tomorrow with the bonding agency, it would be to our benefit to pass it the way that it's been presented otherwise if we take the money out of Free Cash, it could adversely affect our bond rating. Is that also correct?

Laurel Placzek – I believe so.

Councilor Magovern – Okay I just wanted that clarified that I understood what you said properly and I think that this is an emergency. I think that coming out of my street you gotta get halfway out into Elm Street in order to see the cars coming so I say we move out of this as fast as we can, the same as Springfield has with those tandem trucks and I thank the DPW for what they've done up to this point but I don't see how we can continue with the DPW doing the work. We've got to get this done ASAP. Thank you.

President Rheault – Councilor Perry?

Councilor Perry – I was gonna make a motion to come out of Committee as a Whole.

Councilor Simpson – That's what I was gonna do.

Councilor Perry – Okay, I'll make the motion.

Councilor Simpson – And I'll second it.

President Rheault – Councilor Perry moves, seconded by Councilor Simpson to come out of Committee as a Whole. All those in favor? Opposed? We're now out of committee. Any further discussion? If not, Barbara, please call the roll?

ROLL CALL – 11 YES, 0 NO

President Rheault – Eleven yes, you have approved the emergency and the resolution and next item is to move to adjourn. Moved by the Council to adjourn, seconded by the Council to adjourn. All those in favor? Opposed? We are now adjourned. Thank you and good evening.

Chris Golba – Mr. President? Mr. President?

President Rheault – Okay, Chris, I'm sorry or Laurel?

Laurel Placzek – I'm sorry I thought you just voted to come out of committee as a whole?

President Rheault – You are right.

Councilor Letellier – I usually catch that.

Council Clerk – We did a voice vote to come out of Committee as a Whole.

Councilor Letellier – We did a voice vote to come out of Committee as a Whole?

Laurel Placzek – Oh, so you did vote?

Councilor Magovern – Yes, like Barbara said, we did a voice vote to come out.

President Rheault – Hey, I'll run the chair up here. Come on. Thank you.

Item 5. *Adjournment*